

1 conflict. You initially say you would be willing to
2 offer that to them based on cost plus a reasonable
3 contribution.

4 **WITNESS JUNEAU:** Cost plus reasonable
5 contribution and the demand that would allow us to
6 recover those costs in a reasonable amount of time.

7 **CHAIRMAN JOHNSON:** Now, would your cost at
8 all be based on what you think the market price is?

9 **WITNESS JUNEAU:** Would our costs be based on
10 the market price or ---

11 **COMMISSIONER CLARK:** I'm sorry. Would your
12 rate be charged on the market?

13 **WITNESS JUNEAU:** Our rate would be based on
14 what we perceive the value of that service to be above
15 the cost.

16 **COMMISSIONER CLARK:** Sounds to me like
17 you're saying market, whatever the market will bear
18 you will charge for that service just like you
19 apparently do for the initial listings.

20 **WITNESS JUNEAU:** Yes, Commissioner. I think
21 that's what I would characterize it to be.

22 **COMMISSIONER CLARK:** So it is not cost plus
23 a reasonable contribution?

24 **WITNESS JUNEAU:** We feel like it is a fair
25 rate, if I can speak in our defense to that. It is of

1 great value to the publishers, and it is -- they can
2 buy our service, or they can -- you can get it from
3 another spot, but if you can buy the service at what
4 we feel like is a fair price and then put it into the
5 form of directory, we feel like that is worthwhile,
6 and we feel like we have offered a very low and fair
7 price.

8 **COMMISSIONER CLARK:** We may be talking past
9 each other, because when I think of reasonable
10 contribution -- which you have said to you means
11 reasonable profit -- I think in terms of a regulated
12 profit, and it tends not to be 13,000%.

13 **WITNESS JUNEAU:** 1,300. I understand.

14 **COMMISSIONER CLARK:** 1,300. It tends not to
15 be that high.

16 **WITNESS JUNEAU:** Yes, ma'am.

17 **COMMISSIONER CLARK:** So it sounds to me like
18 what you intend to charge is what you think the value
19 of the service is in terms of what the market will
20 bear.

21 **WITNESS JUNEAU:** That has been -- whether
22 the market will bear or not is -- it seems as though
23 in other areas the market bears a considerably higher
24 price than we charge. We're completely out of line
25 with any other LEC or RBOC that provides a service.

1 **COMMISSIONER CLARK:** Let me ask one other
2 thing. Why is it appropriate to charge market prices
3 for this service as opposed to cost plus a
4 contribution of, say, 12%?

5 **WITNESS JUNEAU:** In this instance the
6 listing information has great value, Commissioner. It
7 allows the directory publisher to have the
8 information, the basic information, to go forth with a
9 directory that will contain, like I said, thousands,
10 hundreds of thousands, millions of dollars of
11 advertising. It is very valuable information.

12 **COMMISSIONER CLARK:** What is BellSouth's
13 relationship to BAPCO? Is it a sister company?

14 **WITNESS JUNEAU:** BAPCO is a subsidiary of
15 BellSouth Corporation.

16 **CHAIRMAN JOHNSON:** Mr. Horton, do you have
17 more questions?

18 **Q** **(By Mr. Horton)** Mr. Juneau, I'm going to
19 hand you a sheet of paper, and I've already showed
20 this to counsel. This is a page from
21 Telecommunications Act of 1996. It's Section 222-E.
22 Would you -- there's a star with a number 1 by it. Do
23 you see that?

24 **A** Yes.

25 **Q** Would you read that section, please?

1 used is different. The directory assistance, because
2 of its value to the customer, creates a value to the
3 directory assistance provider. The directory, the
4 published directory, has a different value in our
5 estimation.

6 COMMISSIONER CLARK: Let me ask you one
7 follow-up question. Why is it appropriate to price
8 this based on market as opposed to cost plus a
9 reasonable contribution? Why is this particular
10 service appropriately priced that way as opposed to
11 the cost?

12 WITNESS JUNEAU: Which one are you speaking
13 of?

14 COMMISSIONER CLARK: Why is it appropriate
15 to tariff both DPDS and DADS at a market price as
16 opposed to cost plus a reasonable contribution? And I
17 would define that as being 12%.

18 WITNESS JUNEAU: I think I'm giving you the
19 same answer and I don't want to seem like I'm evading
20 it. But it's based on the value that that service has
21 to the user, and it's not just the directory provider,
22 but it's to the end user of the directory itself for
23 the directory assistance service itself. And in
24 setting the market rate, you know, again we thought
25 coming into this that we had set a very, very low

1 market rate.

2 **COMMISSIONER CLARK:** Let me ask it
3 differently. Maybe that's what the confusion is.
4 There are some services that under our
5 Telecommunications Act, meaning the state
6 Telecommunications Act, and the Federal
7 Telecommunications Act that tell you how you can price
8 various services, and some of those services are
9 TELRIC or TSLRIC, but as I understand it, the notion
10 of the TELRIC is marginal cost plus a reasonable --

11 **WITNESS JUNEAU:** Which one was that?

12 **COMMISSIONER CLARK:** TELRIC, I think. I get
13 them confused. Really, what I'm getting at is why for
14 these services is it appropriate for you to look at
15 value of service as opposed to what it costs you to
16 provide the service?

17 **WITNESS JUNEAU:** In this situation -- I
18 mean, in one of the interrogatories we responded that
19 it was based on the TSLRIC cost, and I am not a cost
20 expert and don't portray to be, but one significant
21 difference that I'm aware of is that the cost in a
22 TSLRIC or just a common incremental cost study is not
23 complete cost. That is direct cost. It doesn't
24 include any indirect loadings or overheads. It is
25 simply the direct cost of providing the service.

1 **COMMISSIONER CLARK:** I just want to know why
2 is it appropriate to price these services on the value
3 in the market as opposed to what it cost you plus a
4 reasonable contribution?

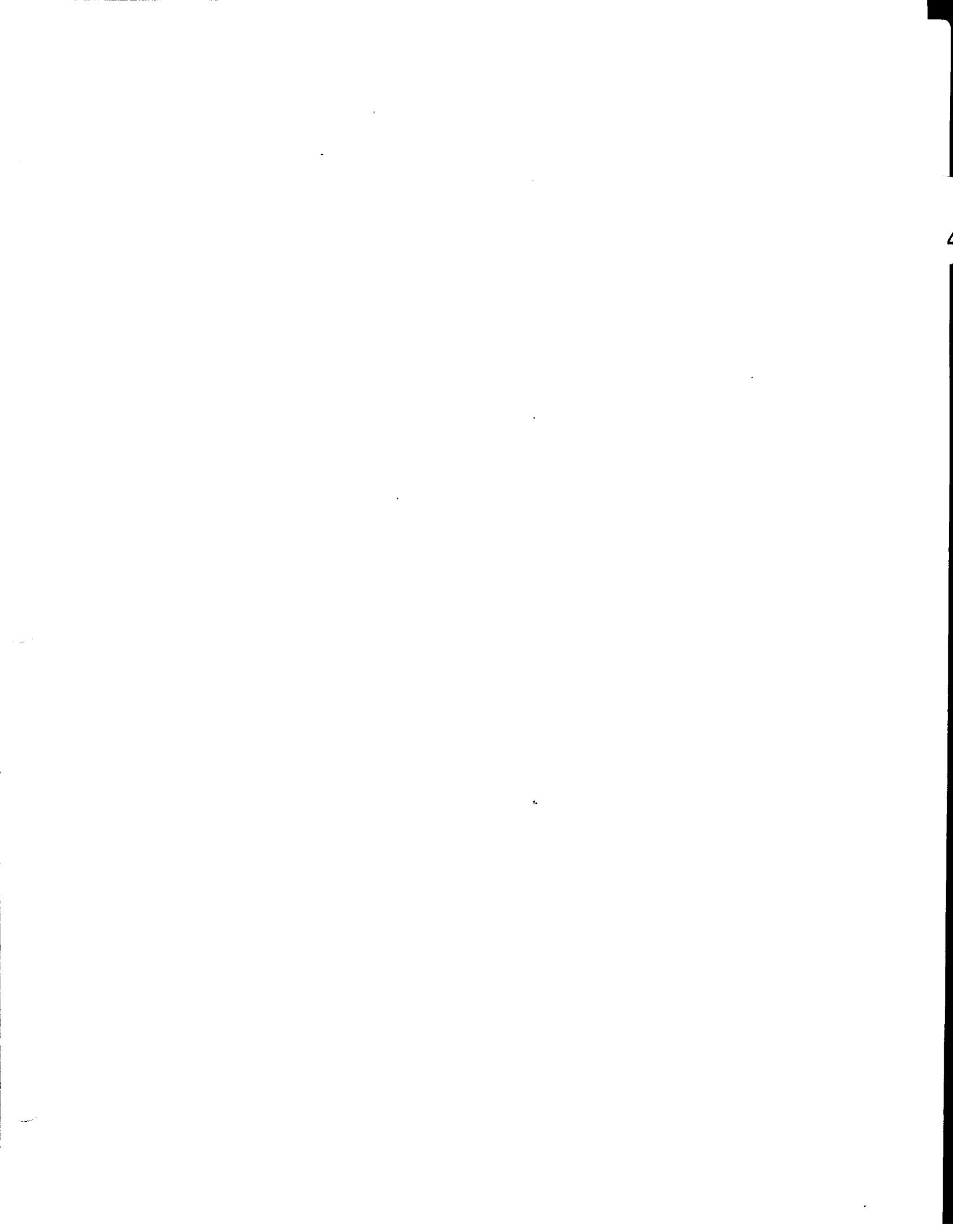
5 **WITNESS JUNEAU:** Commissioner, I guess I
6 can't get to that answer because I wasn't aware that
7 what we had done was inappropriate. I don't mean to
8 be evasive to you. I know that you have tried to ask
9 me several ways, and I'm not coming back to any
10 different answer and I don't mean to be that way, but
11 I didn't realize we were perceived to be inappropriate
12 in our structure.

13 **COMMISSIONER CLARK:** Okay.

14 **Q** **(By Mr. Pellegrini)** Just a final question,
15 Mr. Juneau. One of Staff's key concerns in this
16 proceeding is whether independent publishers could
17 utilize the information procured under DPDS to avoid
18 the DADS tariff.

19 **A** Right.

20 **Q** I'm certain you understand this. In one
21 view, an Internet home page is really nothing more
22 than perhaps a more current version of what's
23 available in a printed directory; and if you accept
24 that, then how would you preserve the distinction
25 between directory assistance and directory



January 10, 1997

TELCO	PREV RATE PER LISTING	NEW RATE PER LISTG	CHANGE AS OF	UPDATES Y or N	UPDATES NOW	UPDATE RATE
ALLTEL	.98	.50/55	10/96	N	N	
BELL ATLANTIC	.12	.15 (.9m VA)	1/93 1/97	N	Y	.18-.45
BELL SOUTH	.04	.04	1993	N	N	
CENDEL (SPRINT)	.65	.25	11/96	N	PENDING	1.50
CAROLINATEL (SPRINT)	.65	.25	11/96	N	PENDING	1.50
CITIZENS TELCOM		.45		N	Y	2.25
NYNEK	.20 , 15	20 , 20	N/A	Y	Y	.20
FRONTIER COMMUN.	.25	.25		N	N	
ROCHESTER TEL	.25	.25		N	N	
GTE	.35	.35	N/A	N	N	
NORTH STATE TEL CO	.95	.95		N	Y	.95
CHATAUQUA & ERIE	.95	.95	N/A	N	N	
EMPIRE TEL		UNKNOWN	11/96	N	Y	UNKNOWN
MEBTEL	\$9000 FLAT avg .80-.85ea	\$9000 FLAT AVG .80-.85	N/A	N	Avail for flat fee monthly \$1332	

February '97

TELCO SUBSCRIBER LISTING CHARGES

Telephone Co.	Rate	Updates	Additional Charges
Albion Tel	.50	?	
AllTel	.50	No	\$780 + \$500 minimum order
Ameritech	.14 - .19	.50 monthly	
Amery Tel	.75	?	
Amherst Tel	.57	?	
Armour Indep/ Tel	.60	?	
Bayland Tel	.50	?	
Bell Atlantic	.15	.45	\$500
Bell South	.04	No	\$100
Breda Tel Corp.	.50	?	
Bridgewater Tel	.60	?	
Camden Tel (Cons Comm)	.45	No	\$200 min. per exchange
Carolina Tel (Sprint)	.25	1.50	\$275
Casco Tel	.75	?	
Centel (Sprint)	.25	1.50	\$275
Century Tel Ent.	.28	No	\$150 per exchange
Century Tel of Mich.	.40	No	\$ 57
Champaign Tel	1.00	?	\$150 up to 3,000 listings \$32 ea. addit. 1,000 listings \$200 reprod proof pages +++ \$1,250 + fees from L.M. Berry are \$290 adm, \$231 prod + \$40
Chataqua & Erie	.95	No	
Chequamegon Tel Coop.	.50	?	
Citizens Telcom	.45	2.25	\$250 + fees from L.M. Berry as above
Clear Lake Tel	.75	?	
Crandon Tel	.75	?	
Danville Tel	.50	?	
Eagle Tel	.75	?	
Empire Tel	unknown (will not respond to publisher's request)		
Farmers Ind Tel	.65	?	
Farmers Mutual	.50	?	
Frontier Comm.	.25	No	fees from L.M. Berry as above
GEM State Utilities Corp.	.75	?	
Golden West Comms	.50	?	
Great Plains Comms	.65	?	
GTE	.35	.50	\$600 set up fee
Guam Tel	.25 res .45 bus		\$500
Hills Tel	.60	?	
Home Tel	.50	?	
Luck Tel	.75	?	
MEB Tel	1.59-1.68	\$1,332 monthly	fees from L.M. Berry
Melrose Tel	.40	No	
Mountain View Tel	?	.50	
North State Tel	.95	.95	\$1,000
North West Tel	.75	?	

NYNEX	.20	.20	
Pacific Tel (CA)	.10	unknown	\$1,300 minimum order
Pacific Tel (NV)	.20	No	
Pigeon Tel	.60	No	\$275
Phone Tel Incorp.			REFUSED TO SELL LISTINGS - WILL NOT PUT IN WRITING
			PER NTD PUBLISHING
Rochester Tel	.25	No	fees from L.M. Berry as above
Sprint	.05	No-won't provide until forced to by law	\$50 minimum per exchange
Standard Tel	.45	No	\$150
SWB	.25	.50	\$100 (TX) \$500 other states
United Tel of OH/IN	.25	No	\$275
US West Comm	.40	No	\$500 <u>bundled only</u>
US West Mktg Res.	.085	.22 (new connects)	<u>bundled only</u>

DIRECTORY LICENSE AGREEMENT

This agreement entered into this 17th day of July 1996 between MEBTEL Communications (MEBTEL) and White Directory of Carolina, Inc. (White):

Whereas, White plans to publish a directory including the exchange of Mebane during the year 1996 containing the names, addresses, and published telephone numbers of subscribers to services of MEBTEL; and

Whereas, White requests that MEBTEL authorize the delivery on or before August ²⁶ 10, 1996 to White at their offices in Buffalo, New York a magnetic tape of such subscribers for their use; and

Whereas, MEBTEL is willing to permit White to reproduce, publish and distribute the previously mentioned listing information on a one time only basis during the calendar year 1996 under these terms and conditions:

It is therefore agreed between the parties as follows:

1. MEBTEL grants to White upon terms and conditions herein prescribed, a nonexclusive, non-transferable license to publish as a part of White's directory, the name, address and telephone numbers of MEBTEL's published subscribers as provided by MEBTEL on a one-time basis for a single issue of White's directory.

2 a. White agrees to pay MEBTEL for this license and for ancillary services in preparation of a list of published subscribers the sum of \$9,000.00 plus applicable taxes. Payment must be issued to MEBTEL within five (5) working days of receipt of computer tapes from MEBTEL's publisher.

b. The license fee shall entitle White to publish each listing only one time in White's Directory. White shall not reproduce a listing in any other directory nor provide the listing to any other party.

3. White agrees that MEBTEL makes no express or implied warranties whatsoever regarding the correctness and accuracy of the listings provided to White as part of this agreement. White shall indemnify, hold harmless and defend MEBTEL from any claim, demand, action, cause of action, whether groundless, false, fraudulent or otherwise, or liability (including all reasonable costs of defense and attorney's fees) arising out of any demands, claim, suit or judgement for damages as a result of the publication in White's directory containing any listings obtained from MEBTEL or arising out of White's use or misuse of information or material copyrighted by anyone other than MEBTEL.

4. The license granted herein shall be nonassignable and White shall have no right to sublicense or permit any other publisher or person to use the MEBTEL listings or any information extracted therefrom for any purpose whatever, except as may be required in the compilation, production, publication or distribution of White's directory for one-time only.

DIRECTORY LICENSE AGREEMENT

5. a. White shall take appropriate measures to guard against any unauthorized use of MEBTEL's subscriber listings or the information contained therein whether by White, its agents and employees, or by others; and any unauthorized use by White, its agents or employees, or caused or permitted by them, shall to be deemed a material breach of White's license and rights hereunder and shall entitle MEBTEL to terminate this agreement forthwith and without notice. White shall notify MEBTEL of any unauthorized use of such MEBTEL subscriber listings or information contained therein of which it has information or knowledge.

b. White shall take the necessary steps to copyright and register White's directory and shall not permit any other publisher, person or firm to publish, copy, reprint or make other use of the listings obtained from MEBTEL which are contained in White's copyrighted directory, unless such use is agreed to in advance and in writing by MEBTEL.

6. The parties hereto agree that one of the most important mutual objectives is to conduct their respective businesses so as to avoid confusion, of members of the general public or any others who deal with either MEBTEL or White, as to the separate and independent identity of their respective directories as well as the sales canvasses, advertising and billing. Therefore it is agreed that:

a. Neither MEBTEL nor White shall make representation to the public, prospective advertisers or others, expressed or implied, written or oral, which would imply that White and its publication is the same as, a part of, or associated with MEBTEL or is licensed or authorized by MEBTEL in any manner to canvass for or publish any type of telephone directory in association with MEBTEL. Provided, however, that White shall print the following message or other requested notice on the first page of the Maine Section of every one of White's directories which include listings from MEBTEL, in 9-point bold type, the following:

This directory and its publishers are in no way associated with MEBTEL Communications. Listings contained herein were in whole or in part compiled from records that are the property of MEBTEL Communications and may not be reproduced, in whole or in part, or any form whatsoever without the written consent of MEBTEL Communications.

b. White will not reproduce, copy, counterfeit, colorable imitate or otherwise use in any way the directory covers, or customer information pages produced by MEBTEL nor in any fashion attempt to present or represent its products or representatives as those of MEBTEL.

c. White will not place in the classified portion or in any other portion of White's directory any files material used by MEBTEL in its directories, other than the names, addresses and telephone numbers provided by MEBTEL.

7. White, at the termination of this license, agrees to destroy the original printed listing provided by MEBTEL and all associated data storage media containing these listings. Upon request, White will review its procedures and certify in writing that it has performed the termination provision described in these paragraphs.

DIRECTORY LICENSE AGREEMENT

8. White shall furnish MEBTEL one copy of the directory published which contains the data furnished by MEBTEL's publisher at no charge to MEBTEL. This directory shall be sent to the attention of the undersigned.

9. Nothing in this agreement nor elsewhere shall give White any exclusive rights to the use of telephone listings or directory material published by MEBTEL, and MEBTEL shall be free at any time to grant similar license to others under the same or different conditions as MEBTEL, in its sole discretion, may determine.

10. This agreement sets forth the entire agreement and understanding between the parties as to the subject matter of this agreement and merges all prior discussions between them, and neither party shall be bound by any conditions, definitions, warranties, or representations with respect to the subject matter of this agreement, other than as expressly provided in writing and signed by proper and duly authorized representatives of the parties.

11. It is stipulated that this agreement has been negotiated in and finally executed within the State of North Carolina and shall be construed according to the laws of the State of North Carolina.

IN WITNESS WHEREOF, the parties have caused this agreement to be duly executed as of the day and year first above written.

White Directory of Carolina, Inc.	MEBTEL Communications
By: <u><i>Delores E. Wagner</i></u>	By: <u><i>W. Paul Feight</i></u>
Delores E. Wagner	W. Paul Feight
Title: <u>Corporate Services Manager</u>	Title: <u>Vice President</u>
Address: <u>1945 Sheridan Dr</u>	Address: <u>Post Office Box 9</u>
<u>Buffalo, New York 14223</u>	<u>Mebane, NC 27304</u>

* See the attached addendum

**Addendum to Directory License Agreement
between White Directory of Carolina, Inc.
and
MEBTEL Communications**

12. Any provision of this Agreement to the contrary notwithstanding, White reserves all rights and remedies that it may have pursuant to the Telecommunications Act of 1996 or any regulation promulgated thereunder (collectively "Applicable Law"). Neither the execution nor the delivery of this Agreement shall constitute a waiver of any right or remedy of White pursuant to any Applicable Law. To the extent there is any inconsistency or conflict between any provision of this Agreement and any provision of any Applicable Law, the latter shall control.

The Berry Company

3170 Kettering Blvd.
P.O. Box 6000
Dayton, OH 45401-6000
(937) 296-2121

Invoice Questions:
Davey Villers
(937) 297-2453

**DOLORES E. WAGNER
WHITE DIRECTORY PUBLISHERS
1945 SHERIDAN DR.
BUFFALO, NY 14223**

Date: December 21, 1996

Invoice Number: 17-0819

Revision, if checked

**ALL REMITTANCES MUST BE SENT TO THE ADDRESS BELOW
P.O. BOX 6000, DAYTON, OH 45401-6000**

MEBANE, NC

CHARGES INCURRED FOR A MAGNETIC TAPE OF THE MEBANE ALPHA LISTINGS FOR INCLUSION IN THE CHAPEL HILL, NC DIRECTORY.

Administrative Costs	\$290.00
Vendor Production Fees	\$ 231.00
Media Fees	\$40.00
Shipping	\$25.00
Total Charges:	\$ 586.00

Total Listings Provided: 5,678

7 \$ 9,000.00
Total \$ 9,586

can track fee - see attached

2 \$ 168 per listing



BellSouth Telecommunications, Inc. 504 528-7900
Suite 3000
365 Canal Street
New Orleans, Louisiana 70130-1102

D. R. Hamby
Regulatory Vice President

October 16, 1996
ROUTE TO

ROUTE FROM

DEPT. Lead DATE 10/28 DEPT. Res
DEPT. _____ DATE _____ DEPT. _____
DEPT. _____ DATE _____ DEPT. _____
DEPT. _____ DATE _____ DEPT. _____

Mr. Lawrence C. St. Blanc
Secretary
Louisiana Public Service Commission
P. O. Box 91154
Baton Rouge, LA 70821

RE: Approval of the Interconnection Agreement Negotiated by
BellSouth Telecommunications, Inc. ("BellSouth") and WinStar
Wireless, Inc. ("WinStar") pursuant to Sections 251, 252 and
271 of the Telecommunications Act of 1996

Dear Mr. St. Blanc:

Pursuant to Section 252(e) of the Telecommunications Act of 1996, BellSouth and WinStar are submitting to the Louisiana Public Service Commission their negotiated agreement for the interconnection of their networks, the unbundling of specific network elements offered by BellSouth and the resale of BellSouth telecommunications services to WinStar. The agreement was negotiated pursuant to Sections 251, 252 and 271 of the Act.

Pursuant to Section 252(e) of the Act, the Commission is charged with approving or rejecting the negotiated agreement between BellSouth and WinStar within 90 days of its submission. The Commission may only reject such an agreement if it finds that the agreement or any portion of the agreement discriminates against a telecommunications carrier not a party to the agreement or the implementation of the agreement or any portion of the agreement is not consistent with the public interest, convenience or necessity. Both parties represent that neither of these reasons exist as to the agreement they have negotiated and that the Commission should approve their agreement.

Thank you for your consideration.

Very truly yours,

D. R. Hamby
D. R. Hamby

RECEIVED
OCT 28 1996
LOUISIANA PUBLIC SERVICE
COMMISSION

EXHIBIT B

AGREEMENT

In consideration of the mutual promises contained herein, BellSouth Advertising & Publishing Corporation, a Georgia corporation ("BAPCO") and WinStar Telecommunications, Inc., a Delaware corporation ("CARRIER") agree as follows:

1. RECITALS. BAPCO is the publisher of alphabetical (or White Pages) and classified (or Yellow Pages) directories for certain communities in the southeastern region of the U.S. (the "Directories"). CARRIER provides, or intends to provide, local exchange telephone service in communities in which BAPCO publishes Directories. BAPCO and CARRIER hereby establish the terms by which BAPCO will include listings of CARRIER subscribers in such Directories and by which BAPCO will provide such Directories to CARRIER subscribers.

2. CARRIER OBLIGATIONS. CARRIER agrees as follows:

(a) CARRIER shall provide to BAPCO, or its designee, at CARRIER's expense and at no charge, listing information concerning its subscribers (designating any who do not desire published listings), consisting of customer name, address, telephone number and all other information reasonably requested by BAPCO as set forth on Exhibit A in a mutually acceptable format for use by BAPCO or its affiliates in publishing Directories of whatever type and format and for other derivative purposes. Such subscriber listing information shall be provided in the format and on the schedule set forth in said Exhibit, or as otherwise mutually agreed between the parties from time to time.

(b) CARRIER shall also provide directory delivery information to BAPCO as set forth in Exhibit A for all subscribers.

(c) CARRIER shall advise BAPCO promptly of any directory-related inquiries, requests or complaints which it may receive from CARRIER subscribers and shall provide reasonable cooperation to BAPCO in response to or resolution of the same.

(d) CARRIER shall respond promptly regarding corrections or queries raised by BAPCO to process listing changes requested by subscribers.

3. BAPCO OBLIGATIONS. BAPCO agrees as follows:

(a) BAPCO shall include one standard listing for each CARRIER subscriber, at no charge, per hunting group in BAPCO's appropriate local alphabetical Directory as published periodically by BAPCO unless nonlisted or nonpublished status is designated by subscribers. Multi-line customers of CARRIER shall receive additional listings in applicable directories on a non-discriminatory basis to the extent of and in accordance

with BAPCO's usual policy with respect to multi-line customers of any LEC or ALEC. BAPCO shall deliver such local alphabetical and classified directory(ies) to CARRIER's subscribers according to BAPCO's generally applicable policies and standards. Such listings shall be interfiled with the listings of other local exchange telephone company subscribers and otherwise published in the manner of such other listings according to BAPCO's generally applicable publishing policies and standards. BAPCO shall provide a process whereby CARRIER is afforded a reasonable opportunity to review and correct its subscribers' alphabetical listings in advance of publication.

(b) Provided CARRIER establishes appropriate resale arrangements with BellSouth Telecommunications, Inc. ("BellSouth"), BAPCO shall publish additional listings, foreign listings and other alphabetical Directory listings offered by BellSouth, for CARRIER subscribers upon their request consistent with BAPCO's generally applicable policies in BAPCO's alphabetical Directories.

(c) BAPCO will distribute its regularly published alphabetical and classified Directories to local CARRIER subscribers at no charge to CARRIER or CARRIER's subscribers in accordance with BAPCO's prevailing practices, including delivery following Directory publication and upon establishment of new CARRIER service, or reasonable customer requests, if a current Directory for that geographic area has not previously been provided. Such deliveries may include separate advertising materials accompanying the Directories.

(d) BAPCO will include CARRIER information in the customer guide pages, at no charge, of its alphabetical Directories for communities where CARRIER provides local exchange telephone service at the time of publication in accordance with BAPCO's prevailing standards for the same. CARRIER will provide information requested by BAPCO for such purpose on a timely basis.

(e) BAPCO shall make available at no charge to CARRIER or its subscribers one listing for CARRIER business customers per hunting group in one appropriate heading in BAPCO's appropriate local classified directory as published periodically by BAPCO. Such listings shall be published according to BAPCO's generally applicable publishing policies and standards. BAPCO will continue Yellow Pages advertisements purchased by customers without regard to whether they switch their local service to CARRIER.

(f) BAPCO agrees to solicit, accept and publish directory advertising from business subscribers for CARRIER in communities for which BAPCO publishes classified Directories in the same manner and upon substantially the same terms as it solicits, accepts and publishes advertising from advertisers who are not CARRIER subscribers.

(g) BAPCO will not provide information obtained from CARRIER concerning its subscribers to other local exchange telephone service providers without

CARRIER approval, except as may be required in relation to publishing of Directories or as may be permitted by CARRIER for directory assistance or other purposes.

(h) BAPCO and CARRIER acknowledge that mutual cooperation will be required to successfully serve the needs of their common customers and therefore agree to use reasonable efforts to provide such cooperation to achieve the highest quality of service for both parties' customers.

4. PUBLISHING POLICIES. BAPCO shall maintain full authority over its publishing schedules, policies, standards, and practices and over the scope and publishing schedules of its Directories. BAPCO shall periodically provide CARRIER with changes by BAPCO which in BAPCO's judgment affect CARRIER with respect to BAPCO's publishing of listings for CARRIER's subscribers. Such policy updates shall include, without limitation, the subjects described in Exhibit B.

5. LIABILITY AND INDEMNITY.

(a) BAPCO's liability to CARRIER for any errors or omissions in directories or for any default otherwise arising hereunder shall be limited to One Dollar (\$1) for errors or omissions in any subscriber listing in any directory published by BAPCO except in instances involving gross negligence or willful misconduct.

(b) Each party agrees to defend, indemnify and hold harmless the other from all damages, claims, suits, losses or expenses, including without limitation costs and attorneys fees, to the extent of such party's relative fault, arising out of or resulting from any error, omission or act of such party hereunder. CARRIER agrees to limit its liability and that of BAPCO by contract with CARRIER's subscribers or by tariff to no more than the cost of service for any errors or omissions in any listings published hereunder for CARRIER subscribers. Each party shall notify in writing the other promptly of any claimed error or omission affecting this paragraph and of any claim or suit arising hereunder or relating to this Agreement and shall provide reasonable and timely cooperation in its resolution of the same. Without waiver of any rights hereunder, the indemnified party may at its expense undertake its own defense in any such claim or suit.

6. TERM. This Agreement shall be effective on the date of the last signature hereto for a term of three (3) years and shall relate to Directories published by BAPCO during such period. Thereafter, it shall continue in effect unless terminated by either party upon ninety days prior written notice.

7. ASSIGNMENT. This Agreement shall be binding upon any successors or assigns of the parties during its Term.

8. RELATIONSHIP OF THE PARTIES. This Agreement does not create any joint venture, partnership or employment relationship between the parties or their employees, and the relationship between the parties shall be that of an independent contractor. There shall be no intended third party beneficiaries to this Agreement.

9. NONDISCLOSURE.

(a) During the term of this Agreement it may be necessary for the parties to provide each other with certain information ("Information") considered to be private or proprietary. The parties agree to use the same care and discretion to avoid disclosure, publication or dissemination of Information as each uses with its own similar information that it does not wish to disclose, publish or disseminate. The recipient shall protect such Information from distribution, disclosure or dissemination to anyone except its employees or contractors with a need to know such Information in conjunction herewith, except as otherwise authorized in writing. All such Information shall be in writing or other tangible form and clearly marked with a confidential or proprietary legend. Information conveyed orally shall be designated as proprietary or confidential at the time or such oral conveyance and shall be reduced to writing within forty-five (45) days.

(b) The parties will not have an obligation to protect any portion of Information which: (1) is made publicly available lawfully by a nonparty to this Agreement; (2) is lawfully obtained from any source other than the providing party; (3) is previously known without an obligation to keep it confidential; (4) is released by the providing party in writing; or (5) commencing two (2) years after the termination date of this Agreement if such Information is not a trade secret under applicable law, provided however, that BAPCO's obligation to keep customer lists confidential shall survive termination of this Agreement.

(c) Each party will make copies of the Information only as necessary for its use under the terms hereof, and each such copy will be marked with the same proprietary notices as appear on the originals. Each party agrees to use the Information solely in support of this Agreement and for no other purpose.

10. FORCE MAJEURE. Neither party shall be responsible to the other for any delay or failure to perform hereunder to the extent caused by fire, flood, explosion, war, strike, riot, embargo, governmental requirements, civic or military authority, act of God, or other similar cause beyond its reasonable control. Each party shall use best efforts to notify the other promptly of any such delay or failure and shall provide reasonable cooperation to ameliorate the effects thereof.

11. PUBLICITY. Neither party shall disclose the terms of this Agreement nor use the trade names or trademarks of the other without the prior express written consent of the other.

12. NONEXCLUSIVITY. Notwithstanding anything herein to the contrary, Carrier may independently develop an alphabetical directory. Carrier also shall be free to enter into similar agreements with other parties.

13. REPRESENTATIVES AND NOTICES.

(a) Each party shall name one or more representatives for contacts between the parties which shall be authorized to act on its behalf. Such representatives may be changed from time to time upon written notice to the other party.

(b) Notices required by law or under this Agreement shall be given in writing by hand delivery, certified or registered mail, or by facsimile followed by certified or registered mail, addressed to the named representatives of the parties with copies to:

If to BAPCO: Director-LEC/BST Interface
 BellSouth Advertising & Publishing Corporation
 Room 270
 59 Executive Park South
 Atlanta, GA 30329

With Copy to: Vice President and General Counsel
 BellSouth Advertising & Publishing Corporation
 Room 430
 59 Executive Park South
 Atlanta, GA 30329

If to CARRIER: Laurie Fairchild
 Senior Manager - Network Planning and Implementation
 WinStar Telecommunications, Inc.
 7799 Leesburg Pike
 Suite 401
 Tysons Corner, VA 22043

14. MISCELLANEOUS. This Agreement represents the entire Agreement between the parties with respect to the subject matter hereof and supersedes any previous oral or written communications, representations, understandings, or agreements with respect thereto. It may be executed in counterparts, each of which shall be deemed an original. All prior and contemporaneous written or oral agreements, representations, warranties, statements, negotiations, and /or understandings by and between the parties, whether express or implied, are superseded, and there are no representations or warranties, either oral or written, express or implied, not herein contained. This Agreement shall be governed by the laws of the state of Georgia.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives in one or more counterparts, each of which shall constitute an original, on the dates set forth below.

BELLSOUTH ADVERTISING & PUBLISHING CORPORATION

WINSTAR TELECOMMUNICATIONS, INC.

By: [Signature]

By: [Signature]

(Signature)
Name: R.F. BARLETTO

(Signature)
Name: R.G. Berger

Title: Director - Lic. Int'l

Title: V.P., Regulatory/Legal

Date: 8/23/96

Date: 8/23/96

APPROVED AS TO FORM:

BY: RJC
RANDALL J. CADENHEAD
Attorney

6.11 911 and E911 Service.

a. BellSouth shall provide a list consisting of each municipality in the Territory that subscribes to Basic 911 service. The list will also provide the E911 conversion date and for network routing purposes, a ten-digit directory number representing the appropriate emergency answering position for each municipality subscribing to 911-service. The Companies shall arrange to accept 911 calls from their customers in municipalities that subscribe to Basic 911 service and translate the 911 call to the appropriate 10-digit directory number as specified on the list provided by BellSouth and route such call to BellSouth at the appropriate tandem or end office.

b. When a municipality converts to E911 service, the Companies shall discontinue the Basic 911 procedures and begin the E911 procedures. The Companies shall connect the necessary trunks to the appropriate E911 tandem(s). If a municipality has converted to E911 service, the Companies shall forward 911 calls to the appropriate E911 primary tandem, along with ANI, based upon the current E911 end office to tandem homing arrangement as provided by BellSouth.

c. In order to ensure the proper working of the system and accurate customer data, the Companies shall provide daily updates to the E911 data-base. BellSouth shall use best faith efforts to work with the Companies to define record layouts, media requirements, and procedures for this process. BellSouth will incorporate all updates received within 24 hours of receipt. BellSouth shall provide the capability for the Companies to transmit E911 information by file transfer to BellSouth's database facility or that of its agent.

d. Where BellSouth is responsible for maintenance of the E-911 database and is compensated for maintaining the Company's information by the municipality, it shall not also be entitled to compensation from the Company, for the same function.

6.12 MSAG. BellSouth shall provide to the Companies at no charge an initial Master Street Address Guide and quarterly updates by NPA, NXX or county.

6.13 Directory Listings and Directory Distribution.

a. Subject to execution of an agreement between BellSouth's affiliate, BellSouth Advertising and Publishing Co. ("BAPCO"), and the Companies attached as Exhibit B, the execution thereof to be a condition precedent to the effectiveness of this Agreement with respect to Directory Listings and Directory Distribution, (1) the Companies' customers' primary listings shall be included in the appropriate white page (residence and