

CASE

NUMBER:

99-172



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 99-172
ANNOX, INC.

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on July 14, 1999.

Parties of Record:

Dominick W. Marchitto
Executive Vice President
Annox, Inc.
6509 Highway 41 A
Pleasant View, TN. 37164

Katherine Mauldin Hunter
Attorney for Annox, Inc.
2251 Perimeter Park Drive
Atlanta, GA. 30341

Leo Welch
President - Wholesale
IXC Communications Services, Inc.
1122 Capital of Texas Highway, South
Austin, TX. 78746 1050

Stephan Bell

Secretary of the Commission

SB
Enclosure

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPROVAL OF THE RESALE)
AGREEMENT NEGOTIATED BY IXC)
COMMUNICATIONS SERVICES, INC.)
AND ANNOX, INC. PURSUANT TO) CASE NO. 99-172
SECTIONS 251 AND 252 OF THE)
TELECOMMUNICATIONS ACT OF 1996)

O R D E R

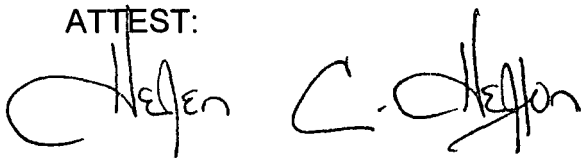
On April 23, 1999, IXC Communications Services, Inc. ("IXC") and Annox, Inc. ("Annox") submitted to the Commission their negotiated agreement for resale of IXC's services to end-users. However, on June 3, 1999, Annox requested that the Commission withdraw the agreement from consideration.

The agreement between IXC and Annox having been withdrawn, IT IS THEREFORE ORDERED that this case is closed and removed from the Commission's docket.

Done at Frankfort, Kentucky, this 14th day of July, 1999.

By the Commission

ATTEST:



Executive Director

INDEX FOR CASE: 99-172

ANNOX, INC.

Interconnection Agreements

WITH IXC COMMUNICATIONS SERVICES, INC.

IN THE MATTER OF THE PETITION FOR APPROVAL OF MASTER SERVICE
AGREEMENT BETWEEN IXC COMMUNICATIONS SERVICES, INC. AND
ANNOX, INC.

SEQ NBR	ENTRY DATE	REMARKS
0001	04/23/99	Application.
0002	04/27/99	Acknowledgement letter.
M0001	06/03/99	KATHERINE HUNTER ANNOX-REQUEST TO WITHDRAW PETITION FOR RESALE AGREEMENT
0003	07/14/99	Order granting 6/3/99 withdraw and closing case.

Dominick W. Marchitto
Executive Vice President
Annox, Inc.
6509 Highway 41 A
Pleasant View, TN. 37164

Katherine Mauldin Hunter
Attorney for Annox, Inc.
2251 Perimeter Park Drive
Atlanta, GA. 30341

Leo Welch
President - Wholesale
IXC Communications Services, Inc.
1122 Capital of Texas Highway, South
Austin, TX. 78746 1050

KATHERINE MAULDIN HUNTER

Attorney at Law

2251 Perimeter Pk. Dr.
Atlanta, GA 30341

Tel: 770-451-8319 Fax: 770-451-5096
Email: K.Hunter@gte.net

May 24, 1999

Secretary of the Commission
Kentucky Public Service Commission
Post Office Box 615
Frankfort, KY 40602

RECEIVED
JUN 03 1999
PUBLIC SERVICE
COMMISSION

Re: Case No. 99-172

Dear Secretary of the Commission:

Please withdraw the petition by Annox, Inc. for approval of resale agreement with IXC Communications Services, Inc., which was received on April 26, 1999 and assigned the above-referenced case number. Thank you.

Sincerely,



Katherine Mauldin Hunter
Attorney for Annox, Inc.



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

May 19, 1999

To: All parties of record

RE: Case No. 98-172

We enclose one attested copy of the Commission's Order in
the above case.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

SB/sh
Enclosure

Mary Gregory
Secretary/Treasurer
Hima-Sibert Water District
Route #4, Box 60
Manchester, KY 40962

Wanda Martin
Center Services, Inc.
6200 Crestwood Station
Crestwood, KY 40014

Hon. Gregory E. Watson
Attorney at Law
2000 Waterfront Plaza
325 West Main Street
Louisville, KY 40202

Hon. John T. Aubrey
Attorney for Hima-Sibert Water Dist.
303 Main Street
Manchester, KY 40962

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CENTER SERVICES INCORPORATED)

COMPLAINANT)

v.)

HIMA-SIBERT WATER DISTRICT)

DEFENDANT)

CASE NO. 98-172

O R D E R

On May 18, 1999, counsel for Hima-Sibert Water District, John Aubrey, requested that the Commission reschedule the informal conference to be held on May 24, 1999. Mr. Aubrey advised the Commission that he was unavailable to attend the May 24 conference.

The Commission, after considering the request and being otherwise sufficiently advised, finds that the informal conference should be rescheduled.

IT IS THEREFORE ORDERED that the informal conference scheduled to be held on May 24, 1999 is rescheduled to June 7, 1999, at 10:00 a.m., Eastern Daylight Time, in Conference Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky.

Done at Frankfort, Kentucky, this 19th day of May, 1999.

ATTEST:

By the Commission


Executive Director



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

April 27, 1999

Dominick W. Marchitto
Executive Vice President
Annox, Inc.
6509 Highway 41 A
Pleasant View, TN. 37164

Katherine Mauldin Hunter
Attorney for Annox, Inc.
2251 Perimeter Park Drive
Atlanta, GA. 30341

Leo Welch
President - Wholesale
IXC Communications Services, Inc.
1122 Capital of Texas Highway, South
Austin, TX. 78746 1050

RE: Case No. 99-172
ANNOX, INC.

(Interconnection Agreements) WITH IXC COMMUNICATIONS SERVICES, INC.

This letter is to acknowledge receipt of initial application in the above case. The application was date-stamped received April 23, 1999 and has been assigned Case No. 99-172. In all future correspondence or filings in connection with this case, please reference the above case number.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

Stephanie Bell
Secretary of the Commission

SB/jc

BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

In re: Petition for approval of Master Service)
Agreement between IXC Communications)
Services, Inc. and Annox, Inc.)

Docket No. 99-172

FILED
APR 23 1999
PUBLIC SERVICE
COMMISSION

**PETITION OF ANNOX, INC.
FOR APPROVAL OF MASTER SERVICE AGREEMENT WITH
IXC COMMUNICATIONS SERVICES, INC.**

COMES NOW Annox, Inc. and respectfully petitions the Kentucky Public Service Commission for approval of a Master Service Agreement which Annox, Inc. has entered into with IXC Communications Services, Inc. In support of this petition, Annox, Inc. states:

1. The Telecommunications Act of 1996 requires that any interconnection agreement adopted by negotiation or arbitration shall be submitted for approval to the State commission." *Telecommunications Act of 1996, §252(e)*.
2. Under the *Telecommunications Act*, interconnection/resale agreements can be rejected by the state commission only if the commission finds that the agreement (or any portion thereof) discriminates against a telecommunications carrier not a party to the agreement or if the implementation of that agreement is not consistent with the public interest, convenience and necessity.
3. The agreement with IXC Communications Services, Inc. (attached) does not discriminate against other similarly situated carriers and is also consistent with the public interest, convenience and necessity. As such, Annox, Inc. seeks approval of the agreement from the Commission as required by the federal statute noted above.

WHEREFORE, Annox, Inc. respectfully requests that the Commission approve the attached Master Service Agreement and that Annox, Inc. be granted all other relief proper under the circumstances.

Respectfully submitted on February 26, 1999.

By: *Katherine Mauldin Hunter*
Katherine Mauldin Hunter
2251 Perimeter Park Dr.
Atlanta, Georgia 30341
Telephone No. 770-451-8319
Email: k.hunter@gte.net

Attorney for Annox, Inc.



IXC
MASTER SERVICE AGREEMENT

PUBLIC SERVICE
COMMISSION
APR 2 1997

This Agreement for telecommunications services is made and entered into by and between IXC Communications Services, Inc., a Delaware corporation with its principal place of business at 1122 Capital of Texas Hwy. South, Austin, Texas 78746 ("Supplier"), and Annox, Inc., a Georgia corporation with its principal place of business at 6509 Highway 41A, Pleasant View, Tennessee 37146 ("Customer").

WHEREAS, Customer desires to obtain telecommunications services as described below (the "Service") from Supplier, and Supplier is willing to provide the Service for the rates attached hereto.

For purposes of this Agreement, the Effective Date shall mean the first day of the next IXC billing cycle after the date of last execution below (the "Effective Date").

NOW, THEREFORE, Customer and Supplier hereby mutually agree as follows:

CREDIT REQUIREMENTS: Letter of Credit. Customer's existing Letter of Credit in the amount of \$25,000.00 which was provided under the Telecommunications Service Agreement dated November 07, 1996 shall remain in place for Services provided by Supplier under this Agreement. At such time as Customer's monthly usage charges exceed \$25,000.00 Supplier shall require Customer to increase the Letter of Credit to \$50,000.00. ("Letter of Credit"), as security for the full and faithful performance of Customer of the terms, conditions and covenants of this Agreement. If at any time during the term of the Agreement, Customer defaults in the payment of any Usage Charges, or any other amounts payable by Customer to Supplier hereunder, then Supplier may appropriate and apply any portion of the Letter of Credit reasonably necessary to remedy any such default. If during the term of the Agreement, Supplier so applies all or any portion of the Letter of Credit, then Customer shall restore the amount of the Letter of Credit so applied by Supplier on or before the next due payment of Usage Charges under this Agreement. If, however, invoices for Services during any month provided by Supplier exceed one half of the Letter of Credit, at the request of Supplier, Customer shall within five (5) days (i) provide an additional Letter of Credit and/or a cash deposit; or (ii) other form of security satisfactory to Supplier which in either case, shall be in an amount equal to the amount by which the invoice for such month exceeds one-half of the amount of the Letter of Credit held by Supplier.

Release of Letter of Credit. Notwithstanding anything to the contrary herein at any time during the term of the Agreement, Supplier shall release the Letter of Credit to Customer, in consideration of Customer's undertaking of any of the following actions: (i) obtaining for the benefit of Supplier a cash deposit securing the prompt payment, when due, of the estimated Usage Charges and other amounts due and payable by Customer to Supplier hereunder during any given two-month period; (ii) (a) granting to Supplier a continuing, floating, first priority security interest and lien in and to the Collateral (as defined below) on the terms and subject to the conditions of a security agreement in form and substance reasonably satisfactory to Supplier; and (iii) directing all of Customer's End-Users to deposit any money owed by such End-Users to Customer directly into a lockbox account at Supplier's bank for the benefit of Supplier, and authorize Supplier's bank to make automatic clearing house fund transfers from such lockbox account to the account of Supplier in amounts initially agreed to by Customer and Supplier, on the terms and subject to the conditions of an escrow agreement in form and substance reasonably satisfactory to Supplier.

SERVICE, TERM AND RATES: Supplier agrees to provide and Customer agrees to purchase Service(s) indicated below. This agreement, including any terms and conditions, addenda, schedules, supplements or exhibits which are attached hereto and incorporated herein, constitutes the entire agreement (the "Agreement") by Supplier and Customer pertaining to the subject matter(s) hereof and supersedes all prior and contemporaneous agreements and understandings in connection herewith. -

Service Type:

Switched Service:

- Exclusive
- Xnet LATA
- Xnet LEx

Private Line Service:

- Digital
- Optical

Broadband Service:

- ATM
- Frame Relay
- Network Management Services
- Training

Customer Interface:

- Rack Space & Power
- Shelf Space
- Collocation

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date last written below.

IXC Communications Services, Inc.

By: Leo Welch
Name: LEO WELSH
Title: PRES - WHOLESALÉ
Date: 12/8/98

Full Business Address:
1122 Capital of Texas Hwy. South
Austin, Texas 78746-1050
Telephone: 512-427-3700
Facsimile: 512-328-7902

Annox, Inc.

By: Dominick W. Marchitto
Name: Dominick W. Marchitto
Title: Executive Vice Pres
Date: 12/3/98

Full Business Address:
6509 Highway 41 A
Pleasant View, Tennessee 37146
Telephone: 615-746-8930
Facsimile: 615-746-3409
Billing Contact: Mark Linder
Telephone: 615-746-8927

i/share/legal/msa/annox

Master Service Agreement Terms & Conditions

1. **Credit.** All Services ordered hereunder are subject to credit approval. Customer shall complete a credit application form attached hereto as Exhibit A.
2. **Provision of Balance Sheet.** Prior to commencement of Service, Customer shall provide Supplier with financial statements including a consolidated balance sheet of Customer as of the end of the most recent quarter and consolidated statements of income and retained earnings of such quarter and the fiscal year to date through such quarter, all in reasonable detail and certified by Customer's chief financial officer as having been prepared in accordance with generally accepted accounting principles, consistently applied. Customer shall provide updated financial statements as reasonably requested by Supplier.
3. **Payment Terms.** Invoices for Service are due and payable within thirty (30) days from the Invoice Receipt Date (unless otherwise indicated in the Credit Requirements section of the Master Service Agreement), without demand or set off by Customer. Payments not received within thirty (30) days of the date of invoice are considered past due. In addition to Supplier undertaking any of the actions set forth in this Agreement, if any invoice is not paid when due: (i) a late charge shall accrue equal to 1-1/2% (or the maximum legal rate, if less) of the unpaid balance per month; (ii) Supplier may require a Security Deposit or other forms of security acceptable to Supplier; and/or (iii) Supplier may take any action in connection with any other right or remedy Supplier may have under this Agreement in law or in equity.
4. **Billing Disputes.** If Customer in good faith disputes any portion of any Supplier invoice, Customer shall submit to Supplier, within thirty (30) days following the Invoice Receipt Date, full payment of the undisputed portion of the invoice and written documentation identifying and substantiating the disputed amount. If Customer does not report a dispute within the thirty (30) day period, Customer shall have waived its dispute rights for that invoice. Supplier and Customer agree to use their respective best efforts to resolve any dispute within fifteen (15) days after Supplier receives written notice of the dispute from Customer. Any disputed amounts resolved in favor of Customer shall be credited to Customer's account on the next invoice following resolution of the dispute. Any disputed amounts determined to be payable to Supplier shall be due within ten (10) days of the resolution of the dispute.

Any dispute arising out of or relating to this Agreement which has not been resolved by the good faith efforts of the parties will be settled by binding arbitration conducted expeditiously in accordance with Section 16.
5. **Additional Assurances.** If at any time during the term of this Agreement there is a material and adverse change in Customer's financial condition or business prospects, which shall be determined by Supplier in its sole and absolute discretion, (for example if Customer is past due

in making payment, as defined in Section 3.) then Supplier may demand that Customer increase the amount of the Security Deposit pursuant to Supplier's standard terms and conditions, as security for the full and faithful performance of Customer of the terms, conditions and covenants of this Agreement.

6. **Certification.** Customer hereby represents and warrants that it is certified to do business in all jurisdictions in which it conducts business and is in good standing in all such jurisdictions. Customer further represents and warrants that it is certified by the proper regulatory agencies to provide interstate, intrastate and international long distance services to End-Users in those jurisdictions where such services are to be provided by Customer. Customer shall keep current during the term of this Agreement, copies of its Certificates of Public Convenience and Necessity or similar documents certifying Customer's interstate, intrastate, or international operating authority in any local, state, or federal jurisdiction (collectively, "Service Compliance Certificates") and furnish copies thereof to Supplier within ten days of written request by Supplier. Supplier reserves the right to refuse or withhold Service in any jurisdiction in which Customer's Service Compliance Certificate has not been furnished to Supplier in a timely manner. Customer shall defend and indemnify Supplier from any losses, expenses, demands and claims in connection with Customer's failure to provide Supplier with such Service Compliance Certificates. Such indemnification includes costs and expenses (including reasonable attorney's fees) incurred by Supplier in settling, defending or appealing any claims or actions brought against it relating to Customer's failure to provide such Service Compliance Certificates.
7. **Governing Law.** This Agreement shall be construed and enforced in accordance with, and the validity and performance hereof, shall be governed by the laws of the State of Delaware without regard to its principles of choice of law.
8. **Notices.** All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given as of the date of delivery, facsimile transmission or mailing, and if mailed, first class postage prepaid, certified or registered mail, return receipt requested to the following persons, unless contrary instructions are given by the parties in writing:

If to Supplier: IXC Communications Services, Inc.
1122 Capital of Texas Hwy. South
Austin, Texas 78746
Attention: Contract Administration

If to Customer: Annox, Inc.
6509 Hwy. 41 A
Pleasant View, Tennessee 37146
Attention: Linda Weisman

9. **Waiver of Breach or Violation not Deemed Continuing.**

The waiver by either party of a breach or violation of any provision of this Agreement shall not operate as or be construed to be a waiver of any subsequent breach hereof.

10. **Bankruptcy.** In the event of the bankruptcy or insolvency of either party hereto or if either party hereto shall make an assignment for the benefit of creditors or take advantage of any act or law for relief of debtors, the other party to this Agreement shall have the right to terminate this Agreement without further obligation or liability on its part.

11. **Business Relationship.** This Agreement shall not create any agency, employment, joint venture, partnership, representation, or fiduciary relationship between the parties. Neither party shall have the authority to, nor shall any party attempt to, create any obligation on behalf of the other party.

12. **Indemnity.**

A. Each party shall indemnify, defend, release and hold harmless the other party and all of its officers, agents, directors, shareholders, subcontractors, subsidiaries, employees and other affiliates (collectively "Affiliates") from and against any action, claim, court cost, damage, demand, expense, liability, loss, penalty, proceeding or suit, (collectively, together with related attorneys' fees; including costs and disbursements, "Claims") imposed upon either party by reason of damages to property or injuries, including death, as a result of an intentional or a negligent act or omission on the part of the indemnifying party or any of its Affiliates in connection with: (i) the performance of this Agreement; or (ii) other activities relating to the property or facilities which are the subject of this Agreement, whether or not the Claims result from a sole negligent act or omission on the part of the indemnifying party, whether the Claims result from the concurrent negligent act or omission on the part of both parties, or whether the Claims result from the negligent act or omission of the indemnifying party and some other third party. In the event a Claim relates to the negligence of both parties, the relative burden of the Claim shall be attributed equitably between the parties in accordance with the principles of comparative negligence.

B. In the event any action shall be brought against the indemnified party, such party shall immediately notify the indemnifying party in writing, and the indemnifying party, upon the request of the indemnified party, shall assume the defense thereof on behalf of the indemnified party and its Affiliates and shall pay all expenses and satisfy all judgments which may be incurred by or rendered against the indemnified party or its Affiliates in connection therewith, provided that the indemnified party shall not be liable for any settlement of any such action effected without its written consent.

C. Notwithstanding the termination of this Agreement for any reason, this Section 12 shall survive such termination.

13. **Insurance.** Throughout the term of this Agreement and any extension thereof, each party shall maintain and, upon written request, shall provide to the other proof of adequate liability insurance:

(i) Worker's compensation insurance up to the amount of the statutory limit in the state or states where work is to be performed;

(ii) Employer's liability insurance with a limit of not less than \$200,000 per claim with an all-states endorsement;

(iii) Comprehensive general liability insurance with a limit of not less than \$1,000,000 per occurrence for bodily injury liability and property damage liability, including coverage extensions for blanket contractual liability, personal injury liability and products and completed operations liability; and

(iv) Comprehensive Auto Liability insurance with a limit of not less than \$1,000,000 per accident for Bodily Injury Liability and Property Damage Liability arising out of the ownership, maintenance or use of any vehicle in the performance of this Agreement.

14. **Authorized Use of Supplier Name.** Without Supplier's prior written consent, Customer shall not: (i) refer to itself as an authorized representative of Supplier in promotional, advertising or other materials; or (ii) use Supplier's logos, trade marks, service marks, or any variations thereof in any of its promotional, advertising or other materials or in any activity using or displaying Supplier's name or the Services to be provided by Supplier. Customer agrees to change or correct, at Customer's expense, any such material or activity which Supplier, in its sole judgment, determines to be inaccurate, misleading or otherwise objectionable in relation to using or marketing Supplier's services. Customer is explicitly authorized to only use the following statements in its sales literature: (i) "Customer utilizes the Supplier's network"; (ii) "Customer utilizes Supplier's facilities"; (iii) "Supplier provides only the network facilities"; and (iv) "Supplier is our network services provider".

15. **Assignment.** Neither party hereto may assign this Agreement without the express written consent of the other party hereto, which consent shall not be unreasonably withheld. Notwithstanding the foregoing: (i) a security interest in this Agreement may be granted by Supplier to any lender to secure borrowings by Supplier or any of its affiliates; (ii) Supplier may assign all its rights and obligations hereunder to any Affiliate; and (iii) any subsidiary of Supplier may assign any amounts due from Customer under any Supplement to Supplier for billing purposes.

16. **Binding Arbitration.** The parties will attempt in good faith to resolve any controversy or claim arising out of or relating to this Agreement promptly through discussions between themselves at the operational level. In the event a resolution cannot be reached, such controversy or claim shall be negotiated between appointed counsel or senior executives of the parties who have authority to settle the controversy.

The disputing party shall give the other party written notice of the dispute. If the parties fail to resolve such controversy or claim within thirty (30) days of the disputing party's notice, either party may seek arbitration as set forth below.

Any controversy or claim arising out of or relating to this Agreement, or a breach of this Agreement, shall be finally settled by arbitration in Delaware and shall be resolved under the laws of the State of Delaware. The arbitration shall be conducted before a single arbitrator in accordance with the commercial rules and practices of the American Arbitration Association then in effect.

The arbitrator shall have the power to order specific performance if requested. Any award, order, or judgment pursuant to such arbitration shall be deemed final and binding and may be enforced in any court of competent jurisdiction. The parties agree that the arbitrator shall have no power or authority to make awards or issue orders of any kind except as expressly permitted by this Agreement, and in no event shall the arbitrator have the authority to make any award that provides for punitive or exemplary damages. All such arbitration proceedings shall be conducted on a confidential basis. The arbitrator may, as part of the arbitration award, permit the substantially prevailing party to recover all or part of its attorney's fees and other out-of-pocket costs incurred in connection with such arbitration. Customer may, at its option, continue to accept what it considers to be below-standard Services and pay the charges hereunder relating thereto during such pendency of such arbitration, without prejudice thereto.

17. **Legal Construction.** In the event one or more of the provisions contained in this Agreement shall, for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

In the event of any conflict between the provisions of these Terms & Conditions and the applicable Supplement and Exhibits, the conflict shall be resolved by reference to the following order of priority of interpretation: a) Exhibits; b) Supplement; and c) Terms & Conditions. Notwithstanding the foregoing no Exhibit requiring execution shall be binding unless and until such Exhibit has been executed by an authorized officer of Customer.

18. **No Personal Liability.** Each action or claim of any party arising under or relating to this Agreement shall be made only against the other party as a corporation, and any liability relating thereto shall be enforceable only against the corporate assets of such party. No party shall seek to pierce the corporate veil or otherwise seek to impose any liability relating to, or arising from, this Agreement against any shareholder, employee, officer or director of the other party. Each of such persons is an intended beneficiary of the mutual promises set forth in this Section and shall be entitled to enforce the obligations of this Section.

19. **Notice of Breach of Agreement.** To be effective, written notice of any material breach (except Payment Default) must prominently contain the following sentences in capital letters: "THIS IS FORMAL NOTICE OF A BREACH OF CONTRACT. FAILURE TO CURE SUCH BREACH WILL HAVE SIGNIFICANT LEGAL CONSEQUENCES."

20. **Limitation of Liability.** Supplier's liability arising out of delays in restoration of the Services to be provided under this Agreement or out of mistakes, accidents, omissions, interruptions, or errors or defects in transmission in the provision of Services or any other telecommunications services, shall be subject to the limitations set forth below and in the applicable Tariff. EXCEPT OTHERWISE PROVIDED HEREIN, IN NO EVENT SHALL SUPPLIER BE LIABLE TO CUSTOMER OR ANY OF THE CUSTOMER'S OWN CUSTOMERS OR ANY OTHER THIRD PARTY IN ANY RESPECT, INCLUDING, WITHOUT LIMITATION, FOR ANY DAMAGES, EITHER DIRECT, INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL, ACTUAL, PUNITIVE, OR ANY OTHER DAMAGES, OR FOR ANY LOST PROFITS OF ANY KIND OR NATURE WHATSOEVER, ARISING OUT OF MISTAKES, ACCIDENTS, ERRORS, OMISSIONS, INTERRUPTIONS, OR DEFECTS IN TRANSMISSION, OR DELAYS, INCLUDING THOSE WHICH MAY BE CAUSED BY REGULATORY OR JUDICIAL AUTHORITIES, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE OBLIGATIONS OF SUPPLIER PURSUANT TO THIS AGREEMENT; AND IN NO EVENT SHALL SUPPLIER BE LIABLE AT ANY TIME FOR ANY AMOUNT IN EXCESS OF THE AGGREGATE AMOUNT IT HAS PRIOR TO SUCH TIME COLLECTED FROM CUSTOMER WITH RESPECT TO SERVICES DELIVERED HEREUNDER. SUPPLIER MAKES NO WARRANTY TO CUSTOMER OR ANY OTHER PERSON OR ENTITY, WHETHER EXPRESS, IMPLIED, OR STATUTORY, AS TO THE DESCRIPTION, QUALITY, MERCHANTABILITY, COMPLETENESS OR FITNESS FOR ANY PURPOSE OF ANY SERVICE PROVIDED HEREUNDER OR DESCRIBED HEREIN, OR AS TO ANY OTHER MATTER, ALL OF WHICH WARRANTIES BY SUPPLIER ARE HEREBY EXCLUDED AND DISCLAIMED. For purposes of this Section, the term "Supplier" shall be deemed to include Supplier, its shareholders, directors, officers and employees, and any person or entity assisting Supplier in its performance pursuant to this Agreement.

21. **System Maintenance.** In the event Supplier determines to interrupt Services for the performance of routine system maintenance, Supplier will use reasonable efforts to notify Customer prior to the interruption and to conduct such maintenance during non-peak hours. In no event shall interruption for system maintenance constitute a Failure of Performance by Supplier.

22. **Maintenance & Trouble Reporting.** Supplier's standard fees for Customer maintenance support services are as follows:

Maintenance services shall be defined as all work performed by Supplier on equipment provided by or on behalf of the Customer, or supervision of the Customer's work within Supplier's terminal facilities. Maintenance Service charges are not billed for troubles found within that portion of a circuit provided by Supplier. The following billing rates apply for these services:

A. \$75 per hour (4 hour minimum-if dispatch is required) Monday through Friday during the business hours of 8:00 a.m. - 5:00 p.m. local time, exclusive of the following holidays: New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after Thanksgiving and Christmas Day.

B. \$95 per hour (4 hour minimum) for overtime work done after business hours (defined above) and/or on holidays (defined above) and/or all day on Saturdays and Sundays.

C. As requests for maintenance services are typically made via telephone, Supplier must be advised in writing as to the person(s) who are authorized to request service. It is the Customer's responsibility to keep Supplier apprised of any changes to its list of representative(s).

D. To request technical assistance and help under the maintenance services, a call must be made to Supplier's Network Control Center at 1-800-526-2488. This number should be used for Supplier technical assistance, troubleshooting or testing of circuits, not for service impairment or outages. The person calling in must be on the authorized list in order to commit for charges for this technical assistance. If that person is not on the list, the request cannot be accommodated.

The Network Control Center personnel will take the call, record the caller's name and phone number along with facts concerning the assistance and support needed. The caller will then be given the number of the "Assistance Ticket." Upon completion of work, this "Assistance Ticket" will be given to Supplier's Accounting Department, and the Customer will subsequently be billed based upon the information on that ticket. A copy will be attached to the invoice.

Except for emergencies, Supplier's technicians cannot be dispatched unless requests are made in accordance with the above call-out procedure.

23. **Subject to Laws.** This Agreement is subject to, and Customer agrees to comply with, all applicable federal, state and local laws, and regulations, rulings and orders of governmental agencies, including, but not limited to, the Communications Act of 1934, the Telecommunications Act of 1996, the Rules and Regulations of the Federal Communications Commission ("FCC") and state public utility or service commissions ("PSC"), tariffs and the obtaining and continuance of any required certification, permit, license, approval or authorization of the FCC and PSC or any governmental body, including, but not limited to regulations applying to feature group termination and Letter of Agencies ("LOAs").

24. **FCC Permits, Authorization and Filings.** Supplier shall take all necessary and appropriate steps, as soon as possible, to procure from the FCC the necessary authorizations, if any, to deliver Services hereunder to Customer and whatever approvals are necessary from any other federal or state agency. In the event that Supplier cannot obtain all necessary federal, state or local authority to provide Services hereunder, Supplier shall promptly

give written notice thereof to Customer, and such notice shall constitute termination without liability of either party hereto of all obligations hereunder.

25. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and when taken together shall constitute one document.

26. **Confidential Information and Nonsolicitation.** "Confidential Information" shall mean all information disclosed in writing by one party to the other party which is clearly marked "CONFIDENTIAL" by the disclosing party at the time of disclosure. "Confidential Information" shall also include certain oral information disclosed by one party to the other party, provided that the disclosing party designates such information as confidential at the time of disclosure and gives recipient a written summary of such information within five business days after the oral disclosure was made. Notwithstanding the foregoing, all information concerning the traffic volume/distribution of Supplier, pricing rates, and customer lists is hereby deemed to be Confidential Information regardless of whether it is so identified. The term "Confidential Information" does not include any information which: (i) was already known by the receiving party free of any obligation to keep it confidential at the time of its disclosure by the disclosing party, (ii) becomes publicly known through no wrongful act of the receiving party, (iii) is rightfully received from a third person without knowledge of any confidentiality obligation, (iv) is independently acquired or developed without violating any of the obligations under this Agreement, (v) is disclosed to a third person by the disclosing party without similar confidentiality restrictions on such third persons rights, or (vi) is approved for release by written authorization of the disclosing party.

Further, the recipient may disclose Confidential Information pursuant to any judicial or governmental request, requirement or order. The recipient, however, shall take reasonable steps to give the disclosing party sufficient prior notice to contest such request, requirement or order. Confidential Information shall remain the property of the disclosing party, and shall be returned to the disclosing party or destroyed upon request of the disclosing party. Supplier may make such Confidential Information available to its lenders.

Accordingly, in the event of a breach or threatened breach of the foregoing provisions, Supplier shall be entitled to an injunction or restraining order, in addition to such other rights or remedies as may be available under this Agreement, at law or in equity, including but not limited to money damages.

27. **Force Majeure.** Supplier shall not be liable for any failure of performance hereunder due to causes beyond its reasonable control, including, but not limited to: acts of God, fire, explosion, vandalism, cable cut, storm or other similar catastrophes; any law, order, regulation, direction, action or request of the United States government, or of any other government, including state and local governments having jurisdiction over either of the parties, or of any department, agency, commission, court, bureau,

corporation or other instrumentality of any one or more of said governments, or of any civil or military authority; national emergencies; insurrections; riots; wars; or strikes, lock outs, work stoppages or other labor difficulties.

28. **Survival.** The covenants and agreements of Customer contained in this Agreement with respect to payment of amounts due, confidentiality and indemnification shall survive any termination of this Agreement. The rights and obligations under this Agreement shall survive any merger or sale of either party and shall be binding upon the successors and permitted assigns of each party.
29. **Regulatory.** Customer is responsible for payment of, or reimbursement to Supplier for, Universal Service Fund and Lifeline Assistance Charges (Presubscribed line charges) set forth in the National Exchange Carrier Association (NECA) Tariff FCC #5, sections 8.5., 8.5.2 and 17.1.4 (A) & (B), as the same may be amended from time to time, or any successor tariffs or sections, with respect to any Customer ANI's subscribed to Supplier. In addition, with respect to the Services, Customer is responsible for payment of, or reimbursement to Supplier for: (i) telecommunication relay service charges required by the Americans with Disabilities Act or otherwise (both federal and state); (ii) interexchange carrier fees payable to the FCC under the Omnibus Budget Reconciliation Act of 1993 or otherwise; (iii) payphone service provider compensation as determined by the FCC in CC Docket No. 96-128; (iv) universal service fund charges, intraLATA compensation charges; and (v) other federal or state fees or charges imposed on Supplier. Supplier will furnish, at Customer's request, documentation to support the fees or charges payable by Customer to Supplier pursuant to this Section 29.

Customer shall furnish to Supplier valid and appropriate tax exemption certificates for all applicable jurisdictions (federal, state and local) in which it performs customer billing. Customer is responsible for properly charging tax to its subscribers and for the proper and timely reporting and payment of applicable taxes to the taxing authorities and shall defend and indemnify Supplier from payment and reporting of all applicable federal, state and local taxes, including, but not limited to, gross receipts taxes, surcharges, franchise fees, occupational, excise and other taxes (and penalties and interest thereon), relating to the Services. Such indemnification includes costs and expenses (including reasonable attorney's fees) incurred by Supplier in settling, defending or appealing any claims or actions brought against it relating to said taxes. If Customer fails to provide and maintain the required certificates, Supplier may charge Customer and Customer shall pay such applicable taxes.

The amounts payable by Customer under this Agreement do not include any state or local sales or use taxes, or utility taxes, however designated, which may be levied on the goods and services provided by Supplier hereunder. With respect to such taxes, if applicable, Customer shall furnish Supplier with an appropriate exemption certificate or pay to Supplier, upon timely presentation of invoices therefore, such amounts thereof as Supplier may be by law required to collect or pay. Any and all other taxes,

including but not limited to franchise, net or gross income, license, occupation, and real or personal property taxes, shall be timely paid by Supplier. Customer shall pay to Supplier any such taxes that Supplier may be required to collect or pay.

30. **Obligations Several and Not Joint.** Each party shall be responsible only for its own performance under the Agreement (including any attachments, exhibits, schedules or addenda) and not for that of any other party.
31. **Amendments.** This Agreement may only be modified or supplemented by an instrument in writing executed by each party.
32. **Entire Agreement.** This Agreement constitutes the entire and final agreement between the parties with respect to the subject matter hereof and specifically supersedes the Telecommunications Service Agreement dated November 07, 1996 between the parties and all prior agreements relating to the subject matter hereof and any applicable amendments, which are of no further force or effect. There are no oral agreements between the parties. No party is entering into this Agreement in reliance on, and this Agreement shall not be contradicted or supplemented by, any prior or contemporaneous (i) condition, discussion, promise, statement, understanding, or undertaking; (ii) letter of intent, commitment or approval; or (iii) other agreement or document.

i:/share/legal/msa/annoxTC

IXC Switched Service Supplement Exclusive Services

1. **Scope.** Supplier is authorized: (i) to use its best efforts (considering the needs of its other customers) to start provisioning of Services (such services, together with the use of the IXC Online Software, are referred to as the "Services") to Customer on or before the Service Commencement Date, which is scheduled to be the first date of order activation; and (ii) to act as Customer's agent in placing orders with other carriers in order to provide telecommunications services, if requested. Usage charges ("Usage Charges") hereunder shall be based on: (i) the rates for Services set forth in Exhibit A, as applicable; and (ii) actual usage of Supplier's network from establishment of a connection between the calling telephone and the called telephone to termination, as determined by Supplier.
2. **Term.** This Agreement is for a term of one (1) year commencing on the Effective Date, unless extended or earlier terminated pursuant to its terms. This Agreement shall be automatically extended at the expiration of the initial term on a month-to-month basis at Supplier's then current month-to-month rates unless: (i) earlier terminated; or (ii) written notice is given by either party at least thirty (30) days before such expiration that such party does not consent to such extension.
3. **Customer Responsibilities.**

A. **General Duties.** Customer shall use its best efforts to solicit and market the Services in accordance herewith and with applicable law. Customer shall at all times conduct its efforts in a commercially reasonable and ethical manner. Customer shall pay all its expenses in connection with its business and its performance hereunder. Customer shall provide its own billing and customer service to its customers ("End-Users"). Customer shall obtain a letter of agency ("LOA") from each End-User in compliance with applicable Federal Communications Commission ("FCC") and state regulations, however, Customer must obtain a signed LOA from each End-User utilizing 800 service. Customer shall retain the signed LOA's and promptly make originals available upon request of Supplier, any local exchange carrier ("LEC") or any regulatory agency. Customer shall be responsible for LEC Primary Interexchange Carrier change charges ("PIC Charges") that may be imposed on Supplier as a result of End-Users moving onto or off of the Supplier's network. In the event of a dispute regarding a transfer to the Supplier's network, including, but not limited to those resulting from Customer's inability or refusal to provide original End-User LOA's when requested, Customer shall pay Supplier such PIC Charges, and any other expenses or damages suffered by Supplier relating to any such transfer. To the extent Customer makes any statements or representations to third parties (including End-Users) with regard to Supplier, the Services, or the terms hereof, such statements or representations shall be true and not misleading. When applicable, Customer will be responsible for notifying each End-User, in writing (or by any other means approved by the FCC that: (i) a transfer charge will be reflected on such

End-User's LEC bill for effecting a change in primary interexchange carriers, (ii) the entity name under which such End-User's interstate, intrastate and/or operator services will be billed (if different from Customer), and (iii) the "primary" telephone number(s) to be used for maintenance and questions concerning such End-User's long distance service and/or billing. Customer shall send Supplier a copy of the documentation Customer uses to satisfy the above requirements promptly upon request. Supplier may change the foregoing requirements at any time in order to conform with applicable FCC and state regulations. Notwithstanding the foregoing, however, Customer shall be solely responsible for ensuring that the transfer of End-Users to the Supplier's network conforms with applicable FCC and state regulations, including, without limitation, the regulations established by the FCC with respect to verification of orders for long distance service generated by telemarketing.

B. **Slamming Policy.** Supplier will not tolerate the practice of slamming, the intentional, unauthorized transfer of a customer's local or long distance service provider. Customer shall obtain a letter of agency ("LOA") from each End-User; valid proof of authorization includes an exact match of the name and telephone number on the LOA completed by the person authorized to make the switch or the actual tape of authorization. Customer shall retain the signed LOAs for one year and make originals available upon request of Supplier within four (4) business days. A Customer is responsible for providing LOAs for its agents or resellers. If Supplier receives a slamming complaint from a regulatory body (FCC, state commissions, Federal and state counsel) against Customer and finds that Customer has caused a change in a telecommunications subscriber's PIC without prior valid authorization, then Customer will be required to pay an Unauthorized Carrier Change Charge of \$200 for each unauthorized PIC change. This charge is to cover the administrative costs for processing the complaint and is in addition to any fines or penalties assessed by a state or federal regulatory agency, such fines or penalties also being the responsibility of the Customer. Continued acts of slamming by Customer shall be considered grounds for revoking any and all contracts with Customer and further refusing to provide service to Customer.

C. **Volume Forecasts.** Prior to the Service Commencement Date and by the end of each quarter thereafter, Customer shall provide Supplier with forecasts covering a good faith estimate of the monthly traffic volume and distribution for the ordered Services for the next three calendar months. Supplier shall provide Customer with any information reasonably requested to help Customer with its forecasts. The forecasts are to be in the format attached hereto as Exhibit B.

D. **Certification.** Customer shall provide Supplier with a written certification (the "Certification") of the percentage of interstate (including international) and intrastate minutes

of use relevant to the minutes of traffic to be terminated in the same state in which the Supplier HUB is located to which the Service Interconnection is made. This Certification is attached as Exhibit F and shall be provided by Customer prior to commencement of Service for any Service Interconnection. It shall be updated from time to time: (i) as desired by Customer; or (ii) upon request of Supplier made no more than once each calendar quarter. Any such modification or Certification shall be effective as of the first day of the calendar month following forty-five days notice to Supplier from Customer. In the event Customer fails to make such Certification, the relevant minutes of use will be deemed to be subject to the Intrastate Rates provided for in the Exhibit A. In the event Supplier or any other third party requires an audit of Supplier's interstate/intrastate minutes of traffic, Customer agrees to cooperate in such audit at its expense and make its call detail records, billing systems and other necessary information reasonably available to Supplier or any third party solely for the purpose of verifying Customer's interstate/intrastate minutes of traffic. Customer agrees to indemnify Supplier for any liability Supplier incurs in the event Customer's Certification is not supported by such audit.

4. **Excluded ANIs.** Supplier has the right to reject any automatic number identifier ("ANI") supplied by Customer for any of the following reasons: (i) Supplier is not authorized to provide or does not provide long distance services in the particular jurisdiction in which the ANI is located; (ii) a particular ANI submitted by Customer is not in compliance with Supplier's then-current format, which shall be made available to Customer upon request; (iii) Customer is not certified to provide long distance services in the jurisdiction in which the ANI is located; (iv) Customer is in default of this Agreement; (v) Customer fails to cooperate with Supplier in implementing reasonable verification processes determined by Supplier to be necessary or appropriate in the conduct of business; or (vi) any other circumstance reasonably determined by Supplier which could adversely affect Supplier's performance under this Agreement or Supplier's general ability to transfer its other customers or other End-Users to the Supplier's network, including without limitation, Supplier's ability to electronically effect PIC changes with the LEC's. However, whether or not Supplier is electronically connected to the LEC's, Supplier shall issue PIC orders on behalf of Customer. In the event Supplier rejects an ANI, Supplier will use its best efforts to notify Customer within forty-eight hours of its decision specifically describing the rejected ANI and the reason(s) for rejecting that ANI. Further, any ANI requested by Customer for Service may be deactivated by Supplier after five days written notice to Customer if no Service billings relevant thereto have been generated in any prior period of three (3) consecutive calendar months.

5. **Records.** Customer will maintain documents and records supporting Customer's re-sale of Service, including, but not limited to, appropriate and valid LOAs from End-Users for a period of not less than twelve (12) months or such other longer period as may be required by applicable law, rule or regulation. Customer shall indemnify Supplier for any costs, charges or expenses incurred by Supplier arising

from disputed PIC selections involving Service to be provided to Customer for which Customer cannot produce an appropriate LOA relevant to the ANI and PIC Charge in question, or when Supplier is not reasonably satisfied that the validity of a disputed LOA has been resolved.

6. **Fraudulent Calls.** Customer shall indemnify and hold Supplier harmless from all costs, expenses, claims or actions arising from fraudulent calls of any nature which may comprise a portion of the Service to the extent that the party claiming the call(s) in question to be fraudulent is (or had been at the time of the call) an End-User of the Service through Customer or an End-User of the Service through Customer's distribution channels. Customer shall not be excused from paying Supplier for Service provided to Customer or any portion thereof on the basis that fraudulent calls comprised a corresponding portion of the Service. In the event Supplier discovers fraudulent calls being made (or reasonably believes fraudulent calls are being made), nothing contained herein shall prohibit Supplier from taking immediate action that is reasonably necessary to prevent such fraudulent calls from taking place, including without limitation, denying Service to particular ANI's or terminating Service to or from specific locations. Supplier shall use reasonable efforts to notify Customer in the event Supplier takes action upon discovery of fraudulent calls. In the event Customer discovers fraudulent calls being made (or reasonably believes fraudulent calls are being made), Customer shall notify Supplier as soon as possible at 1-800-353-3678.

7. **Rates Changes.**

A. Supplier reserves the right to modify charges for international service upon seven (7) days notice to the Customer.

B. **High Cost Termination/Origination.** Following the Service Commencement Date for all Products (e.g. Xnet, Xclusive), Customer will maintain at least 80% of the originating and 80% of the terminating minutes (during any calendar month or pro-rata portion thereof) in the low cost services areas as defined in Exhibit G. Supplier shall have the right to apply a \$0.03 per minute surcharge to the number of originating minutes and apply a \$0.03 per minute surcharge to the number of terminating minutes which low cost origination/termination does not exceed 80% of the total monthly Service and a \$0.05 per minute surcharge to the number of high cost originating and terminating minutes which exceeds 50% of total monthly Service.

Low Cost Origination or Termination is defined as all international calls and domestic calls to or from any NPA.NXX associated with the Operating Company Numbers listed in Exhibit G.

C. **Under-utilization Charge.** An under-utilization fee per DS-1 will be applied to the monthly invoice based on the following schedule:

Minutes Per Trunk*

Under-utilization Fee**

0-19,999	\$2,000.00
20,000-39,999	\$1,750.00
40,000-59,999	\$1,500.00
60,000-79,999	\$1,250.00
80,000-99,999	\$1,000.00
100,000+	-0-

*The average is calculated over all trunks. Usage includes both Exclusive outbound and inbound Service.

**The penalty is applied on all trunks based on average minutes of usage per trunk.

A trunk is an equivalent T-1 based on 24 DS-0's.

8. Invoice & Rates.

A. Due Date. Usage Charges are billed and payable following the period in which actual usage has been incurred. All Usage Charges contained in this Agreement are calculated according to the rates set forth in Exhibit A, attached hereto.

B. Monthly Commitment. Customer shall have a six (6) month period (the "Ramp-Up Period") beginning as of the Effective Date to purchase Services hereunder of at least \$25,000.00 per month ("the Monthly Commitment Level"). During the Ramp-Up Period, Customer shall use its best efforts to utilize at least \$25,000.00 per month in Services hereunder; however, Customer shall only be invoiced for actual Usage Charges, based upon the rates in Exhibit A. Commencing on the first day after six complete calendar months after the Effective Date and continuing for six months thereafter, Customer shall have a "take or pay" commitment in the amount of the Monthly Commitment Level. As used herein, a "take or pay" commitment means that Customer has the obligation to pay for Services hereunder (at the same time as payment is or would be due for Service for such month) in such amount for each month during such periods, whether or not such Service is actually used, excluding, without limitation, service charges, interest, installation costs, local loops and nonrecurring charges. Subject to the terms and conditions herein, Customer shall pay for Services hereunder at the rates reflected in Exhibit A.

9. Calculation of Call Duration. Supplier will calculate call duration for Call Detail Records ("CDR's") which will be sent to Customer by Supplier for Customer to rebill Customer's End-Users, based upon the then-current IXC On-line software specifications. Customer will be billed according to the rates in the attached exhibits based on call duration of each CDR. Call duration for outbound services will be from answer supervision of the called party to disconnect. Call duration for inbound service will be from trunk seizure of the Customer's platform to disconnect. CDR's, upon request by Customer will be sent by Supplier within five (5) business days from

the end of the month in which service is rendered. Customer shall choose to have the CDR's delivered either by electronic transmission or by CD ROM and shall pay for such delivery according to the schedule set forth in Exhibit A. CDR's shall be made available for up to one (1) year from the date of service. The information format of the CDR's is included in the User Guide and is subject to change from time to time at Supplier's sole discretion.

10. Customer Default. In the event of a "Customer Default", upon notice to Customer, Supplier may (in addition to such other rights or remedies as Supplier may have under this Agreement, at law or in equity), at its sole option do any or all of the following: (i) suspend Services to Customer until such time as such circumstance is corrected (provided Supplier shall not be prohibited from terminating this Agreement after suspending Services); (ii) cease accepting or processing orders for services; (iii) withhold delivery of CDR's; (iv) draw on any security deposit or other assurance of payment submitted under this Agreement; (v) terminate this Agreement without liability to Supplier, which termination may include immediate cancellation of the Services; (vi) directly contact the End-Users to inform them that their long distance service will no longer be provided through Customer, but may be continued through Supplier directly; (vii) bill and collect from such End-Users directly (or through its billing agents) for services provided by Supplier to them; (viii) treat such End-Users as Supplier customers for all purposes; (ix) require Customer to use its reasonable efforts to cause part or all of Customer's carrier identification codes and End-Users to be re-directed to the Supplier network; or (x) pursue such other remedy or relief as may be appropriate.

"Customer Default" shall mean Customer: (i) breaches any material provision of this Agreement, including, but not limited to, the provisions regarding payment, and does not cure such breach within thirty days (five days with respect to the first three payment breaches and no notice period with respect to any further payment breach) of notice thereof by Supplier; or (ii) files or initiates proceedings or has proceedings filed or initiated against it, relating to its liquidation, insolvency, reorganization or other relief (such as the appointment of a trustee, receiver, liquidator, custodian or other official) under any bankruptcy, insolvency or other similar law or makes an assignment for the benefit of its creditors or enters into an agreement for the composition, extension or readjustment of its obligation in connection with the foregoing. If Customer uses the Services for any unlawful purpose or in any unlawful manner, Supplier shall have the right to suspend any or all services hereunder to Customer until the unlawful use ceases. Notwithstanding anything herein to the contrary, no termination shall affect or reduce Customer's obligation to make the "take or pay commitment" payments required herein.

11. Exclusivity Supplier shall be the preferred provider of all new telecommunications services to Customer beginning as of the Effective Date and continuing for

the remaining term of this Agreement, to the extent that: (i) Supplier can fulfill Customer's requirements for telecommunications and related services within three (3) months of Customer's written request to provide such services, and (ii) Supplier meets other competitive suppliers' bona fide written offers, as defined below.

Customer shall have the right to seek a more favorable bona fide written offer from a third party that has the financial and operational capability to provide equivalent services to Customer (the "Third Party Offer"). Prior to accepting any Third Party Offer, Customer shall give Supplier notice (the "Third Party Notice") of the material terms and conditions of the Third Party Offer and shall provide Supplier with an officer's certificate certifying a copy of the original such Third Party Offer and other verification thereof as reasonably requested by Supplier. Supplier shall, within 20 business days of such notice, have the option to make an offer which matches the material terms and conditions of such Third Party Offer (the "Matching Offer") and Customer shall accept the Matching Offer. Supplier shall, at its cost, have the right from time to time to cause its authorized personnel, including Supplier's auditors to review Customer's books and records in order to verify Customer's compliance with the terms of this paragraph.

Exhibit A - Xclusive Switched Service Pricing

Customer: Annox, Inc.

Xclusive Interstate Pricing (1+Switched, 8XX Switched & XPIN)

<u>Monthly Commitment</u>	<u>Switched</u>		<u>Dedicated</u>	
	<u>Outbound, Inbound & Xpin</u>		<u>Outbound</u>	<u>Inbound</u>
Take or Pay Pricing/1 Year Term				
\$ 25,000		\$0.0721	\$0.0377	\$0.0436

Xclusive Interstate Extended Areas Pricing (Day Rates 8 am to 5 pm Monday-Friday)*

Term: 1 Year

	<u>1+ Calls to</u>		<u>8XX Calls from</u>	
	<u>Dedicated</u>	<u>Switched</u>	<u>Dedicated</u>	<u>Switched</u>
Hawaii	\$0.0860	\$0.1150	\$0.0910	\$0.1200
Alaska	0.1170	0.1450	0.1420	0.1700
USVI/PR	0.1170	0.1450	0.1420	0.1700
Guam	0.2312	0.2626	0.2312	0.2626
Northern Mariana Is.	0.6656	0.6867	0.6656	0.6867

Northern Mariana Is. include Rota, Saipain & Tinian.

**Subject to availability*

Xclusive Interstate Extended Areas Pricing (Non-Day Rates)*

Term: 1 Year

	<u>1+ Calls to</u>		<u>8XX Calls from</u>	
	<u>Dedicated</u>	<u>Switched</u>	<u>Dedicated</u>	<u>Switched</u>
Hawaii	\$0.0774	\$0.1035	\$0.0819	\$0.1080
Alaska	0.1053	0.1305	0.1278	0.1530
USVI/PR	0.1053	0.1305	0.1278	0.1530
Guam	0.2312	0.2626	0.2312	0.2626
Northern Mariana Is.	0.6656	0.6867	0.6656	0.6867

Northern Mariana Is. include Rota, Saipain & Tinian.

**Subject to availability*

Xclusive Intrastate Pricing (I+ Switched, 8XX Switched & Xpin) Outbound & Inbound - Under \$1M

State	Outbound & Inbound		
	Switched	Dedicated	Card Calls
ALABAMA	\$0.077	\$0.053	\$0.107
ARIZONA	\$0.115	\$0.074	\$0.145
ARKANSAS	\$0.103	\$0.061	\$0.133
CALIFORNIA (Intrastate)	\$0.050	\$0.040	\$0.080
CALIFORNIA (Intralata)	\$0.048	\$0.035	\$0.078
COLORADO	\$0.130	\$0.081	\$0.160
CONNECTICUT	\$0.083	\$0.061	\$0.113
DELAWARE	\$0.062	\$0.053	\$0.092
FLORIDA	\$0.109	\$0.071	\$0.139
GEORGIA	\$0.083	\$0.056	\$0.113
IDAHO	\$0.122	\$0.083	\$0.152
ILLINOIS	\$0.066	\$0.050	\$0.096
INDIANA	\$0.088	\$0.059	\$0.118
IOWA	\$0.106	\$0.063	\$0.136
KANSAS	\$0.122	\$0.068	\$0.152
KENTUCKY	\$0.079	\$0.055	\$0.109
LOUISIANA	\$0.084	\$0.059	\$0.114
MAINE	\$0.317	\$0.117	\$0.347
MARYLAND	\$0.069	\$0.050	\$0.099
MASSACHUSETTS	\$0.075	\$0.056	\$0.105
MICHIGAN	\$0.090	\$0.059	\$0.120
MINNESOTA	\$0.096	\$0.070	\$0.126
MISSISSIPPI	\$0.098	\$0.073	\$0.128
MISSOURI	\$0.111	\$0.073	\$0.141
MONTANA	\$0.115	\$0.069	\$0.145
NEBRASKA	\$0.140	\$0.081	\$0.170
NEVADA	\$0.073	\$0.053	\$0.103
NEW HAMPSHIRE	\$0.105	\$0.060	\$0.135
NEW JERSEY	\$0.066	\$0.059	\$0.096
NEW MEXICO	\$0.136	\$0.077	\$0.166
NEW YORK	\$0.095	\$0.072	\$0.125
NORTH CAROLINA	\$0.111	\$0.071	\$0.141
NORTH DAKOTA	\$0.134	\$0.072	\$0.164
OHIO	\$0.090	\$0.063	\$0.120
OKLAHOMA	\$0.098	\$0.069	\$0.128
OREGON	\$0.100	\$0.067	\$0.130
PENNSYLVANIA	\$0.099	\$0.064	\$0.129
RHODE ISLAND	\$0.071	\$0.034	\$0.101
SOUTH CAROLINA	\$0.106	\$0.078	\$0.136
SOUTH DAKOTA	\$0.102	\$0.069	\$0.132
TENNESSEE	\$0.116	\$0.077	\$0.146
TEXAS	\$0.123	\$0.083	\$0.153
UTAH	\$0.096	\$0.069	\$0.126
VERMONT	\$0.133	\$0.078	\$0.163
VIRGINIA	\$0.098	\$0.067	\$0.128
WASHINGTON	\$0.108	\$0.068	\$0.138
WEST VIRGINIA	\$0.102	\$0.060	\$0.132
WISCONSIN	\$0.098	\$0.069	\$0.128
WYOMING	\$0.134	\$0.082	\$0.164

Xpin rates are same as switched access inbound 8XX rates.

Xclusive International - Base Rates

Country	Code	Switched Access Rates			Dedicated Access Rates		
		Base*	30 Sec.	6 Sec.	Base*	30 Sec.	6 Sec.
Afghanistan (Islamic State of)	93	\$0.9881	\$0.4941	\$0.0988	\$0.9453	\$0.4727	\$0.0945
Albania (Republic of)	355	0.4321	0.2161	0.0432	0.3892	0.1946	0.0389
Algeria (People's Democratic Republic of)	213	0.4347	0.2174	0.0435	0.3918	0.1959	0.0392
American Samoa	684	0.5817	0.2909	0.0582	0.5389	0.2695	0.0539
Andorra (Principality of)	376	0.3207	0.1604	0.0321	0.2779	0.1390	0.0278
Angola (Republic of)	244	0.5705	0.2853	0.0571	0.5277	0.2639	0.0528
Anguilla	1-264	0.5105	0.2553	0.0511	0.4676	0.2338	0.0468
Antartica - Casey	672	0.3073	0.1537	0.0307	0.2645	0.1323	0.0265
Antartica - Scott	64240	0.3073	0.1537	0.0307	0.2645	0.1323	0.0265
Antigua/Barbuda	1-268	0.4882	0.2441	0.0488	0.4453	0.2227	0.0445
Argentine Republic	54	0.5339	0.2670	0.0534	0.4911	0.2456	0.0491
Armenia (Republic of)	374	0.7833	0.3917	0.0783	0.7404	0.3702	0.0740
Aruba	297	0.4182	0.2091	0.0418	0.3753	0.1877	0.0375
Ascension	247	0.8940	0.4470	0.0894	0.8512	0.4256	0.0851
Australia	61	0.1614	0.0807	0.0161	0.1186	0.0593	0.0119
Australian External Territories	672	0.9184	0.4592	0.0918	0.8755	0.4378	0.0876
Austria	43	0.2648	0.1324	0.0265	0.2220	0.1110	0.0222
Azerbaijani Republic	994	0.5560	0.2780	0.0556	0.5132	0.2566	0.0513
Azores	3519	0.6684	0.3342	0.0668	0.6255	0.3128	0.0626
Bahamas	1-242	0.2715	0.1358	0.0272	0.2287	0.1144	0.0229
Bahrain (State of)	973	0.8170	0.4085	0.0817	0.7742	0.3871	0.0774
Bangladesh (People's Republic of)	880	1.0103	0.5052	0.1010	0.9674	0.4837	0.0967
Barbados	1-246	0.5705	0.2853	0.0571	0.5277	0.2639	0.0528
Belarus (Republic of)	375	0.4522	0.2261	0.0452	0.4093	0.2047	0.0409
Belgium	32	0.2157	0.1079	0.0216	0.1729	0.0865	0.0173
Belize	501	0.7968	0.3984	0.0797	0.7539	0.3770	0.0754
Benin (Republic of)	229	0.6321	0.3161	0.0632	0.5892	0.2946	0.0589
Bermuda	1-441	0.2627	0.1314	0.0263	0.2199	0.1100	0.0220
Bhutan (Kingdom of)	975	0.8347	0.4174	0.0835	0.7918	0.3959	0.0792
Bolivia (Republic of)	591	0.6994	0.3497	0.0699	0.6565	0.3283	0.0657
Bosnia and Herzegovina (Republic of)	387	0.4305	0.2153	0.0431	0.3877	0.1939	0.0388
Botswana (Republic of)	267	0.5170	0.2585	0.0517	0.4741	0.2371	0.0474
Brazil (Federative Republic of)	55	0.5089	0.2545	0.0509	0.4661	0.2331	0.0466
British Virgin Islands	1-284	0.3729	0.1865	0.0373	0.3301	0.1651	0.0330
Brunei Darussalam	673	0.5148	0.2574	0.0515	0.4720	0.2360	0.0472
Bulgaria (Republic of)	359	0.4024	0.2012	0.0402	0.3596	0.1798	0.0360
Burkina Faso	226	0.7085	0.3543	0.0709	0.6657	0.3329	0.0666
Burundi (Republic of)	257	0.7008	0.3504	0.0701	0.6580	0.3290	0.0658
Cambodia (Kingdom of)	855	0.9214	0.4607	0.0921	0.8786	0.4393	0.0879
Cameroon (Republic of)	237	0.8888	0.4444	0.0889	0.8460	0.4230	0.0846
Cape Verde (Republic of)	238	0.6240	0.3120	0.0624	0.5811	0.2906	0.0581
Cayman Islands	1-345	0.4572	0.2286	0.0457	0.4143	0.2072	0.0414
Central African Republic	236	0.9476	0.4738	0.0948	0.9048	0.4524	0.0905
Chad (Republic of)	235	1.2086	0.6043	0.1209	1.1658	0.5829	0.1166
Chile	56	0.3070	0.1535	0.0307	0.2642	0.1321	0.0264
China (People's Republic of)	86	0.7003	0.3502	0.0700	0.6575	0.3288	0.0658
Colombia (Republic of)	57	0.4910	0.2455	0.0491	0.4482	0.2241	0.0448
Comoros (Islamic Federal Republic of the)	269	0.9853	0.4927	0.0985	0.9425	0.4713	0.0943
Congo (Republic of the)	242	0.8966	0.4483	0.0897	0.8538	0.4269	0.0854

Country	Code	Base*	30 Sec.	6 Sec.	Base*	30 Sec.	6 Sec.
Cook Islands	682	1.1875	0.5938	0.1188	1.1447	0.5724	0.1145
Costa Rica	506	0.4799	0.2400	0.0480	0.4371	0.2186	0.0437
Cote d'Ivoire (Republic of)	225	1.0799	0.5400	0.1080	1.0371	0.5186	0.1037
Croatia (Republic of)	385	0.4060	0.2030	0.0406	0.3632	0.1816	0.0363
Cuba	53	0.7085	0.3543	0.0709	0.6657	0.3329	0.0666
Cyprus (Republic of)	357	0.3622	0.1811	0.0362	0.3193	0.1597	0.0319
Czech Republic	42	0.3236	0.1618	0.0324	0.2808	0.1404	0.0281
Denmark	45	0.1802	0.0901	0.0180	0.1374	0.0687	0.0137
Diego Garcia	246	0.7766	0.3883	0.0777	0.7338	0.3669	0.0734
Djibouti (Republic of)	253	0.8679	0.4340	0.0868	0.8251	0.4126	0.0825
Dominica	1-787	0.4271	0.2136	0.0427	0.3842	0.1921	0.0384
Dominican Rep.	1-767	0.3014	0.1507	0.0301	0.2585	0.1293	0.0259
Ecuador	593	0.5415	0.2708	0.0542	0.4986	0.2493	0.0499
Egypt (Arab Republic of)	20	0.8033	0.4017	0.0803	0.7605	0.3803	0.0761
El Salvador (Republic of)	503	0.4838	0.2419	0.0484	0.4410	0.2205	0.0441
Equatorial Guinea (Republic of)	240	1.1032	0.5516	0.1103	1.0604	0.5302	0.1060
Eritrea	291	1.0657	0.5329	0.1066	1.0228	0.5114	0.1023
Estonia (Republic of)	372	0.3257	0.1629	0.0326	0.2829	0.1415	0.0283
Ethiopia (Federal Democratic Republic of)	251	1.0773	0.5387	0.1077	1.0345	0.5173	0.1035
Falkland Islands (Malvinas)	500	0.8460	0.4230	0.0846	0.8032	0.4016	0.0803
Faroe Islands (Denmark)	298	0.3290	0.1645	0.0329	0.2862	0.1431	0.0286
Fiji (Republic of)	679	0.9043	0.4522	0.0904	0.8614	0.4307	0.0861
Finland	358	0.1927	0.0964	0.0193	0.1498	0.0749	0.0150
France	33	0.1900	0.0950	0.0190	0.1472	0.0736	0.0147
French Antilles	596	0.4910	0.2455	0.0491	0.4482	0.2241	0.0448
French Polynesia (Territoire française d'outre-mer)	689	0.7290	0.3645	0.0729	0.6862	0.3431	0.0686
Gabonese Republic	241	0.9083	0.4542	0.0908	0.8655	0.4328	0.0866
Gambia (Republic of the)	220	0.6299	0.3150	0.0630	0.5871	0.2936	0.0587
Georgia	995	0.7483	0.3742	0.0748	0.7054	0.3527	0.0705
Germany (Federal Republic of)	49	0.1672	0.0836	0.0167	0.1243	0.0622	0.0124
Ghana	233	0.6403	0.3202	0.0640	0.5974	0.2987	0.0597
Gibraltar	350	0.4117	0.2059	0.0412	0.3688	0.1844	0.0369
Greece	30	0.3856	0.1928	0.0386	0.3428	0.1714	0.0343
Greenland (Denmark)	299	0.4792	0.2396	0.0479	0.4364	0.2182	0.0436
Grenada	1-473	0.6425	0.3213	0.0643	0.5997	0.2999	0.0600
Guadeloupe (French Department of)	590	0.4898	0.2449	0.0490	0.4470	0.2235	0.0447
Guantanamo Bay	539	0.5947	0.2974	0.0595	0.5518	0.2759	0.0552
Guatemala (Republic of)	502	0.4251	0.2126	0.0425	0.3823	0.1912	0.0382
Guiana (French Department of)	594	0.4929	0.2465	0.0493	0.4501	0.2251	0.0450
Guinea (Republic of)	224	1.1040	0.5520	0.1104	1.0612	0.5306	0.1061
Guinea-Bissau (Republic of)	245	0.6625	0.3313	0.0663	0.6197	0.3099	0.0620
Guyana	592	0.7688	0.3844	0.0769	0.7260	0.3630	0.0726
Haiti (Republic of)	509	0.6749	0.3375	0.0675	0.6321	0.3161	0.0632
Honduras (Republic of)	504	0.5225	0.2613	0.0523	0.4796	0.2398	0.0480
Hong Kong	852	0.2800	0.1400	0.0280	0.2372	0.1186	0.0237
Hungary (Republic of)	36	0.2807	0.1404	0.0281	0.2378	0.1189	0.0238
Iceland	354	0.2989	0.1495	0.0299	0.2561	0.1281	0.0256
India (Republic of)	91	0.8420	0.4210	0.0842	0.7991	0.3996	0.0799
Indonesia (Republic of)	62	0.6807	0.3404	0.0681	0.6379	0.3190	0.0638
Inmarsat (Atlantic Ocean-East)	871	6.1348	3.0674	0.6135	6.0920	3.0460	0.6092
Inmarsat (Atlantic Ocean-West)	874	6.1348	3.0674	0.6135	6.0920	3.0460	0.6092
Inmarsat (Indian Ocean)	873	6.1348	3.0674	0.6135	6.0920	3.0460	0.6092

Country	Code	Base*	30 Sec.	6 Sec.	Base*	30 Sec.	6 Sec.
Inmarsat (Pacific Ocean)	872	6.1348	3.0674	0.6135	6.0920	3.0460	0.6092
Iran (Islamic Republic of)	98	0.9116	0.4558	0.0912	0.8688	0.4344	0.0869
Iraq (Republic of)	964	1.0316	0.5158	0.1032	0.9888	0.4944	0.0989
Ireland	353	0.1903	0.0952	0.0190	0.1475	0.0738	0.0148
Israel (State of)	972	0.2774	0.1387	0.0277	0.2346	0.1173	0.0235
Italy	39	0.2475	0.1238	0.0248	0.2047	0.1024	0.0205
Jamaica	1-876	0.6548	0.3274	0.0655	0.6120	0.3060	0.0612
Japan	81	0.2950	0.1475	0.0295	0.2522	0.1261	0.0252
Jordan (Hashemite Kingdom of)	962	0.8294	0.4147	0.0829	0.7866	0.3933	0.0787
Kazakhstan (Republic of)	992	0.7011	0.3506	0.0701	0.6583	0.3292	0.0658
Kenya (Republic of)	254	0.8414	0.4207	0.0841	0.7986	0.3993	0.0799
Kiribati (Republic of)	686	0.9233	0.4617	0.0923	0.8805	0.4403	0.0881
Korea (Republic of)	82	0.4049	0.2025	0.0405	0.3621	0.1811	0.0362
Korea North	850	0.6760	0.3380	0.0676	0.6332	0.3166	0.0633
Kuwait (State of)	965	0.8995	0.4498	0.0900	0.8566	0.4283	0.0857
Kyrgyz Republic	996	0.6684	0.3342	0.0668	0.6255	0.3128	0.0626
Lao People's Democratic Republic	856	0.9431	0.4716	0.0943	0.9003	0.4502	0.0900
Latvia (Republic of)	371	0.4029	0.2015	0.0403	0.3601	0.1801	0.0360
Lebanon	961	0.8314	0.4157	0.0831	0.7886	0.3943	0.0789
Lesotho (Kingdom of)	266	0.5757	0.2879	0.0576	0.5328	0.2664	0.0533
Liberia (Republic of)	231	0.5363	0.2682	0.0536	0.4935	0.2468	0.0494
Libya (Socialist People's Libyan Arab Jamahiriya)	218	0.4316	0.2158	0.0432	0.3888	0.1944	0.0389
Liechtenstein (Principality of)	41	0.2324	0.1162	0.0232	0.1896	0.0948	0.0190
Lithuania (Republic of)	370	0.4779	0.2390	0.0478	0.4351	0.2176	0.0435
Luxembourg	352	0.2179	0.1090	0.0218	0.1750	0.0875	0.0175
Macau	853	0.5027	0.2514	0.0503	0.4599	0.2300	0.0460
Madagascar (Republic of)	261	0.8386	0.4193	0.0839	0.7958	0.3979	0.0796
Madeira Islands	35191	0.4558	0.2279	0.0456	0.4130	0.2065	0.0413
Malawi	265	0.5371	0.2686	0.0537	0.4942	0.2471	0.0494
Malaysia	60	0.3320	0.1660	0.0332	0.2891	0.1446	0.0289
Maldives (Republic of)	960	0.7319	0.3660	0.0732	0.6890	0.3445	0.0689
Mali (Republic of)	223	0.9698	0.4849	0.0970	0.9270	0.4635	0.0927
Malta	356	0.3195	0.1598	0.0320	0.2766	0.1383	0.0277
Marshall Islands (Republic of the)	692	0.4963	0.2482	0.0496	0.4535	0.2268	0.0454
Martinique (French Department of)	596	0.5225	0.2613	0.0523	0.4796	0.2398	0.0480
Mauritania (Islamic Republic of)	222	0.6741	0.3371	0.0674	0.6313	0.3157	0.0631
Mauritius (Republic of)	230	0.7192	0.3596	0.0719	0.6763	0.3382	0.0676
Mayotte (Collectivité territoriale de la République française)	269	0.6853	0.3427	0.0685	0.6425	0.3213	0.0643
Micronesia (Federated States of)	691	0.8288	0.4144	0.0829	0.7860	0.3930	0.0786
Moldova (Republic of)	373	0.5803	0.2902	0.0580	0.5375	0.2688	0.0538
Monaco (Principality of)	377	0.2369	0.1185	0.0237	0.1940	0.0970	0.0194
Mongolia	976	0.9928	0.4964	0.0993	0.9500	0.4750	0.0950
Montserrat	1-809	0.6465	0.3233	0.0647	0.6036	0.3018	0.0604
Morocco (Kingdom of)	212	0.4966	0.2483	0.0497	0.4537	0.2269	0.0454
Mozambique (Republic of)	258	0.6612	0.3306	0.0661	0.6184	0.3092	0.0618
Mustique	1-809	0.8080	0.4040	0.0808	0.7651	0.3826	0.0765
Myanmar (Union of)	95	1.1902	0.5951	0.1190	1.1473	0.5737	0.1147
Namibia (Republic of)	264	0.5407	0.2704	0.0541	0.4978	0.2489	0.0498
Nauru (Republic of)	674	0.8953	0.4477	0.0895	0.8525	0.4263	0.0853
Nepal	977	0.9227	0.4614	0.0923	0.8799	0.4400	0.0880
Netherlands (Kingdom of the)	31	0.1734	0.0867	0.0173	0.1305	0.0653	0.0131
Netherlands Antilles	599	0.3638	0.1819	0.0364	0.3210	0.1605	0.0321

Country	Code	Base*	30 Sec.	6 Sec.	Base*	30 Sec.	6 Sec.
Nevis	1809	0.5301	0.2651	0.0530	0.4873	0.2437	0.0487
New Caledonia (Territoire française d'outre-mer)	687	0.7505	0.3753	0.0751	0.7077	0.3539	0.0708
New Zealand	64	0.1844	0.0922	0.0184	0.1416	0.0708	0.0142
Nicaragua	505	0.5553	0.2777	0.0555	0.5124	0.2562	0.0512
Niger (Republic of the)	227	0.8942	0.4471	0.0894	0.8514	0.4257	0.0851
Nigeria (Federal Republic of)	234	0.7448	0.3724	0.0745	0.7020	0.3510	0.0702
Niue	683	1.1040	0.5520	0.1104	1.0612	0.5306	0.1061
Norway	47	0.1538	0.0769	0.0154	0.1110	0.0555	0.0111
Oman (Sultanate of)	968	0.9736	0.4868	0.0974	0.9308	0.4654	0.0931
Pakistan (Islamic Republic of)	92	1.0049	0.5025	0.1005	0.9621	0.4811	0.0962
Palau (Republic of)	680	0.9462	0.4731	0.0946	0.9034	0.4517	0.0903
Panama (Republic of)	507	0.6219	0.3110	0.0622	0.5790	0.2895	0.0579
Papua New Guinea	675	0.5173	0.2587	0.0517	0.4745	0.2373	0.0475
Paraguay (Republic of)	595	0.6634	0.3317	0.0663	0.6205	0.3103	0.0621
Peru	51	0.6488	0.3244	0.0649	0.6060	0.3030	0.0606
Philippines (Republic of the)	63	0.5099	0.2550	0.0510	0.4671	0.2336	0.0467
Poland (Republic of)	48	0.3533	0.1767	0.0353	0.3105	0.1553	0.0311
Portugal	351	0.3592	0.1796	0.0359	0.3164	0.1582	0.0316
Qatar (State of)	974	0.9140	0.4570	0.0914	0.8711	0.4356	0.0871
Reunion (French Department of)	262	0.6987	0.3494	0.0699	0.6559	0.3280	0.0656
Romania	40	0.4655	0.2328	0.0466	0.4227	0.2114	0.0423
Russia	7	0.4803	0.2402	0.0480	0.4374	0.2187	0.0437
Rwandese Republic	250	0.9430	0.4715	0.0943	0.9002	0.4501	0.0900
Saint Helena	290	0.7045	0.3523	0.0705	0.6616	0.3308	0.0662
Saint Kitts and Nevis	1-869	0.5306	0.2653	0.0531	0.4878	0.2439	0.0488
Saint Lucia	1-758	0.6109	0.3055	0.0611	0.5680	0.2840	0.0568
Saint Pierre and Miquelon collectivité territoriale de la République française	508	0.3765	0.1883	0.0377	0.3337	0.1669	0.0334
Saint Vincent and Grenadines	1-809	0.6433	0.3217	0.0643	0.6004	0.3002	0.0600
San Marino (Republic of)	378	0.4742	0.2371	0.0474	0.4313	0.2157	0.0431
Sao Tome and Principe (Democratic Republic of)	239	1.0198	0.5099	0.1020	0.9770	0.4885	0.0977
Saudi Arabia (Kingdom of)	966	0.8549	0.4275	0.0855	0.8121	0.4061	0.0812
Senegal (Republic of)	221	1.0787	0.5394	0.1079	1.0359	0.5180	0.1036
Seychelles (Republic of)	248	1.0546	0.5273	0.1055	1.0118	0.5059	0.1012
Sierra Leone	232	0.8840	0.4420	0.0884	0.8412	0.4206	0.0841
Singapore (Republic of)	65	0.3008	0.1504	0.0301	0.2580	0.1290	0.0258
Slovak Republic	42	0.3563	0.1782	0.0356	0.3135	0.1568	0.0314
Slovenia (Republic of)	386	0.2383	0.1192	0.0238	0.1954	0.0977	0.0195
Solomon Islands	677	0.7445	0.3723	0.0745	0.7017	0.3509	0.0702
Somali Democratic Republic	252	0.9248	0.4624	0.0925	0.8820	0.4410	0.0882
South Africa (Republic of)	27	0.4653	0.2327	0.0465	0.4225	0.2113	0.0423
Spain	34	0.3089	0.1545	0.0309	0.2660	0.1330	0.0266
Sri Lanka (Democratic Socialist Republic of)	94	0.9806	0.4903	0.0981	0.9377	0.4689	0.0938
Sudan (Republic of the)	249	0.5674	0.2837	0.0567	0.5246	0.2623	0.0525
Suriname	597	1.0924	0.5462	0.1092	1.0496	0.5248	0.1050
Swaziland (Kingdom of)	268	0.4146	0.2073	0.0415	0.3717	0.1859	0.0372
Sweden	46	0.1378	0.0689	0.0138	0.0949	0.0475	0.0095
Switzerland (Confederation of)	41	0.2095	0.1048	0.0210	0.1667	0.0834	0.0167
Syrian Arab Republic	963	0.7656	0.3828	0.0766	0.7227	0.3614	0.0723
Taiwan	886	0.4338	0.2169	0.0434	0.3910	0.1955	0.0391
Tanzania (United Republic of)	255	0.7433	0.3717	0.0743	0.7005	0.3503	0.0701
Thailand	66	0.6794	0.3397	0.0679	0.6366	0.3183	0.0637

Country	Code	Base*	30 Sec.	6 Sec.	Base*	30 Sec.	6 Sec.
The Former Yugoslav Republic of Macedonia	389	0.4006	0.2003	0.0401	0.3577	0.1789	0.0358
Togolese Republic	228	0.9878	0.4939	0.0988	0.9450	0.4725	0.0945
Tokelau	690	1.2646	0.6323	0.1265	1.2217	0.6109	0.1222
Tonga (Kingdom of)	676	1.0394	0.5197	0.1039	0.9966	0.4983	0.0997
Trinidad/Tobago	1-868	0.6932	0.3466	0.0693	0.6503	0.3252	0.0650
Tunisia	216	0.4751	0.2376	0.0475	0.4323	0.2162	0.0432
Turkey	90	0.4769	0.2385	0.0477	0.4340	0.2170	0.0434
Turkmenistan	993	0.7455	0.3728	0.0746	0.7026	0.3513	0.0703
Turks/Caicos	1-649	0.5210	0.2605	0.0521	0.4782	0.2391	0.0478
Tuvalu	688	0.8308	0.4154	0.0831	0.7879	0.3940	0.0788
Uganda (Republic of)	256	0.6879	0.3440	0.0688	0.6451	0.3226	0.0645
Ukraine	380	0.4723	0.2362	0.0472	0.4295	0.2148	0.0430
United Arab Emirates	971	0.6273	0.3137	0.0627	0.5845	0.2923	0.0585
United Kingdom of Great Britain & Northern Ireland	44	0.1090	0.0545	0.0109	0.0662	0.0331	0.0066
Uruguay (Eastern Republic of)	598	0.7645	0.3823	0.0765	0.7217	0.3609	0.0722
Uzbekistan (Republic of)	998	0.6723	0.3362	0.0672	0.6295	0.3148	0.0630
Vanuatu (Republic of)	678	0.7414	0.3707	0.0741	0.6985	0.3493	0.0699
Vatican City State	379	0.3286	0.1643	0.0329	0.2858	0.1429	0.0286
Venezuela (Republic of)	58	0.4085	0.2043	0.0409	0.3657	0.1829	0.0366
Viet Nam (Socialist Republic of)	84	1.0968	0.5484	0.1097	1.0540	0.5270	0.1054
Wallis & Futuna (Territoire française d'outre-mer)	681	0.3995	0.1998	0.0400	0.3567	0.1784	0.0357
Western Samoa (Independent State of)	685	0.6776	0.3388	0.0678	0.6348	0.3174	0.0635
Yemen (Republic of)	967	0.8197	0.4099	0.0820	0.7768	0.3884	0.0777
Yugoslavia & Serbia (Federal Republic of)	381	0.4773	0.2387	0.0477	0.4345	0.2173	0.0435
Zaire (Republic of)	243	0.7054	0.3527	0.0705	0.6625	0.3313	0.0663
Zambia (Republic of)	260	0.8399	0.4200	0.0840	0.7971	0.3986	0.0797
Zimbabwe (Republic of)	263	0.4913	0.2457	0.0491	0.4484	0.2242	0.0448

**"Base" are approximate effective rates based on discounting from the Base Rates which are calculated on the first 30 seconds followed by 6 second increments.

1. Dedicated Access Rates are for Xnet international and Xclusive dedicated access services.
2. Australian External Territories include: Norfolk Is., Christmas Is. and Cocos Is.
3. All international calls excluding calls to Mexico are billed as: 30 second initial period, 6 second additional periods.
4. All calls to Mexico are billed in full minute increments.
5. 7 Day Notice for International Rates Change Applies

Terms and Conditions:

International charges will be calculated using the Base International Rates. All CDR's, both daily and at the month end, will be rated at the International Base Rates.

The International billing structure allows discounting, based on combined switched services, from the International "Base" charges at 2% for \$250K, 4% for \$500K, 6% for \$750K, and 8% for \$1M. The discount applies only to the International charges and determines the effective International Rates.

"Effective" International Rates after the discounts are applied to the calculated International "Base" charges.

International discounts are based on Xclusive and XNET services separately. Xclusive and XNET usage charges will not be combined to determine overall volume levels. Volume levels for discounting are set at the master account level only rather than the sub-account level.

Xclusive International - Mexico Rates (calls to Mexico)

Switched Access						Dedicated Access				
Band	Base	Monthly Billing Level				Base	Monthly Billing Level			
		\$250K-499,999	\$500K-749,999	\$750K-999,999	\$1M +		\$250K-499,999	\$500K-749,999	\$750K-999,999	\$1M +
1	\$0.2150	\$0.2107	\$0.2064	\$0.2021	\$0.1978	\$0.1731	\$0.1696	\$0.1662	\$0.1627	\$0.1593
2	\$0.2436	\$0.2387	\$0.2338	\$0.2290	\$0.2241	\$0.2017	\$0.1977	\$0.1937	\$0.1896	\$0.1856
3	\$0.2988	\$0.2928	\$0.2868	\$0.2808	\$0.2749	\$0.2569	\$0.2517	\$0.2466	\$0.2415	\$0.2363
4	\$0.3364	\$0.3297	\$0.3229	\$0.3162	\$0.3095	\$0.2945	\$0.2886	\$0.2827	\$0.2768	\$0.2710
5	\$0.3445	\$0.3376	\$0.3307	\$0.3238	\$0.3169	\$0.3026	\$0.2965	\$0.2905	\$0.2844	\$0.2784
6	\$0.3441	\$0.3372	\$0.3304	\$0.3235	\$0.3166	\$0.3023	\$0.2962	\$0.2902	\$0.2841	\$0.2781
7	\$0.3440	\$0.3371	\$0.3302	\$0.3233	\$0.3164	\$0.3021	\$0.2961	\$0.2900	\$0.2840	\$0.2779
8	\$0.3436	\$0.3368	\$0.3299	\$0.3230	\$0.3161	\$0.3018	\$0.2957	\$0.2897	\$0.2837	\$0.2776

Calls to Mexico are billed in whole minute increments.

Xclusive International - Canada Rates (calls to Canada)

Switched Access						Dedicated Access				
Peak & Off-Peak	Base	Monthly Billing Level				Base	Monthly Billing Level			
		\$250K-499,999	\$500K-749,999	\$750K-999,999	\$1M +		\$250K-499,999	\$500K-749,999	\$750K-999,999	\$1M +
Full Minute	\$0.1277	\$0.1251	\$0.1226	\$0.1200	\$0.1175	\$0.0858	\$0.0841	\$0.0824	\$0.0807	\$0.0790
Initial 30 Seconds	\$0.0638	\$0.0626	\$0.0613	\$0.0600	\$0.0587	\$0.0429	\$0.0421	\$0.0412	\$0.0403	\$0.0395
Add'l 6 Seconds	\$0.0128	\$0.0125	\$0.0123	\$0.0120	\$0.0117	\$0.0086	\$0.0084	\$0.0082	\$0.0081	\$0.0079

Xclusive International - 8XX Calls from Canada to US 48 States*

	Peak		Off-Peak	
	Initial 30 Seconds	Add'l 6 Seconds	Initial 30 Seconds	Add'l 6 Seconds
To Switched Access	\$0.1628	\$0.0326	\$0.1415	\$0.0283
To Dedicated Access	0.1515	0.0303	0.1260	0.0252

*Canadian Peak Period is 8 am to 5 pm Monday through Friday.
Off-Peak is all other times.*

**XPIN calls from Canada are rated at the same prices as switched access inbound 8XX calls from Canada.*

Xclusive Card Services: Calling & Debit Cards - Under \$1M

Interstate Calls	Day	Non-Day
Base Rates	\$0.1550	\$0.1475
w/3 Year Term	0.1504	0.1431

**for intrastate card rates, see intrastate rate schedules*

	Day	Non-Day
Calls Originating in Canada	\$0.3860	\$0.3710

Day = 8:00 a.m. to 5:00 p.m. Monday through Friday

Applies only to Calling Card Service. Day = 8:00 a.m to 5:00 p.m. Monday through Friday.

Surcharges - per call:

Domestic Termination	\$0.0000 per message
Canada Termination or Origination	0.2500 per message
Mexico Termination	0.5000 per message
Other International Termination	0.5000 per message

International Usage Charges, as contracted at the switched access international rates, apply to international calls in addition to the surcharges shown above.

On-Demand Feature Charges (1):

Audio Text	0.2000 per Minute
Message Store & Forward	0.7000 per Message
Operator Assistance	
Station to Station	0.5000 per Message
Person to Person	Not available

Conference Calling (Charges applied to each participant)

Set-up Charge	\$1.0000
Day Rate/Minute	0.2000
Non-Day Rate/Minute	0.1500
Int'l Rate/Minute	Per Int'l Switched Rate

There are no charges for Speed Dialing or Variable Credit Limits.

(1) On Demand features apply to calling card calls, not debit card calls.

IXC Xclusive Billing Increments:

		Outbound (1+)		Inbound (8xx)	
		Initial	Incremental	Initial	Incremental
Domestic 48	to Domestic 48	6	6	6	6
Domestic 48	to Extended Areas	6	6	6	6
Domestic 48	to International	30	6	NA	NA
Domestic 48	to Canada	30	6	NA	NA
Domestic 48	to Mexico	60	60	NA	NA
Extended Areas	to Domestic 48	6	6	6	6
Extended Areas	to Extended Areas	6	6	6	6
Extended Areas	to International	30	6	NA	NA
Extended Areas	to Canada	30	6	NA	NA
Extended Areas	to Mexico	60	60	NA	NA
International	to Domestic 48	NA	NA	NA	NA
International	to Extended Areas	NA	NA	NA	NA
International	to International	NA	NA	NA	NA
International	to Canada	NA	NA	NA	NA
International	to Mexico	NA	NA	NA	NA
Canada	to Domestic 48	NA	NA	30	6
Canada	to Extended Areas	NA	NA	30	6
Canada	to International	NA	NA	NA	NA
Canada	to Canada	NA	NA	NA	NA
Canada	to Mexico	NA	NA	NA	NA
Mexico	to Domestic 48	NA	NA	60	60
Mexico	to Extended Areas	NA	NA	60	60
Mexico	to International	NA	NA	60	60
Mexico	to Canada	NA	NA	60	60
Mexico	to Mexico	NA	NA	NA	NA

Notes:

1. International includes all international terminating locations except Canada and Mexico
2. Extended areas include Alaska, Hawaii, Puerto Rico, USVI, Guam & Northern Mariana Islands.
3. XPIN is included in Xclusive 8XX service definitions.
4. All service locations are subject to network availability
5. All periods defined are in seconds.

IXC Xclusive Debit & Calling Card Billing Increments:

		<u>Initial</u>	<u>Incremental</u>
Domestic 48	to Domestic 48	18	6
Domestic 48	to Extended Areas	18	6
Domestic 48	to International	30	30
Domestic 48	to Canada	30	6
Domestic 48	to Mexico	60	60
Extended Areas	to Domestic 48	18	6
Extended Areas	to Extended Areas	18	6
Extended Areas	to International	30	30
Extended Areas	to Canada	30	6
Extended Areas	to Mexico	60	60
International	to Domestic 48	NA	NA
International	to Extended Areas	NA	NA
International	to International	NA	NA
International	to Canada	NA	NA
International	to Mexico	NA	NA
Canada	to Domestic 48	30	6
Canada	to Extended Areas	30	6
Canada	to International	30	6
Canada	to Canada	NA	NA
Canada	to Mexico	60	60
Mexico	to Domestic 48	60	60
Mexico	to Extended Areas	60	60
Mexico	to International	60	60
Mexico	to Canada	60	60
Mexico	to Mexico	60	60

Notes:

1. International includes all international terminating locations except Canada and Mexico
2. Extended areas include Alaska, Hawaii, Puerto Rico, USVI, Guam & Northern Mariana Islands.
3. XPIN is included in Xclusive 8XX service definitions.
4. All service locations are subject to network availability
5. All periods defined are in seconds.

Xclusive Toll Free Service from Mexico to US 48 States*

Monthly Volume of Toll Free Svc.	Originating Band	Switched Access		Dedicated Access	
		Day	Night	Day	Night
\$0-100,000	1	\$0.460	\$0.410	\$0.440	\$0.360
	2	0.760	0.710	0.740	0.560
\$100,001-200,000	1	0.440	0.390	0.420	0.340
	2	0.740	0.690	0.720	0.540
\$200,001-300,000	1	0.420	0.370	0.400	0.320
	2	0.720	0.670	0.700	0.520
\$300,001+	1	0.400	0.350	0.380	0.300
	2	0.700	0.650	0.680	0.500

*Toll Free Service From Mexico is subject to availability.

IXC reserves the right to adjust pricing with fifteen (15) days written notice.

Day = 8 am to 5 pm Monday through Friday for Toll Free Service from Mexico

Band 1 is the same as Bands 1,2 and 3 on Xnet terminating products

Band 2 is the same as Bands 4, 5, 6, 7 and 8 on Xnet terminating products

Ancillary Service Charges

Service	Explanation	Applied	Charge
ANI Administration (1)	Per ANI loaded into our switches. Required when an ANI has international blocking, account codes, or other switched-based features.	Monthly	\$0.50/ANI
IC Pay	IC Pay is a 1+ switched access option allowing the Reseller to designate that a WTN PIC order not result in a PIC charge from the LEC to the end-user.	Monthly	\$5 per 'IC Pay' PIC
Account Codes	Install fee per BTN/ANI verified account code table.	Non-recurring	\$25/table
	Monthly fee per BTN/ANI verified account code table.	Monthly	\$25/table
8XX Service	Administrative Charge for each 8XX number	Monthly	\$.50 per 8XX#
	8XX number reservation - one time charge per number reserved	Non-recurring	\$25/8XX#
	Monthly fee for each 8XX number listed at the (800)555-1212 directory service	Monthly	\$15/listing
	Installation charge for signaling and trunking required for ANI delivery on 8XX calls.	Non-recurring	\$250/trunk
	Installation charge for direct termination overflow.	Non-recurring	\$250/DTO trunk
	Charged for each change to direct termination overflow routing.	Per change	\$50/DTO trunk
	Installation charge for dialed number identification service (DNIS) Charged for each change to DNIS	Non-recurring Per change	\$200/trunk \$50/trunk
XPIN Service	Install fee per Xpin 8XX number.	Non-recurring	\$50 per 8XX#
	Monthly fee per Xpin 8XX number.	Monthly	\$20 per 8XX#
CDR Delivery (2)	Monthly charge for CDR via On-Line by dial-up access.	Monthly	\$50
	Monthly charge for CDR via On-Line by direct line access.	Monthly	\$250
	Monthly charge for CDR via Tape or Diskette.	Monthly	\$250
	CDR Daily (for Xnet)	Monthly	\$.005 per CDR
Transport for Interconnection	Installation charges for transport service - includes all telco charges	Non-recurring	Pass-through
	Monthly charges for transport service - includes all telco charges	Monthly	Pass-through
	Monthly Minimum Usage per DS-1	Monthly	See 6.C./MSA
Local Loops	Installation charges for dedicated trunk, includes all telco charges	Non-recurring	Pass-through
	Monthly charges for dedicated trunk, includes all telco charges	Monthly	Pass-through
	Installation charges for Echo Cancellers (when required)	Non-recurring	\$500
	Monthly charges for Echo Cancellers (when required)	Monthly	\$250
	Order processing fee - to accompany each order for local loop or special access order.	Non-recurring	\$50
Reseller ID Setup (3)	Set-up charge per Reseller I.D.	Non-recurring	\$1,000
	Maintenance charge per Reseller I.D.	Monthly	\$250
	Changes to Reseller I.D. Profile.	Per change	\$250
700 Branding (4)	Set-up charge per Custom 700 Branding Message.	Non-recurring	\$400 per network
Calling Card Print Option	Set-up charge for the Calling Card Custom Printing Option Printing charge (includes shipping)	Non-recurring Per Card Printed	\$150 per set-up \$1.50
Debit Card Service	Retail Rate Table set-up - no charge for the 1 st 3 tables	Per table, after 1 st 3	\$250
	Language set-up fee, applies to up to 2 add'l languages The 1 st is free.	Per Additional Language	\$140
	Custom Recordings for scripts.	Per Incident	Pass-through

Mexico Toll Free Service	Installation	Per Switched #	\$50
	Installation	Per Dedicated #	\$50
	Monthly Recurring	Per Switched #	\$10
	Monthly Recurring	Per Dedicated #	\$50
	Minimum Monthly Usage	Per Switched #	\$20
	Minimum Monthly Usage	Per Dedicated #	\$100
Directory Assistance		Per call	\$0.60

(1) ANI Administration Charges are waived for Xclusive Services.

(2) CDR delivery charges are waived for Xclusive Services.

(3) Reseller ID set-up charges are waived for the 1st 3 reseller profiles. Check w/your Account Executive for details. An example of a change to the Reseller I.D. profile is a change of address.

(4) First 700 Branding set-up is at no charge. These charges apply to custom branding after the 1st 700 number.

Notes:

A. All monthly fees are pro-rated. All others are not.

B. No charges are eligible for volume or term discounts.

C. Ancillary charges are applied at the time of initial account set-up. Charges for changes are applied when changes occur.

Exhibit B - Network Demand Forecast

Customer: *Annex, Inc*

Date: 12/9/98

Is this actual (existing customer traffic) or projected data? Actual Projected

Originating/ Terminating End Office	Originating/ Terminating Tandem	Monthly Minutes	Daily BH Traffic %	Monthly BH	Comments
		111,480	20 %	22,296	New Service being
		198,040	20 %	39,608	Resident use
		252,770	20 %	50,554	
		336,620	20 %	67,324	Interstate Minutes zero
		339,400	20 %	67,880	
		352,470	20 %	70,494	Traffic to follow
		365,810	20 %	73,162	Full Resident Pattern
		379,410	20 %	75,882	DWM
		393,240	20 %	78,648	
		407,300	20 %	81,460	
		420,360	20 %	84,072	
		427,520	20 %	85,504	
			%		
			%		
			%		
			%		
			%		
			%		

- Notes:
- For existing Customer traffic, use actual data to complete forecast. If the actual data is unavailable use projected traffic. Use the "Originating" traffic data for switched products and "Terminating" traffic data for dedicated products.
 - Originating/Terminating End Office: CLLI code of the originating (or terminating) end office. Enter the corresponding traffic data in other columns (if unavailable, refer to 3).
 - Originating/Terminating Tandem: CLLI code of the originating (or terminating) tandem. Enter the total contribution of traffic (i.e., roll-up) from the end-offices attached to the Tandem and the traffic characteristics in other columns.
 - Monthly Minutes: Total usage in minutes for the month.
 - Daily BH Traffic %: Busy Hour traffic as a percentage of daily traffic. (Network Planning will calculate based on a 22-business day average).
 - Monthly BH: Monthly average busy hour (i.e., time of day).
 - Comments: Any helpful notes to describe and elaborate on the traffic characteristics (intraLATA, intrastate, interstate, international, casual vs. PIC, 1+, etc.)
 - Use additional pages if necessary.

Exhibit C - Software License Agreement

This Software License Agreement (this "Agreement") is made and entered into this 8th day of December, 1998 (the "Effective Date"), by and between **IXC Communications Services, Inc.**, a Delaware corporation ("IXC") and **Annox, Inc.**, a Georgia corporation ("LICENSEE").

RECITALS

- A. IXC is a provider of telecommunications services and LICENSEE is a customer of IXC pursuant to the Master Service Agreement ("MSA") to which this Agreement is attached to as Exhibit C.
- B. IXC has developed and owns all right, title and interest in and to a proprietary collection of computer programs known as "IXC Online - Customer Module" which IXC makes available to its customers (the "Software") so as to enable IXC's customers to access a certain database maintained by IXC relating to the telecommunications traffic carried by IXC (the "Database").
- C. LICENSEE desires to license from IXC and IXC desires to grant to LICENSEE, on the terms and subject to the conditions of this Agreement, a license to use the Software so as to enable LICENSEE to access the Database.

AGREEMENT

In consideration of the foregoing recitals and the mutual covenants, agreements, representations and warranties contained herein and in the MSA, the parties intending to be legally bound, hereby agree as follows:

1. Grant of License.

- 1.1. Subject to the terms and conditions of this Agreement, IXC hereby grants to LICENSEE a license (the "License") to use the Software in object code form only, solely on, together with and as an integral part of a single Qualified Configuration (as defined in Section 3.1, below) solely for interconnection to the Database for purposes of accessing any one or more of the various functions made available at the sole discretion of IXC, including, without limitation, order entry, entry and retrieval of customer information, trouble reporting, status inquiries, report writing and expense tracking.
- 1.2. **Scope of License.** The License is nonexclusive and nontransferable and only extends to LICENSEE. LICENSEE agrees that it shall not, without the prior written consent of IXC, which consent may be withheld by IXC in its sole and absolute discretion, (i) transfer or sublicense the Software to any third party, directly or indirectly, manually or electronically, (ii) assign this Agreement or any interest herein to any third party, or (iii) contract, create, incur, assume or allow to exist any claim, mortgage, lien, security interest or other charge or encumbrance with respect to this Agreement or the Software to any third party.
- 1.3. **Retention of Rights.** The License places no restriction on IXC's right to use, market, distribute, license or sell the Software (or any portion thereof) to any third party. All rights not expressly granted herein are retained by IXC.

2. **Term.** This Agreement and the License created hereunder shall remain in effect until the earlier to occur of (i) the termination of the MSA, or (ii) either party giving to the other thirty (30) days' prior written notice of such party's election to terminate this Agreement.

3. **Installation of the Software on the Qualified Configuration.** IXC shall be responsible for installing the Software on the Qualified Configuration (the "Installation") in accordance with the terms and conditions of this Section 3.

- 3.1. **The Qualified Configuration.** The required hardware and software to enable LICENSEE to use the Software is hereinafter referred to as the "Qualified Configuration" and shall consist of the hardware and software configuration which is more fully described on Schedule 1 attached hereto and incorporated herein by this reference. LICENSEE, at its cost, shall be responsible for procuring the Qualified Configuration. At all times during the term of this Agreement, LICENSEE, at its cost, shall be responsible for maintaining the Qualified Configuration, including, without limitation, purchasing and utilizing any and all third-party software, and all updates or new releases pertaining thereto, as may be required to ensure that the Software continues to operate on the Qualified Configuration.

To ensure satisfactory operation of the Software, Customer hereby agrees and acknowledges that the Software is intended for use with Windows NT and Windows 95 which is part of the Qualified Configuration. Any other version of Windows, is not considered a Qualified Configuration. IXC provides technical support assistance for the Software in conjunction with Windows NT and for no other operating software.

Customer hereby assumes any risks in connection with the use of any operating software other than Windows NT and Windows 95 in connection with the Software. Customer hereby waives any claim or cause of action against IXC that may arise in connection with Customer's use of operating software other than Windows NT in connection with the Software.

- 3.2. **Performance of the Installation.** In order to enable IXC to expeditiously perform the Installation, as soon as practicable after the Effective Date, LICENSEE shall allow IXC access, during normal business hours, to the Qualified Configuration. Upon gaining such access to the Qualified Configuration, IXC shall commence with the Installation and shall diligently pursue completion thereof.

4. **Maintenance of the Database.** LICENSEE acknowledges that IXC must from time to time perform periodic maintenance of the Database which may result in a temporary shutdown of the Database and, during such times, IXC may suspend entry of new orders to the Database. IXC agrees to provide LICENSEE with as much advance notice as is reasonably possible of any such planned or scheduled maintenance.
5. **Revisions, Additions and Modifications.** IXC may from time to time provide LICENSEE with revisions of the Software. LICENSEE shall accept such revisions, provided that if the revisions change existing procedures or file formats for order entry, response files and call detail records ("CDRs"), IXC will provide LICENSEE with at least 30 days' prior written notice of such revisions, and shall instruct LICENSEE, without charge, in the installation and use of the revisions.
6. **Additional Obligations of IXC.**
 - 6.1. **File Privacy.** IXC will take all commercially reasonable action to protect LICENSEE's files and data from being accessed by any third parties other than those third parties, if any, that may have been authorized by LICENSEE to access such files and data.
 - 6.2. **File Security.** IXC will archive for a reasonable period of time, all of LICENSEE's CDR data and will provide a copy of the most recent data to LICENSEE at such times that invoices are generated under the TSA. Nonetheless, IXC cannot guarantee that IXC's files and data will not be lost or altered and, therefore, LICENSEE hereby agrees to be solely responsible for maintaining a procedure external to the Database for maintaining and archiving all of its CDR data.
7. **Additional Obligations of LICENSEE.**
 - 7.1. **Communication Costs.** LICENSEE shall be responsible for all communication costs from LICENSEE's facility to the designated Database server location, including, without limitation, all equipment and telephone costs and any connection charges thereto.
 - 7.2. **Letters of Authorization.** LICENSEE acknowledges and agrees that certain of the services available on the Database require executed end-user Letters of Authorization/Agency ("LOAs"). LICENSEE shall maintain a file of all requisite LOAs and supply photocopies of such LOAs to IXC within five (5) business days of IXC's request, in accordance with the directions provided to LICENSEE at such time.
 - 7.3. **Authorized Users.** LICENSEE shall maintain and provide to IXC, within five (5) business days of its receipt of written notice from IXC requesting such information, a list of all persons authorized by LICENSEE to use the Software. All such persons shall be employees of LICENSEE and LICENSEE shall take all action necessary to ensure that such users do not (i) violate any of the terms and conditions of this Agreement, or (ii) access any files or data for licensees other than LICENSEE.
8. **Trademark Rights.** IXC has adopted and owns certain trademarks and service marks used in identifying and marketing IXC technology, products and services including, but not limited to the marks "IXC" and "IXC On-Line" (collectively, the "Trademarks"). LICENSEE recognizes and concedes for all purposes that any trademarks, logos or trade names affixed by IXC to IXC technology, products and services, whether or not registered, constitute the exclusive property of IXC and cannot be used by LICENSEE, nor shall LICENSEE use any confusingly similar mark, logo or trade name.
9. **Proprietary Rights; Confidential Information.** Full copyright and title to the Software shall at all times remain with IXC. Customer agrees to (i) maintain in confidence any confidential information of IXC obtained by Customer during the term of this Agreement, and (ii) refrain from disclosing confidential information of IXC to anyone until that information shall be in the public domain.
10. **No Warranty; Limitation of Liability.** IXC EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES WITH RESPECT TO THE SOFTWARE, INCLUDING ALL IMPLIED WARRANTIES OR CONDITIONS OF TITLE, NONINFRINGEMENT, FITNESS OR SUITABILITY FOR ANY PARTICULAR PURPOSE. LICENSEE ACKNOWLEDGES AND AGREES THAT IXC'S MAXIMUM AGGREGATE LIABILITY TO LICENSEE UNDER THIS AGREEMENT SHALL IN NO EVENT EXCEED \$25,000.00.
11. **Warranty of Authority.** Each of the individuals signing this Agreement on behalf of a party hereto warrants and represents that such individual is duly authorized and empowered to enter into this Agreement and bind such party hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first set forth above.

IXC Communications Services, Inc.

By: Joe Welsh
 Title: PREP-WHOLESALES

Amiox, Inc.

By: Ken W. Mandel
 Title: Executive Vice President

SCHEDULE 1

The following constitutes the minimum recommended requirements for *IXC OnLine*. Based on the work functions used and volumes of work, other configurations may also be supported.

Hardware for PC Platform

- Processor: Intel 486/66
- At least 16 MB RAM for NT 3.51; 32 MB RAM for NT 4.0, Win95
- High Density (1.44 MB) 3.5" floppy disk drive
- Hard Disk with a minimum of 1 GB of storage (driven by CDR volumes)
- SCSI Controller preferred to IDE (but not mandatory)
- 101 Keyboard
- Mouse (at least 2 button)
- Network cards that are compatible with Windows NT (if connected to LAN)

CD-ROM

- Double speed or faster; supported by Windows NT (for billing via CD-ROM)

Video Card and Monitor

- SVGA, 800 x 600 resolution screen (1024 x 768 resolution is acceptable as well, but the screen will appear smaller.)
- 15" Color Monitor, 0.28" dot pitch

Software and Operating System

- Windows NT Workstation (version 3.51 or 4.0) or Windows 95

Miscellaneous Software

- Virus checking programs (NT and Win 95 compatible)
- Any relational database that can read .DBF (database) files so that order status can be tracked (Examples of programs that read these files: FoxPro, Paradox, Oracle, Excel, Approach, Access.)

Security

- IXC OnLine* will scan for viruses as files are transferred to the system. As such, only ASCII file uploads will be accepted. Files suspected of containing a virus will not be processed by *IXC OnLine*, and the user will be notified of the problem.

Interactive Interface Requirements

If the interface with *IXC OnLine* is dial-up, the requirements (in addition to the "Common Requirements" stated above) are as follows:

- Hayes compatible modem at 28.8 kbps (async)
- For batch ASCII file transfer, Procomm Plus or a comparable communication transfer software (must support X-modem and Z-modem protocols) is recommended.

Users who will enter orders interactively need not purchase this software.

- Sufficient hard disk storage to receive CDR files; 1 Gig + recommended. (Based on your specific volumes.)
- Windows NT Remote Access Service - native to Windows NT (for interactive use)

If the physical interface with *IXC OnLine* is via a *dedicated line*, then the requirements, in addition to the "Common Requirements" stated above, are as follows:

- 56 / 64 kbps line (DS-0) from customer site to IXC determined location (to be confirmed based on IXC's WAN configuration)
- CSU/DSU for line termination (to be confirmed based on IXC's WAN configuration) - coordinate with IXC MIS department
- Router connection or Eicon card

Database Configuration

Many of the preparations required for the establishment of your database must be performed by IXC. After receiving a fully executed contract, your Account Manager will require your assistance in completing some of these tasks, such as your Customer Profile and Calling Card Setup.

Access to IXC OnLine

Once you have met all of the hardware and software requirements, you will be given your assigned User ID's and passwords, as well as the software that will allow you to access *IXC OnLine*.

Exhibit D - Taxes on Telecommunications Services - Contact IXC's Tax Department at 512-231-5294 for assistance in completing this form

Please check one of the following:

Telecommunications services purchased from Supplier are for resale purposes in the normal course of our business (or are subject to other tax exemptions). These services are exempt from federal, state and local taxes.

If checked, complete Section 1 & Section 2 below for the applicable states where service is provided.

Telecommunications services purchased from Supplier are not for resale purposes, but are purchased for our own use. These services are not subject to other exemptions.

If checked, sign here: _____ Date: _____

Section 1. Certificate of Exemption from Federal Excise Taxes on Communications Services and Facilities

The undersigned hereby certifies that the service furnished by Supplier is exempt from the Federal Excise Tax on Communications and Facilities imposed by Internal Revenue Code (IRC) Section 4251 because the undersigned is exempt under IRC Section 4253 for such reason as marked below (check one). The undersigned agrees to notify Supplier in writing when the claimed status no longer applies.

A nonprofit hospital referred to in IRC Section 170 (b)(1)(A)(ii) which is exempt from income tax under Section 501 (a).

A nonprofit educational organization described in IRC Section (170) (b)(1)(A)(ii) which is exempt from income tax under Section 501 (a).

A School which is operated as an activity of an organization described in IRC Section 501 ©(3) which is exempt from income tax under Section 505(a), and operates as described in IRC Section 4253 (j).

The U.S. government, government of a State, political subdivision of a state of the District of Columbia.

The American Red Cross or an international organization described in Internal Revenue Code Sections 7701 (a) (1§) and 4253 (c).

A news service company of the type referred to in Internal Revenue Code Section 4253 (b).

Diplomatic, consular or other officers of foreign governments temporarily residing in the United States who are nationals of the foreign country on a diplomatic mission.

The service will be used exclusively in the rendering of a communications services upon which tax is imposed by IRC Section 4251. It is understood that no tax will be collected by Supplier on charges for said service and that it will be the responsibility of the undersigned to collect such tax as may be due from its customers.

The service, which is defined in Section 4252 (b)(2), is for use by a common carrier, telephone or telegraph company, or radio broadcasting station or network in the conduct of its business as such.

FOR THIS CERTIFICATE TO BE VALID YOU MUST CHECK ONE OF THE ABOVE BOXES, SIGN AND DATE THE CERTIFICATE AND PROVIDE AN EFFECTIVE DATE. ANY MODIFICATIONS TO THE ABOVE WILL RENDER THE CERTIFICATE NULL AND VOID.

THE EXEMPT STATUS OF THE UNDERSIGNED IS EFFECTIVE AS OF _____

Customer: Annox, Inc. FEDERAL TAX I.D. 58-1684489

I swear under penalty of fines, imprisonment, or both, together with cost of prosecution that the statement contained herein are true to the best of my knowledge.

[Signature] Executive Vice President 12/3/98
Signature Title Date

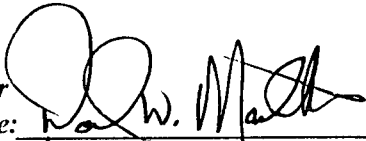
Exhibit E - Customer Certification Declaration

Customer: Annox, Inc.

State	1+	Operator Services
ALABAMA	✓	
ARKANSAS		
ARIZONA		
CALIFORNIA		
COLORADO		
CONNECTICUT		N/A
DELAWARE		
FLORIDA	✓	
GEORGIA	✓	
IOWA		
IDAHO		
ILLINOIS		
INDIANA	✓	
KANSAS		
KENTUCKY	✓	
LOUISIANA	✓	
MASSACHUSETTS		
MARYLAND		
MAINE		
MICHIGAN	N/A	N/A
MINNESOTA		
MISSOURI		
MISSISSIPPI		
MONTANA		N/A

State	1+	Operator Services
NORTH CAROLINA	✓	
NORTH DAKOTA		
NEBRASKA		
NEW HAMPSHIRE		
NEW JERSEY		N/A
NEW MEXICO		
NEVADA		
NEW YORK		
OHIO		
OKLAHOMA		
OREGON		
PENNSYLVANIA		
RHODE ISLAND		
SOUTH CAROLINA	✓	
SOUTH DAKOTA		
TENNESSEE	✓	
TEXAS		
UTAH		N/A
VIRGINIA	N/A	N/A
VERMONT		
WASHINGTON		
WISCONSIN		
WEST VIRGINIA		
WYOMING		

Please check the jurisdictions in which you are certified to do business.

Customer Signature: 

Date: 12/3/98

Exhibit F - Xclusive HUBs

<i>LATA Name</i>	<i>LATA Number</i>	<i>Street Address</i>	<i>NPA/NXX</i>
Atlanta, GA	438	55 Marietta St., 19 th Floor, East End	(404)522
Austin, TX	558	621 Pleasant Valley Road	(512)389
Baltimore, MD	238	1220 South Howard	(301)752
Boston, MA	128	Prudential Center	(617)236
Charlotte, NC	422	208 N. Caldwell	(704)335
Chicago, IL	358	155 N. Michigan Ave., Suite 425	(312)240
Cincinnati, OH	922	2300 Carew Tower, Suite 411	(513)651
Cleveland, OH	320	50 Public Square, Rm 650	(216)696
Columbus, OH	324	180 E. Broad Street, Suite 1420	(614)469
Dallas, TX	552	1950 Stemmons Frwy., Suite 2021	(214)698
Denver, CO	656	931 14 th Street, Suite 622	(303)572
Des Moines, IA	632	604 9 th Street	(515)283
Detroit, MI	340	2000 Bagley Street	(313)961
El Paso, TX	540	201 E. Main, Suite 1702	(915)553
Ft. Worth, TX	552	810 Houston, Suite 1705	(817)870
Hartford, CT	920	55 Trumbull Street	(203)725
Houston, TX	560	293 North Main Street	(713)224
Indianapolis, IN	336	730 W. Henry Street	(317)634
Jacksonville, FL	452	424 N. Pearl Street	(904)340
Kansas City, MO	524	1125 Grand Ave., Suite 1704	(816)283
Las Vegas, NV	721	125 Las Vegas Blvd. South	(702)388
Little Rock, AR	528	120 W. Eighth	(501)370
Los Angeles, CA	730	625 S. Grand, Suite 1615	(213)689
Louisville, KY	462	521 W. Chestnut Street	(502)581
Memphis, TN	468	201 E. Court Avenue	(901)227
Miami, FL	460	13 NW 6 th Street	(305)347
Milwaukee, WI	356	324 East Wisconsin Avenue	(414)276
Minneapolis, MN	628	331 South Second Avenue	(612)330
Nashville, TN	470	185 N. 2 nd Avenue	(615)251
New Orleans, LA	490	639 Loyola Avenue, Suite 2150	(504)528
New York, NY	132	60 Hudson Street, 4 th Floor	(212)693
Newark, NJ	224	744 Broad Street, 3 rd Floor	(201)824
Oklahoma City, OK	536	100 N. Broadway, Suite 3020	(405)232
Omaha, NE	644	105 South 17 th Street	(402)341
Orlando, FL	458	45 N. Magnolia Avenue	(407)872
Philadelphia, PA	228	401 N. Broad, First Floor	(215)922
Phoenix, AZ	666	3300 N. Central Ave., 15 th Floor	(602)266
Pittsburgh, PA	234	535 Smithfield Street, Suite 2650	(412)281
Portland, OR	672	819 Oak Street	(503)295
Raleigh, NC	422	121 W. Morgan Street	(919)821
Richmond, VA	248	2800 Laurel Brook Drive	(804)233
Sacramento, CA	726	1407 J Street	(916)325
Salt Lake City, UT	660	70 South State Street	(801)596
San Antonio, TX	566	660 South Santa Rosa	(210)225
San Diego, CA	732	8991 Complex Drive	(619)292
San Francisco, CA	722	425 Market Street, Suite 3800C	(415)543
San Francisco, CA	722	274 Brannan Street, Suite 402	(415)243
Seattle, WA	674	1122 3 rd Avenue	(206)382
St. Louis, MO	520	2651 Olive Street	(314)321
Tampa, FL	952	2261 Massaro	(813)620
Washington, DC	236	1220 L Street, N.W.	(202)789

Note: All IXC HUB locations are subject to availability. Contact your IXC Account Manager for specific location, location availability and Carrier Facility Assignment prior to local connection orders.

Exhibit G – Low Cost Origination or Termination Operating Company Numbers

Low Cost Origination or Termination is defined as all international calls and domestic calls to or from any NPA.NXX associated with the following Operating Company Numbers:

Interstate Low Cost OCN List:

<u>LEC</u>	<u>State</u>	<u>OCN</u>
Ameritech	IL	9329
Ameritech	IN	9325
Ameritech	MI	9323
Ameritech	OH	9321
Ameritech	WI	9327
Bell Atlantic	DC	9211
Bell Atlantic	DE	9210
Bell Atlantic	MD	9212
Bell Atlantic	NJ	9206
Bell Atlantic	PA	9208
Bell Atlantic	VA	9213
Bell Atlantic	WV	9214
Bell South	AL	9419
Bell South	FL	9417
Bell South	GA	9417
Bell South	KY	9419
Bell South	LA	9419
Bell South	MS	9419
Bell South	NC	9417
Bell South	SC	9417
Bell South	TN	9419
Cincinnati Bell	OH	9348
GTE	CA	2319
GTE	FL	328
NYNEX	CT	9102
NYNEX	MA	9102
NYNEX	ME	9102
NYNEX	NH	9102
NYNEX	NY	9104
NYNEX	NY Metro	9104
NYNEX	VT	9104
PacTel	CA	9740
PacTel	NV	9742
SBC	AR	9533
SBC	KS	9533
SBC	MO	9533
SBC	OK	9533
SBC	TX	9533
SNET	CT	9147
United	FL	341
United	IL	9329
United	NC	470
United	NJ	138

Intrastate Low Cost OCN list:

<u>LEC</u>	<u>State</u>	<u>OCN</u>
Ameritech	IL	9329
Ameritech	IN	9325
Ameritech	MI	9323
Ameritech	OH	9321
Ameritech	WI	9327
Bell Atlantic	DC	9211
Bell Atlantic	DE	9210
Bell Atlantic	MD	9212
Bell Atlantic	NJ	9206
Bell Atlantic	PA	9208
Bell Atlantic	VA	9213
Bell Atlantic	WV	9214
Bell South	AL	9419
Bell South	FL	9417
Bell South	GA	9417
Bell South	KY	9419
Bell South	LA	9419
Bell South	MS	9419
Bell South	NC	9417
Bell South	SC	9417
Bell South	TN	9419
GTE	VA	233
NYNEX	CT	9102
NYNEX	MA	9102
NYNEX	ME	9102
NYNEX	NH	9102
NYNEX	NY	9104
NYNEX	NY Metro	9104
NYNEX	RI	9103
NYNEX	VT	9104
PacTel	CA	9740
PacTel	NV	9742
SBC	AR	9533
SBC	KS	9533
SBC	MO	9533
SBC	OK	9533
SBC	TX	9533
SNET	CT	9147
United	NC	470
United	NJ	138
United	NV	1842
United	SC	506
United	TN	581

Interstate Low Cost OCN List:

<u>LEC</u>	<u>State</u>	<u>OCN</u>
United	NV	1842
United	PA	209
United	SC	506
United	TN	581
United	VA	567
US West	AZ	9636
US West	CO	9636
US West	IA	9631
US West	ID	9636
US West	MN	9631
US West	MT	9636
US West	ND	9631
US West	NE	9631
US West	NM	9636
US West	OR	9638
US West	SD	9631
US West	UT	9636
US West	WA	9638
US West	WY	9636

Intrastate Low Cost OCN list:

<u>LEC</u>	<u>State</u>	<u>OCN</u>
US West	AZ	9636
US West	CO	9636
US West	IA	9631
US West	ID	9636
US West	MN	9631
US West	MT	9636
US West	ND	9631
US West	NE	9631
US West	NM	9636
US West	OR	9638
US West	SD	9631
US West	UT	9636
US West	WA	9638
US West	WY	9636