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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

APR 23 2007
Federal Communications Commission
Office of the Secretary

In the Matter of)
)
Requests for Review of the Decisions of the) CC Docket No. 02-6
Universal Service Administrator by)
Intel-Tel, Incorporated.)
)

PETITION FOR RECONSIDERATION OF THE COMMISSION'S DECISION
(PROCEEDING NUMBER DA 07-1332, March 23,2007) BY
INTER-TEL, INCORPORATED

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Counsel for Inter-Tel, Incorporated

April 20,2007

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Introduction

On March 23, 2007, the Commission issued an Order granting, among other things, appeals by Inter-Tel Technologies, Inc. and Inter-Tel NetSolutions, Inc. concerning funding denials by the Schools and Libraries Division (“SLD”) of the Universal Service Administrative Company (“USAC”). See Proceeding Number DA 07-1332, March 23, 2007 (“Order”). The Order included the following limitation on its grant of relief:

The relief granted in this Order does not apply to the following FRNs associated with SLD Application No. 297762: 764333, 764346, 764341, and 764340. The service provider associated with these FRNs released its claims for payment under these FRNs in a civil settlement with the United States executed December 2004. As such the pending appeals related to these FRNs are moot.

Order at 1 n.3. That limitation is based on an apparent misunderstanding about the scope of the release, and the Order should be clarified as described below.

The service providers associated with the excluded FRNs were Inter-Tel Technologies, Inc. and Inter-Tel NetSolutions, Inc. Inter-Tel Technologies, Inc. entered a Civil Settlement with the United States in December 2004 (attached as Exhibit 1) in which it released USAC from its obligation to pay for certain E-Rate work *already performed* by Inter-Tel Technologies, Inc. and related entities, including Inter-Tel NetSolutions, Inc. (collectively, “Inter-Tel”). As further detailed below, Inter-Tel Technologies, Inc. did not agree to release USAC from its obligation to pay for E-rate work *yet to be performed* by Inter-Tel entities.

Inter-Tel, Incorporated, parent company to both Inter-Tel Technologies, Inc. and Inter-Tel NetSolutions, Inc., hereby requests, pursuant to 47 C.F.R. § 1.106, that the Commission reconsider that portion of its decision excluding FRNs 764333, 764346, 764341, and 764340 from the relief granted by the Order, and modify its Order to clarify that the relief granted therein applies to FRNs 764333, 764346, 764341, and 764340 with regard to any work yet to be

performed by Inter-Tel under those FRNs, *i.e.*, any work Inter-Tel may perform after March 23, 2007

Discussion

The terms of the December 2004 civil settlement agreement negotiated between Inter-Tel Technologies, Inc. and the United States as to Inter-Tel Technologies, Inc.'s releases of USAC's liability for work performed by Inter-Tel entities are contained in a single paragraph of the Civil Settlement, which reads in its entirety as follows:

Inter-Tel agrees to release the United States, including but not limited to the FCC and USAC, from any obligations to pay and any other liability for work performed under the USAC Funding Request Numbers (FRNs) listed in Exhibit B to this Agreement. The Parties agree that Inter-Tel has performed uncompensated E-rate work under the FRNs listed in Exhibit B in the amount of \$259,541.88. ***To the extent that Inter-Tel or any related entity*** (utilizing Service Provider Identification Numbers (SPINs) 143004917, 143005138, 143005176, 143005559, 143006568, 143007286, 143007608, 143007625, 143008103, 143008226, 143009584, 143011125, 143011128, 143011939, 143014716, 143018559, 14309315, 143019400, and 143022581) ***has performed uncompensated E-rate work under FRNs that are not listed in Exhibit B***, Inter-Tel agrees to release the United States, including but not limited to the FCC and USAC, from any obligations to pay and any other liability for work performed under such additional FRNs. This release shall not extend to (i) Inter-Tel's pending appeals before the FCC in CC Docket No. 02-6, regarding FRNs 641657, 641908, 642460, 448700, 448706, 298712, and 299955 for work performed for Approach Learning Assessment Centers; (ii) Inter-Tel's invoices for \$16,093.26 (submitted March 24, 2003) and \$271,791.40 (submitted March 25, 2003) for work performed for Solen Cannon-Ball School District (FRN 851436); or (iii) Inter-Tel's invoice for \$23,626.65 (submitted February 1, 2003) for work performed for Aldar Academy (FRN 759395). With respect to Billed Entity Applicant Reimbursement Forms (FCC Forms 472) that have been submitted or will be submitted to USAC for products and/or services provided by SPINs listed in this Paragraph, Inter-Tel agrees to comply with the requirements set forth in 47 C.F.R. § 54.514(b), which are applicable to service providers that receive discount reimbursement checks from USAC after having received full payment from the billed entity.

Exh. 1 ¶ III.1.b. (Civil Settlement) (emphasis added). As the plain language throughout the paragraph makes clear, the release extends only to work an Inter-Tel entity "has performed" (with certain enumerated exceptions) — that is, to work already performed as of the date of the agreement, which was December 8, 2004: ***"To the extent that Inter-Tel or any related entity. . .***

has performed uncompensated E-rate work under FRNs that are not listed in Exhibit B, Inter-Tel agrees to release the United States, including but not limited to the FCC and USAC, from any obligations to pay and any other liability for work performed under such additional FRNs.” *Id.* The release therefore has no application to E-rate work yet to be performed by any Inter-Tel entity, including under the FRNs listed in the Order. Inter-Tel, Incorporated has therefore filed this Petition for Reconsideration in order to request that the Commission clarify the scope of the relief granted by its Order in light of this limitation on Inter-Technologies, Inc.’s release of USAC.

Conclusion

For the foregoing reasons, Inter-Tel, Incorporated respectfully requests the Commission modify its Order in Proceeding Number DA 07-1332, March 23, 2007 to clarify that the relief granted therein applies to FRNs 764333, 764346, 764341, and 764340 with regard to any work yet to be performed by Inter-Tel under those FRNs, *i.e.*, any work Inter-Tel may perform after March 23, 2007.

Respectfully Submitted,

WILSON SONSINI GOODRICH & ROSATI
Professional Corporation



Lisa A. Davis
Counsel for Inter-Tel, Incorporated

SETTLEMENT AGREEMENT

I. PARTIES

This Settlement Agreement (Agreement) is entered into by the United States of America, acting through the United States Department of Justice and on behalf of the Federal Communications Commission (FCC), including the Universal Service Administrative Company (USAC), an entity acting on behalf of the FCC (collectively, the United States); the San Francisco Unified School District (SFUSD); the City Attorney for the City and County of San Francisco (City Attorney); and Inter-Tel Technologies, Inc. (Inter-Tel), through their authorized representatives. The parties listed in this Paragraph are hereinafter collectively referred to as the Parties.

II. PREAMBLE

As a preamble to this Agreement, the Parties agree to the following:

A. Inter-Tel is a corporation organized and existing under the laws of Arizona with its principal place of business in Tempe, Arizona. Inter-Tel does business in California, among other states. Inter-Tel does not operate as a common carrier.

B. E-Rate is a program created by Congress in the Telecommunications Act of 1996 and administered by USAC for the FCC. Under E-Rate, the FCC reimburses providers of internet access and telecommunications services for discounts that they provide to schools and libraries that purchase **these** services. The FCC utilizes USAC, a not for profit corporation incorporated in Delaware, to administer the E-Rate program.

C. On or about May 16, 2002, SFUSD and the People of the State of California ex rel. Dennis J. Herrera (the People) filed a civil action in the United States District Court for the Northern District of California against Inter-Tel and others, styled *United States ex rel. San Francisco Unified School District, et al. v. Nippon Electric Company Business Network Solutions, et al.*, No. C 02-2398 CRB (the Civil Action). In the complaint, SFUSD asserted claims as a qui tam relator under the Federal False Claims Act (FCA), 31 U.S.C. §§ 3729-3733, and the California FCA, Cal. Gov't. Code §§ 12650-12652. SFUSD also asserted claims on its

own behalf pursuant to the California FCA, fraud and deceit pursuant to Cal. Civ. Code §§ 1709-10, and under the common law theory of negligent misrepresentation. In addition, the City Attorney asserted a *claim* on behalf of the People pursuant to Cal. Bus. & Prof Code § 17200, *et seq.* The allegations in the complaint relate to the defendants' participation in the E-rate program. On or about December **23,2003**, the State of California filed its Notice of Election by the State of California to Decline Intervention. The **State** of California is therefore not a party to the Civil Action.

D. Inter-Tel is entering a plea of guilty to a two-count felony Information charging Inter-Tel with mail fraud in violation of 18U.S.C. § **1341** and conspiracy to suppress and eliminate competition in violation of the Sherman Antitrust Act, **15 U.S.C. § 1**, in connection with Inter-Tel's participation in the E-rate program. The guilty plea is being entered in a matter captioned *United States of America v. Inter-Tel Technologies, Inc.* No. CR **04-399** CRB (filed in the Northern District of California, December **6,2004**). A copy of the plea agreement in that matter is attached hereto as Exhibit A (hereinafter the Plea Agreement).

E. The United States, SFUSD, and the City Attorney contend that they have certain civil claims against Inter-Tel under the FCA, the common law, and the other authorities set out in the complaint in the Civil Action for Inter-Tel's conduct in submitting and causing to be submitted false claims for payment under the E-rate program from approximately December **1999** to the present by: (1) engaging in non-competitive bidding practices; (2) paying fees termed "marketing fees" to Video Network Communications, Inc. (VNCI), when VNCI was involved in selecting vendors to obtain E-rate funds; (3) claiming and receiving E-rate funds for goods and services that were ineligible for E-rate funding; (4) providing false information to the United States regarding the goods and services that were provided to schools and school districts under the E-rate program; (5) disregarding the requirement that schools and school districts make co-payments to match a percentage of the E-rate funds disbursed on their behalf; and (6) inflating prices on invoices and other documents provided to the United States to conceal some or all of

the practices listed in this Paragraph. The conduct described in this Paragraph is hereinafter referred to as the Covered Conduct.

F. This Agreement is neither an admission of liability by Inter-Tel nor a concession by the United States, SFUSD, or the City Attorney that their claims are not well-founded.

G. To avoid the delay, uncertainty, inconvenience, and expense of protracted litigation of the above claims, the Parties reach a full and final settlement pursuant to the Terms and Conditions below.

III. TERMS AND CONDITIONS

1. Inter-Tel agrees to pay to the United States \$7,000,000 (hereinafter referred to as the Settlement Amount), as follows:

a. Within five calendar days of the time that the United States District Court for the Northern District of California (District Court) imposes sentence on Inter-Tel in accordance with the Plea Agreement, Inter-Tel will pay \$6,740,458.12 by electronic **funds** transfer pursuant to written instructions to be provided by the United States Attorney's Office for the Northern District of California.

b. Inter-Tel agrees to release the United States, including but not limited to ~~the~~ FCC and USAC, ~~from~~ any obligations to pay and any other liability for work performed under the USAC Funding Request Numbers (FRNs) listed in Exhibit B to this Agreement. The Parties agree that Inter-Tel has performed uncompensated E-rate work under the FRNs listed in Exhibit B in the amount of \$259,541.88. To the extent that Inter-Tel or any related entity (utilizing Service Provider Identification Numbers (SPINs) 143004917, 143005138, 143005176, 143005559, 143006568, 143007286, 143007608, 143007625, 143008103, 143008226, 143009584, 143011125, 143011128, 143011939, 143014716, 143018559, 143019315, 143019400, and 143022581) has performed uncompensated E-rate work under FRNs that are not listed in Exhibit B, Inter-Tel agrees to release the United States, including but not limited to the FCC and USAC, from **any** obligations to pay and any other liability for work performed under

such additional FRNs. This release shall not extend to (i) Inter-Tel's pending appeals before the FCC in CC Docket No. 02-6, regarding FRNs 641657,641908,642460,448700,448706, 298712, and 299955 for work performed for Approach Learning Assessment Centers; (ii) Inter-Tel's invoices for \$16,093.26 (submitted March 24,2003) and \$271,791.40 (submitted March '25,2003) for work performed for Solen Cannon-Ball School District (FRN 851436); or (iii) Inter-Tells invoice for \$23,626.65 (submitted February 1,2003) for work performed for Aldar Academy (FRN 759395). With respect to Billed Entity Applicant Reimbursement Forms (FCC **Forms** 472) that have been submitted or will be submitted to USAC for products and/or services provided by SPINs listed in this Paragraph, Inter-Tel agrees to comply with the requirements set forth in 47 C.F.R. § 54.514(b), which are applicable to service providers that receive discount reimbursement checks from USAC after having received full payment **from the** billed entity.

In the event that the District Court **does** not accept the Plea Agreement, and/or does not impose the sentence agreed to in the Plea Agreement, the United States or Inter-Tel may, each in its respective discretion, withii five calendar days of the Court's dispositive action on the Plea Agreement, declare this Agreement null and void by written notice to the other party.

2. The United States agrees that, pursuant to 31 U.S.C. § 3730(d)(1), within a reasonable **time** after it receives the full payment due under Paragraph 1(a) above, the United States will pay to SFUSD an amount **equal to 21** percent of the total Settlement Amount **of \$7,000,000** set forth in Paragraphs 1(a) and 1(b). All payments to SFUSD under this Agreement shall be made by electronic **funds** transfer in accordance with written instructions to be provided by SFUSD.

3. Inter-Tel agrees to cooperate with the United States in the Civil Action and any investigation **or** litigation related thereto. Inter-Tel agrees to cooperate with SFUSD and the City Attorney in the investigation of the San Francisco fraud as alleged in the Civil Action. Before providing testimony and/or documents in accordance with this Paragraph, Inter-Tel may require that subpoenas be served on it.

4. Releases:

a. Inter-Tel fully and finally releases the United States, SFUSD, and the City Attorney, together with their respective agencies, employees, servants, and agents, from any claims (including attorney's fees, costs, and expenses of every kind and however denominated) which Inter-Tel has asserted, could have asserted, or may assert in the future against the United States, SFUSD, and/or the City Attorney, their agencies, employees, servants, and agents, related to the Covered Conduct, the Information, **the** Plea Agreement, and the investigation and prosecution thereof.

b. Subject to **the** exceptions in Paragraph 6 below, in consideration of the obligations of Inter-Tel set forth in this Agreement, and conditioned upon Inter-Tel's full payment of the Settlement Amount:

(i) **the** United States (on behalf of itself, its officers, agents, agencies, and departments) agrees to fully and finally release Inter-Tel and any affiliates, subsidiaries, **or** parent corporations, and their predecessors, successors, and assigns; and any of their present or former directors, officers, and employees, from any civil or administrative monetary claim **the** United States has or may have under the False Claims Act, 31 U.S.C. §§ 3729-3733; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812; or the common law theories of payment by mistake, unjust enrichment, disgorgement, restitution, recoupment, breach of contract, and fraud, for the Covered Conduct;

(ii) the FCC (on behalf of itself, its officers, employees, and agents, including but not limited to USAC, **an** entity acting on behalf of the FCC) agrees to release Inter-Tel and any affiliates, subsidiaries, or parent corporations, and their predecessors, successors, and assigns, and any of their present or former directors, officers, and employees, from any monetary claims the FCC has or may have for the Covered Conduct, except that no release is made with regard to (A) Inter-Tel's pending appeals before the FCC in CC Docket No. 02-6 regarding FRNs 641657, 641908, 642460, 448700, 448706, 298712, and 299955 for work performed for Approach Learning Assessment Centers; (B) Inter-Tel's invoices for \$16,093.26 (submitted March 24,

2003) and \$271,791.40 (submitted March 25, 2003) for **work** performed for Solen Cannon-Ball School District (**FRN 851436**); or (C) Inter-Tel's invoice for **\$23,626.65** (submitted February 1, 2003) for **work** performed for Aldar Academy (**ERN 759395**);

(iii) SFUSD (on behalf of itself, its officers and agents) agrees to **fully** and **finally** release Inter-Tel and any affiliates, subsidiaries, **or** parent corporations, and their predecessors, successors, and assigns, and any of their present **or** former directors, officers, and employees, from any civil or administrative monetary claim SFUSD has or may have under the False Claims Act, the California False Claims Act, Cal. Civ. Code §§ 1709-10, Cal. Bus. & Prof. Code § 17200, et seq. **or** the common law for the Covered Conduct; and

(iv) the City Attorney (acting on behalf of the People to the full extent of the City Attorney's legal authority to do so) agrees to fully and finally release Inter-Tel and any affiliates, subsidiaries, or parent corporations, and their predecessors, successors, and assigns, and any of their present or former directors, officers, and employees, from any civil or administrative monetary claim the People have **or** may have under Cal. Bus. & Prof Code § 17200, et seq. for the Covered Conduct.

c. Conditioned on the receipt of the relator's **share** specified in Paragraph 2, SFUSD releases and forever discharges the United States from any claims arising from or relating to the filing of the Civil Action against Inter-Tel, or this Agreement. SFUSD specifically agrees that the Settlement Amount is fair, adequate, and reasonable under the circumstances, and SFUSD agrees to waive any right it may have to contest the Settlement Amount or its share thereof pursuant to 31 U.S.C. § 3730(c)(2)(B) or otherwise.

d. Subject to the exceptions in Paragraph 6 below, Inter-Tel, SFUSD and the People expressly waive the provisions of Section 1542 of **the** California Civil Code, which provides as follows:

CERTAIN CLAIMS NOT AFFECTED BY GENERAL RELEASE -- A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

Inter-Tel, **SFUSD** and the People understand and acknowledge that the significance and consequence of this waiver of Civil Code Section 1542 is that even if one of those parties should eventually suffer additional damages **as arising** out of the Covered Conduct or *the* investigation or litigation of the Covered Conduct, that party will not be permitted to make any claims for such damages. Furthermore, with the exceptions of those matters identified in Paragraph **6**, Inter-Tel, **SFUSD** and the People acknowledge that they intend these consequences even **as** to claims for injuries and/or damages that may exist as of the date of this release but which they do not know exist and which, if known, would materially affect the decision to execute this agreement.

5. Upon timely payment of the amount set out in Paragraph 1(a) above, the United States, **SFUSD**, and the City Attorney will dismiss Inter-Tel **from** the Civil Action with prejudice.

6. Notwithstanding any term of this Agreement, specifically reserved and excluded from the scope and terms of this Agreement as to any entity or person (including Inter-Tel) are the following claims: (a) any civil, criminal, or administrative liability to the United States arising under Title **26**, U.S. Code (Internal Revenue Code); (b) any criminal liability; (c) any process or proceeding, administrative or judicial, for any agency suspension or debarment action; (d) any liability to the United States (or its agencies) for any conduct other than the Covered Conduct; (e) any claims of the United States, **SFUSD** or City Attorney based upon such obligations as are created by this Agreement; (f) any liability for the delivery of any deficient or defective products/services, including liability under any express or implied product/service liability warranties; (g) any civil or administrative claims of the United States against individuals, including but not limited to present or former directors, officers, and employees of Inter-Tel and any affiliates, subsidiaries, and parent corporations, and their predecessors, successors, and assigns who are criminally indicted or charged, or are convicted, or who enter into a criminal plea agreement related to the Covered Conduct; and (h) any claims that **SFUSD** may have against Inter-Tel for attorneys' fees, costs and expenses pursuant to 31 U.S.C. § 3730(d)(1). **SFUSD** and Inter-Tel agree (a) to extend the deadline under Rule 54(d)(2) of the

Federal Rules of Civil Procedure by which SFUSD must file its motion for attorney's fees, costs and expenses to **60** days after ~~the~~ entry of judgment and (b) that **SFUSD** will **seek** such an **extension from the Court as part of SFUSD's Notice of Voluntary Dismissal of the Complaint.**

7. Inter-Tel waives and **shall not assert**, in any criminal prosecution **or** administrative action relating to the Covered Conduct, any defenses that may be based in whole or in part on a contention that, under the **Double Jeopardy** Clause in the Fifth Amendment of ~~the~~ Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Agreement bars a remedy sought in such criminal prosecution or administrative action. Inter-Tel agrees that this Agreement is not punitive in purpose **or** effect. Nothing in this Paragraph **or** any other provision of this Agreement constitutes an agreement by the United States concerning the characterization of the Settlement **Amount** for purposes of the Internal Revenue Laws, Title **26** of the United States Code.

8. Inter-Tel agrees that all costs (as defined by Federal Acquisition Regulation 31.205-47) incurred by or on behalf of Inter-Tel in connection with (a) the matters covered by this Settlement Agreement; (b) the Government's audits and investigations of ~~the~~ matters covered by this Settlement Agreement; (c) Inter-Tel's investigation, defense of the matters, and corrective actions relating to the Covered Conduct; (d) the negotiation of this Settlement Agreement; and (e) the payments made to the United States pursuant to this Settlement Agreement, shall be unallowable costs for government accounting purposes. Inter-Tel shall separately account for all costs that are **unallowable** under this Settlement Agreement.

9. This Agreement is intended to be for the benefit of the Parties only. Except **as** expressly stated in Paragraphs 1, 4, and **5** above, the Parties do not release any claims against any other person **or** entity.

10. Inter-Tel expressly warrants that it has reviewed its financial condition and that it is currently solvent within the meaning of 11 U.S.C. §§ 547(b)(3) and 548(a)(1)(B)(ii)(I), and shall remain solvent following payment of the Settlement Amount. Inter-Tel **further** warrants that it has or has access to sufficient assets to pay the Settlement Amount. Further, the Parties

expressly warrant that, in evaluating whether to execute this Agreement, the Parties (a) have intended that the mutual **promises, covenants, and obligations set forth herein constitute a** contemporaneous exchange for new value given to Inter-Tel within the meaning of 11 U.S.C. § 547(c)(1), and (b) have concluded that these mutual promises, covenants, and obligations do, in fact, constitute such a contemporaneous exchange. Further, the Parties warrant that the mutual promises, covenants, and obligations set forth herein are intended and do, in fact, represent a reasonably equivalent exchange of value which is not intended to hinder, delay, **or** defraud any entity to which Inter-Tel was **or** became indebted on or after the date of this transfer, all within the meaning of 11 U.S.C. § 548(a)(1).

11. Inter-Tel agrees that this Settlement Agreement satisfies the requirements **of** the citation provision under subsections 503(b)(5)(A)-(B) of the Communications Act of 1934, as amended, 47 U.S.C. § 503(b)(5)(A)-(B), such that the FCC may issue a Notice of Apparent Liability against Inter-Tel pursuant to 47 U.S.C. § 503(b)(4) if, after the Effective Date of this Agreement, Inter-Tel engages in conduct of the type described as the Covered Conduct in Paragraph E **of** this Agreement.

12. The United States and Inter-Tel shall each bear their own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

13. All Parties represent that this Agreement is freely and voluntarily entered into without any degree of duress **or** compulsion whatsoever.

, 14. This Agreement is governed by the laws of the United States. The Parties agree that the exclusive jurisdiction and venue for any dispute arising between and among the Parties under this Agreement shall be the United States District Court **for** the Northern District of California.

15. This Agreement constitutes the complete agreement between the Parties with respect to civil and administrative monetary liability. This Agreement may not be amended except by written consent **of the** Parties.

16. The individuals signing this Agreement on behalf of Inter-Tel represent **and warrant that they are authorized by Inter-Tel to execute this Agreement, and that Inter-Tel is** authorized to release the claims described in Paragraph 1(b) of this Agreement on behalf of itself and/or **the** related entities using the SPINs listed in Paragraph 1(b). **The** United States, **SFUSD**, and City Attorney signatories represent that they are signing this Agreement in their official capacities and that they **are** authorized to execute this Agreement.

17. This Agreement **may** be executed in counterparts, each **of** which constitutes an original and all **of** which constitute **one** and the *same* agreement.

18. This Agreement is binding on Inter-Tells successors, transferees, heirs, and assigns.

19. This Agreement is effective on the date of signature of the last signatory to the Agreement (Effective Date). Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Settlement Agreement.

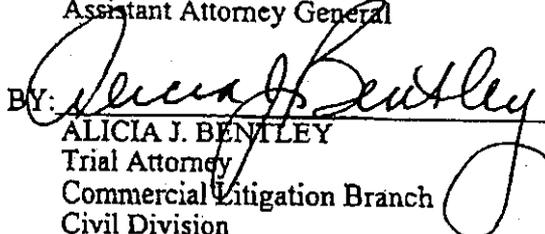
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THE UNITED STATES OF AMERICA

PETER D. KEISLER
Assistant Attorney General

DATED: _____

BY: _____


ALICIA J. BENTLEY
Trial Attorney
Commercial Litigation Branch
Civil Division
U.S. Department of Justice

KEVIN V. RYAN
United States Attorney
Northern District of California

DATED: 12/8/04

BY: _____


SARA WMSLOW
Assistant United States Attorney
On behalf of the United States and the
Federal Communications Commission

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

DATED: 12-7-04

BY: 
DAVID F. CAMPOS M.
General Counsel
San Francisco Unified School District

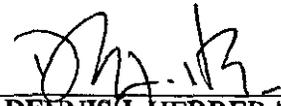
PHILLIPS & COHEN LLP

DATED: _____

BY: _____
ERIC R. HAVIAN
Attorney for SFUSD

CITY ATTORNEY FOR THE CITY AND COUNTY OF SAN FRANCISCO

DATED: 12/7/04

BY: 
DENNIS J. HERRERA
San Francisco City Attorney
On Behalf of the People of the
State of California

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

DATED: _____

BY _____
DAVID F. CAMPOS M.
General Counsel
San Francisco Unified School District

PHILLIPS & COHEN LLP

DATED: 12/7/04

BY 
ERIC R. HAVIAN
Attorney for SFUSD

CITY ATTORNEY FOR THE CITY AND COUNTY OF SAN FRANCISCO

DATED: _____

BY: _____
DENNIS J. HERRERA
San Francisco City Attorney
On Behalf of the People of the
State of California

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

DATED. _____

BY: _____

[NAME]
General Counsel
San Francisco Unified School District

PHILLIPS & COHEN U P

DATED _____

BY _____

ERIC R HAVIAN
Attorney for SFUSD

CITY ATTORNEY FOR THE CITY AND COUNTY OF SAN FRANCISCO

DATED. _____

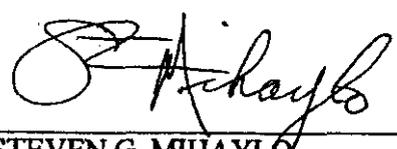
BY _____

DENNIS J. HERRERA
San Francisco City Attorney
On Behalf of the People of the
State of California

INTER-TEL TECHNOLOGIES.MC.

DATED: _____

BY _____


STEVEN G. MIHAYLO
Chairman, Inter-Tel Technologies, Inc.

WILSON SONSINI GOODRICH &
ROSATI

DATED 12-7-04

BY: _____

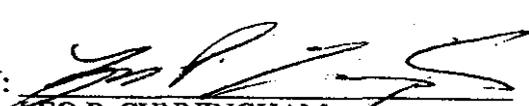

LEO P. CUNNINGHAM
Attorney for Inter-Tel Technologies,
Inc.

EXHIBIT B

Applicant/BEN	Service Provider/SPIN	BRN
East Dakota Educational Center BEN 134107	McLeod USA Telecommunications Services, Inc. 143005176	848943
St. Joseph's Indian School BEN 68104	McLeod USA Telecommunications Services, Inc. 143005176	845456
St. Joseph's Indian School BEN 66104	McLeod USA Telecommunications Services, Inc. 143005176	845120
St. Joseph's Indian School BEN 68104	McLeod USA Telecommunications Services, Inc. 143005176	845498
St. Joseph's Indian School BEN 66104	McLeod USA Telecommunications Services, Inc. 143005176	845419
St. Joseph's Indian School BEN 66104	McLeod USA Telecommunications Services, Inc. 143005176	845377
Children's Home Society BEN 65907	McLeod USA Telecommunications Services, Inc. 143005176	837164
Children's Home Society BEN 65907	McLeod USA Telecommunications Services, Inc. 143005176	837118
McCrossan Boys Ranch School BEN 65961	McLeod USA Telecommunications Services, Inc. 143005176	842272