

Person challenging or questioning the right of such Person or its Affiliates to conduct its Activities and any FCC-licensed or registered facility used in conjunction with such Activities.

3.5 Compliance with Laws. Except as set forth in Schedule 3.5, such Person and its Affiliates have complied with, and to such Person's Knowledge, the Activities and Assets of such Person or its Contributing Group are in compliance with, in all material respects, all applicable Legal Requirements and such Person and its Affiliates have not received any notice of any claim that such Person or any of its Affiliates is not in compliance with any applicable Legal Requirements, except where such non-compliance would not reasonably be expected to have a material impact, including the following Legal Requirements:

(a) Personnel Matters. The Code, ERISA and the National Labor Relations Act, as amended, or regarding employment conditions and practices (including hours, payment of wages or salaries and overtime pay as well as withholding requirements from wages or salaries), prohibitions upon employment discrimination, occupational safety and unfair labor practices;

(b) Communications Act. The Communications Act, including FCC filing requirements, notices to subscribers and FCC equal opportunity rules; and

(c) FAA and RCA Rules and Regulations. Rules and regulations of the FAA and RCA.

3.6 Solvency. After giving effect to the Transactions, such Person and each of its Affiliates that contributes Assets pursuant to this Agreement is solvent and each shall: (a) be able to pay its debts as they become due; (b) own property that has a fair saleable value greater than the amounts required to pay its debts (including a reasonable estimate of the amount of all contingent liabilities); and (c) have adequate capital to carry on its business. No transfer of property is being made and no obligation is being incurred in connection with the Transactions with the intent to hinder, delay or defraud either present or future creditors of any such Person or any of its Affiliates. In connection with the Transactions, neither such Person nor any of its Affiliates has incurred, or plans to incur, debts beyond its ability to pay as they become absolute and matured.

SECTION 4. REPRESENTATIONS AND WARRANTIES REGARDING THE ASSETS

In this Section 4, any particular reference to a "Schedule 4" shall be understood (i) in the case of ACS, to refer to the corresponding "Schedule 4A", and (ii) in the case of GCI, to refer to the corresponding "Schedule 4B." Each of ACS and ACS Member, jointly and severally, represents and warrants to GCI and GCI Member with respect to the ACS Wireless Activities and the ACS Assets (including the Purchased Assets), and each of GCI and GCI Member, jointly and severally, represents and warrants to ACS and ACS Member with respect to the GCI Wireless Activities and the GCI Assets (but not the Purchased Assets), as of the date hereof and as of the Closing Date except insofar as such representations and warranties are made as of the date hereof or any other specified date (in which case as of such date), as follows:

4.1 Sufficiency of Assets. Except as set forth in Schedule 4.1 and except for the Excluded Assets and the assets and services to be made available to the Company pursuant to the Ancillary Agreements and (solely for the purposes of making this representation as of the date hereof) the Pre-Closing Agreements, the Assets (i) constitute all of the assets, tangible and intangible, of any nature whatsoever, necessary to conduct such Person's Activities in substantially the manner presently operated by such Person's Contributing Group and (ii) include all of the assets of such Person and its Affiliates which are used in such Contributing Group's Activities.

4.2 Licenses and Contracts.

(a) Schedule 4.2(a) sets forth a list organized by category, of all of the Contracts in effect on the date hereof, except for: (i) subscription agreements with subscribers for wireless services provided by such Activities in the ordinary course of business, (ii) employment contracts and miscellaneous service contracts terminable on not more than 90 days' notice, and (iii) any Contracts included in the Excluded Assets or provided for in the Ancillary Agreements. True and complete copies of all Assumed Contracts (together with all amendments thereto) of such Person's Activities have been delivered to the other Parent. Other than the Licenses and Contracts listed in Schedule 4.2(a) or not required to be listed thereon pursuant to the first sentence of this Section 4.2(a), such Person's Activities require no contract or agreement to enable it to carry on its Activities in all material respects as presently conducted. All Licenses and Assumed Contracts are in full force and effect, and are in all material respects valid, binding and enforceable in accordance with their respective terms. None of the Licenses or Assumed Contracts would be materially breached by virtue of the Transactions or by virtue of the assignments thereof to the Company or as otherwise contemplated by this Agreement, *provided* that the Consents are obtained. Except as set forth in Schedule 4.2(a), there is not under any License or Assumed Contract any default by such Person or any of its Affiliates or, to its Knowledge, any other party thereto, or any event which, after notice or lapse of time, or both, would constitute a material default which would give any party the right to terminate such License or Assumed Contract. Except as expressly set forth in Schedule 4.2(a), such Person has not received any written notice of any intention by any party to any material License or material Assumed Contract (i) to amend the terms thereof in a manner that would materially and adversely affect such Person's rights thereunder, or to terminate such contract, (ii) to refuse to renew the same upon expiration of its term, or (iii) to renew the same upon expiration only on terms and conditions which materially and adversely affect such Person's rights thereunder.

(b) Except as set forth in Schedule 4.2(b), there are no Assumed Contracts in effect on the date hereof between such Person or any of its Affiliates and (i) any of its Affiliates, (ii) any of its or its Affiliates' officers, directors, shareholders, members, managers or "associates" (as defined in the Exchange Act), or (iii) any Affiliate or "associate" (as defined in the Exchange Act) of any of the Persons listed in clause (ii).

4.3 Title to and Condition of Real and Personal Property.

(a) Except for any Real Property and Personal Property expressly included in the Excluded Assets, Schedule 4.3 contains descriptions of all the Real Property (excluding unrecorded easements, rights-of-way or rights-to-access which are not material to the operation

of such Person's Activities) and categorical descriptions of all material items of Personal Property which, together with the Excluded Assets, comprise all real property interests and personal property reasonably necessary to conduct such Person's Activities in all material respects as now conducted.

(b) Such Person and its Affiliates have marketable title or leasehold interests, as the case may be, to all Real Property and Personal Property listed on Schedule 4.3 free and clear of all Liens except for Liens set forth on Schedule 4.3 and Permitted Liens.

(c) All towers, guy anchors, buildings and other improvements included in such Real Property and Personal Property are located entirely on the Real Property listed in Schedule 4.3. Such Person has delivered to the other Parent true and complete copies of all deeds, leases and material Contracts pertaining to such Real Property. All of such Person's Real Property and Personal Property (i) is in good condition and repair (ordinary wear and tear excepted), and (ii) subject to receipt of the Consents and in the case of leased Real Property or Personal Property payment of any rent obligations in respect thereto that are not overdue, is available for immediate use in the Activities as is contemplated to be conducted by the Company subsequent to Closing. Such Person or its Affiliates have access to its Real Property to the extent necessary to conduct such Person's Activities and to permit the Company to continue to use such Real Property following the Closing substantially as it is currently being used by such Person or any of its Affiliates. All items of plant and equipment included in such Personal Property (i) have been maintained in a manner consistent with generally accepted industry standards, and (ii) will permit such Person's Activities in all material respects to operate in accordance with the terms of the Licenses and the Legal Requirements of the FCC or other Governmental Authority as currently in effect.

4.4 Intellectual Property. To the Knowledge of such Person neither it nor any of its Affiliates is infringing upon any patent, trademark, trade name, service mark, service name, copyright or similar intellectual property right owned by any other Person in the conduct of the Activities.

4.5 Consents. Except for the Consents described in Schedule 4.5, no Consent of, or filing with, any Governmental Authority is required to permit such Person or any member of its Contributing Group (i) to consummate this Agreement and the Transactions or (ii) to permit such Person to assign or transfer the Assets as contemplated hereby. Except for the Consents described in Schedule 4.5, no Consent with respect to a material Contract is required to be obtained by such Person or any member of its Contributing Group (i) to consummate this Agreement and the Transactions or (ii) to permit such Person to assign or transfer the Assets as contemplated hereby. All Consents required to operate the Assets of such Person's Contributing Group have been transferred to the Company as of the Closing Date, other than Consents that are ministerial in nature and must be obtained by the Party owning such Assets.

4.6 Licenses and FCC Matters. Schedule 4.6 lists all of the material franchises, licenses, designations and permits required from the FCC or the RCA to enable such Person or its Affiliates to carry on its Activities as presently conducted. All required reports of such Person and its Affiliates to the FCC, including those relating to Taxes administered by the FCC, are true and correct in all material respects and have been duly filed. Such Person or its Affiliate

has all of the material licenses, designations and permits required under all applicable FCC rules, regulations and orders to utilize all carrier frequencies generated by the operations of its Activities and to receive High Cost Universal Service Support, and is licensed in all material respects to operate all the facilities required by Legal Requirements to be licensed.

4.7 Insurance and Bonds. Such Person's Activities and its Assets are insured against claims, loss or damage in amounts set forth in Schedule 4.7. Schedule 4.7 provides a true and complete list of all surety and performance bonds or letters of credit maintained in connection with such Person's Activities.

4.8 Environmental Law. Except as disclosed in Schedule 4.8 hereto, to such Person's Knowledge (i) such Person's and its Affiliates' operations with respect to its Activities and the use of its Real Property comply in all material respects with all applicable Environmental Laws; (ii) such Person and its Affiliates have not used such Real Property for, and have no Knowledge that such Real Property has previously been used for, the manufacture, transportation, treatment, storage or disposal of Hazardous Substances except for such use of Hazardous Substances (for backup power and ordinary maintenance) customary in the construction, maintenance and operation of such Person's Assets and its Activities and in amounts or under circumstances that would not reasonably be expected to give rise to any material liability for remediation; and (iii) such Person's Real Property complies in all material respects with all applicable Environmental Laws. Except as described in Schedule 4.8 hereto, to such Person's Knowledge, no underground storage tanks have been installed by or are used by such Person at any of its Real Property. Such Person has delivered to the other Person true and complete copies of all environmental reports and studies in the possession of or reasonably available to such Person with respect to the Real Property. Such Person and its Affiliates are not, to its Knowledge, the subject of (x) any "Superfund" evaluation or investigation or proceeding in connection with its Real Property, (y) any investigation or proceeding of any Governmental Authority evaluating whether any remedial action is necessary to respond to any release of Hazardous Substances on or in connection with its Real Property, or (z) any Environmental Claim.

4.9 Taxes and Tax Returns. All Tax Returns relating to its Assets or its Activities required to have been filed have been duly and timely filed with the appropriate Governmental Authorities. All such Tax Returns are true, correct and complete and properly reflect the liabilities for Taxes for the periods, property or events covered thereby. All material Taxes due and payable with respect to its Assets or its Activities have been timely and duly paid to the appropriate Governmental Authority.

4.10 Conduct of Activities in Ordinary Course. Since June 30, 2011, through the date of this Agreement, such Person and its Affiliates have conducted their Activities and owned and maintained their Assets only in the ordinary course and have not:

(a) Suffered any material adverse change in its Activities, Assets or condition (financial or otherwise), including any damage, destruction or loss affecting such Assets, other than any material adverse change resulting from general economic conditions, governmental regulations or otherwise affecting the wireless services industry generally;

(b) Made any material increase in compensation payable or to become payable to any employee or independent contractor of such Person's Activities, or any bonus payment made or promised to any employee or independent contractor of such Person's Activities except any bonus or similar payments that will be made by such Person prior to Closing, or any material change in personnel policies, insurance benefits, Compensation Arrangements or Employee Plans affecting the employees or independent contractors of such Person's Activities except to the extent that the Company will not have any liabilities or obligations after Closing with respect to any such changes; or

(c) Made any sale, assignment, lease or other transfer of any properties used in its Activities other than in the normal and usual course of business with suitable replacements being obtained therefor.

4.11 Unions. Subject to obtaining the applicable Consent on Schedule 4.5A, none of such Person and its Affiliates are party to, bound by, or negotiating any collective bargaining agreement or other contract with a union, works council or labor organization (collectively, "Union") that would be binding upon the Company, that would impose on the Company any duty to bargain with any Union or that would impose any successor liability or obligation on the Company or its property.

4.12 Financial Information. The revenues and expenses of the ACS Wireless Activities or the GCI Wireless Activities, as applicable, for the year ended December 31, 2011, set forth on Schedule 4.12 fairly present the revenues and expenses of the ACS Wireless Activities or the GCI Wireless Activities, as applicable, for such period.

4.13 Software and Hardware. All software and hardware used in the ACS Wireless Activities or the GCI Wireless Activities, as applicable, and included in the Contributed Assets is currently supported by the vendor of such software or hardware.

4.14 Assets and Liabilities of the Company. GCI represents and warrants that the Company (i) has been formed as a Delaware limited liability company solely for purposes of this Agreement and the transactions contemplated hereby and (ii) has conducted no business, and has no assets, liabilities, obligations or commitments other than its activities undertaken to comply with this Agreement and the Ancillary Agreements.

4.15 Full Disclosure. No representation or warranty made by such Person herein or in any certificate, document or other instrument furnished or to be furnished by such Person pursuant hereto contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact known to such Person and required to make the statements herein or therein, in light of the circumstances under which they were made, not misleading.

SECTION 5. COVENANTS OF EACH PARTY

5.1 Pre-Closing Covenants. Unless a Party shall have obtained the prior written consent of the other Parent, between the date hereof and the Closing Date, such Party shall conduct, and shall cause its Affiliates to conduct, its Activities in the ordinary course of business in accordance with its past practices (except where such conduct would conflict with the

following covenants or with such Party's other obligations hereunder) and shall abide by the following negative and affirmative covenants:

(a) Negative Covenants. Such Person shall not, and shall cause its Affiliates to not, do any of the following:

(1) Contracts. (i) Modify, amend in any material respect or enter into any new Affiliate Contracts affecting the Activities other than the Ancillary Agreements; or modify or amend in any material respect any Assumed Contract except (other than with respect to Affiliate Contracts) modifications or amendments in the ordinary course of business that are not materially inconsistent with the Initial Four Year Plan and First Year Budgets; (ii) enter into any new Contracts that will be binding on the Company except Contracts (other than Affiliate Contracts) entered into in the ordinary course of business that are not materially inconsistent with the Initial Four Year Plan and First Year Budgets; or (iii) enter into any modification or amendment to any Assumed Contract, or enter into any new Contract, that would require a new or additional material Consent;

(2) Disposition of Assets. Sell, assign, lease, or otherwise transfer or dispose of any of such Contributing Group's Assets, except for assets consumed or disposed of in the ordinary course of business that are obsolete and no longer usable in such Contributing Group's Activities or are replaced by property of equivalent kind and value and except transfers to Affiliates of such Person in order to facilitate the Transactions;

(3) Liens. Create, assume or permit to exist any Liens upon its Assets, except for Permitted Liens and except any Liens that will be removed prior to Closing;

(4) Licenses. Do any act or fail to do any act which could reasonably be expected to result in the expiration, revocation, suspension, non-renewal or materially adverse modification of any of such Person's Licenses or CETC Designation, or fail to prosecute with due diligence any material applications to any Governmental Authority in connection with such Person's Activities;

(5) No Inconsistent Action. Take any action which is inconsistent in any material respect with such Person's obligations hereunder or which would reasonably be expected to materially hinder or delay the consummation of the Transactions;

(6) Offers. Sell, dispose of or offer to sell or dispose (including by way of merger or equity sale or issuance) of any of such Person's Assets or Activities, or participate in any discussions pertaining to, or entertain offers for any such Assets or Activities or otherwise negotiate for the sale of such Assets or Activities or make information about such Assets or Activities available to any Third Party in connection with the possible sale of any such Assets or Activities *provided, however*, that each Party shall be permitted, in response to an unsolicited request, offer or proposal by any Person, to participate in discussions pertaining to, and entertain such offer or proposal and otherwise negotiate for such sale and make information available in connection with, such possible sale for a period of 60 days following the initiation of any such discussions, negotiations or proposal; or

(7) Waivers. Waive any material right relating to its Activities or its Assets.

(b) Affirmative Covenants. Such Person shall do, and shall cause its Affiliates to do, the following:

(1) Access to Information. Subject to the requirements set forth in Section 6.10, allow the other Parent and its authorized representatives reasonable access upon reasonable notice at the other Parent's expense during normal business hours to such Person's Assets and to all other properties, equipment, books, records, Contracts and documents relating to such Person's Assets and Activities for the purpose of audit and inspection and shall provide the other Parent with such information as it may reasonably request for the purpose of allowing the review necessary to issue the Transaction Opinion and to obtain the ICA Order (as applicable), and furnish or cause to be furnished to the other Parent or its authorized representatives all information which directly related to the Activities, of such Person as the other Parent may reasonably request. Any such audit, investigation or request for information shall be conducted in such a manner as not to interfere unreasonably with such Person's Activities, *provided, however*, that (i) neither the furnishing of such information to the other Parent or its representatives nor any investigation made heretofore or hereafter by the other Parent shall affect the other Parent's or its Affiliates right to rely on any representation or warranty made by such Party or its Affiliates in this Agreement or such Person's or its Affiliates' covenants set forth herein, each of which representations, warranties and covenants shall survive any furnishing of information to, or any investigation by or Knowledge of the other Party in accordance with Section 10.2 and (ii) all such information shall be subject to the confidentiality requirements set forth in Section 6.10;

(2) Maintenance of Assets. Use its commercially reasonable efforts to maintain all of its Personal Property or replacements thereof and all buildings or other improvements located on such Person's Real Property in good condition (ordinary wear and tear excepted) in a manner consistent with generally accepted industry standards, and use all of such Person's Personal Property and all buildings or other improvements located on such Real Property in a reasonable manner, with inventories of spare parts and expendable supplies being maintained at levels consistent with generally accepted industry standards;

(3) Maintenance of Personnel. Use its commercially reasonable efforts to maintain appropriate staff and management personnel for such Person's Activities consistent with past and generally accepted industry practices;

(4) Insurance. Use its commercially reasonable efforts to maintain insurance policies covering its Activities and its Assets in such amounts and with such coverages as are customarily maintained by similarly situated Persons consistent with past practices;

(5) Consents. Use its commercially reasonable efforts to obtain the Consents required for each member of its Contributing Group to consummate the Transactions;

(6) Books and Records. Maintain the books and records of its Contributing Group in accordance with past practices and generally accepted accounting principles;

(7) Notification. Promptly notify the other Parent of any fact or condition known to such Person that causes or constitutes a material breach of any representation, warranty, covenant or commitment made by such Person in this Agreement or any material change in any of the information contained in such Person's and its Affiliates' representations and warranties contained herein or in the Schedules hereto;

(8) Compliance with Laws. Comply in all material respects with all Legal Requirements applicable to the operation of its Activities and the ownership of its Assets;

(9) Keep Organization Intact. Use such Person's commercially reasonable efforts to preserve intact its business and organization relating to its Activities and preserve for the Company the goodwill of its suppliers, customers and others having business relations with it;

(10) Contracts. Prior to the Closing Date, promptly notify the other Parties regarding any Contracts entered into or modified between the date hereof and the Closing Date of the type required to be listed in Schedule 4.2, and promptly provide copies of such Contracts and any amendments;

(11) CETC. Take all commercially reasonable actions necessary to assure continued receipt of CETC Cash Flow, including the filing for time periods that occur prior to Closing for which payment is to be received after Closing, and the continued filing of high cost line counts;

(12) Transition Planning. Reasonably cooperate with one another in creating joint plans for the transition of the Activities and the Assets from each Contributing Group to the Company at the Closing;

(13) Offers. Promptly notify the other Parties of any offer or proposal by any Person concerning any (i) merger, consolidation, other business combination or similar transaction involving it or its Activities, (ii) sale, lease, license or other disposition directly or indirectly by merger, consolidation, business combination, share exchange, joint venture or otherwise, of assets representing a majority of the consolidated assets, revenues or net income of it or its Activities, (iii) issuance, sale or other disposition (including by way of merger, consolidation, business combination, share exchange, joint venture or similar transaction) of equity interests representing a majority of its voting power, (iv) transaction or series of transactions in which any Person (or the stockholders of such Person) would acquire beneficial ownership or the right to acquire beneficial ownership of equity interests representing a majority of its voting power or (v) any combination of the foregoing;

(14) Systems and Software. Use its commercially reasonable efforts to maintain its systems and software used in its Activities in a manner consistent with generally accepted industry standards; and

(15) Construction Work in Process. Continue its construction and development of its Assets in the ordinary course of business consistent with its capital budget attached as Schedule 5.1.

5.2 No Unauthorized Transfer of Control or Assignment of Licenses. Prior to receiving the FCC Consents, each Party will retain control of its licensee Affiliates, and neither Party will act or fail to act in a manner that would constitute an unauthorized assignment of one or more Licenses or an unauthorized change in control of any of a Party's Affiliates.

5.3 Rationalization Plans. GCI shall develop and deliver to the Company a plan that identifies (or sets forth the terms and conditions for identifying after the Closing Date) redundant cell site locations contributed or to be contributed to the Company. ACS shall develop and deliver to the Company a plan that identifies (or sets forth the terms and conditions for identifying after the Closing Date) redundant CDMA assets contributed or to be contributed to the Company. Such plans will be completed by the Closing Date or as soon as reasonably practicable thereafter and each Party shall reasonably cooperate with the other Parties in the development of such plans.

5.4 Further Assurances. Each Party shall use its reasonable best efforts and negotiate in good faith to complete prior to Closing all exhibits to this Agreement and the Ancillary Agreements that were not completed at the execution of this Agreement to the reasonable satisfaction of the other Parties. Each Party shall take, and cause its Affiliates to take, such actions, and execute and deliver to the Company such further deeds, bills of sale, assignments or other transfer documents as, in the opinion of the Company, may be reasonably necessary to ensure the full and effective transfer of the Assets to the Company pursuant to this Agreement; *provided* that the Company shall be responsible for all fees, taxes and other costs (other than such Party's attorneys' fees and expenses) payable with respect to the filing or recording of any such further deeds, bills of sale, assignments or other transfer documents. For a reasonable period of time after the Closing, each Party shall continue to reasonably cooperate with the other Parties in transitioning the Activities from each Contributing Group to the Company.

5.5 Form 8-K Filing. Not less than 5 Business days prior to the Closing Date, each of ACS and GCI shall provide the other Parent with the financial statements (which shall be audited to the extent required), or other financial information, required under Item 9.01 of SEC Form 8-K for such other Parent and its Affiliates to file such report. Each of ACS and GCI shall cooperate with the other Parent and provide such information or documentation as may be necessary for it to complete the filing of SEC Form 8-K as may be required pursuant to Item 2.01 thereto to be filed in connection with the Transactions. GCI will cooperate with ACS to seek from the SEC an exemption from any applicable audited financial statement requirement under Item 9.01 of SEC Form 8-K. Notwithstanding anything else set forth herein, the Closing shall not occur until such time as (i) if required, the audited financial statements required for the filing of SEC Form 8-K have been completed or (ii) an exemption from any applicable audited financial statement requirement has been obtained. Each Parent will bear its own costs and expenses with respect to this Section 5.5.

5.6 Legacy GCI and ACS Wireless Plans. Prior to Closing (but following the expiration of the notice periods under the HSR Act or other Antitrust Laws with respect to the

Transactions), the Company shall, to the extent commercially reasonable, prepare to implement and integrate the billing plans used in the GCI Wireless Activities and ACS Wireless Activities prior to the Closing into the billing system that will be used by the Company following the Closing.

5.7 Asset List. Prior to Closing, each Parent will, and will cause its Affiliates to, cooperate in producing a comprehensive list of its Assets. Such Asset lists will include the categories set forth on Schedule 5.7 and will be provided to the other Parent no later than five months after the date hereof.

SECTION 6. SPECIAL COVENANTS AND AGREEMENTS

6.1 Consents.

(a) As promptly as practicable after the date hereof, the appropriate Party shall request the Consent of such Third Parties whose Consents are required. Each Party shall thereafter use its commercially reasonable efforts to obtain those Consents that it requires as expeditiously as possible, subject to the other provisions of this Section 6.1. No Consent shall include any material adverse change to the terms of any Assumed Contract unless otherwise agreed to in writing by the other Parent. If notwithstanding its commercially reasonable efforts, any Party is unable to obtain any Consent for which it shall be responsible (or is unable to cause its Affiliates to obtain any such Consent), such Party shall not be liable for any breach of covenant (but such members of the other Contributing Group shall have no obligation to effect the Closing unless the condition set forth in, as the case may be, Section 7.1(c) or Section 7.2(c) hereof shall have been satisfied) except as set forth in Sections 6.9 and 9.2. Nothing herein shall require the expenditure or payment of any funds (other than in respect of normal and usual filing fees and such Party's attorneys fees, other normal costs of doing business or costs described in Section 6.1(c)) or the giving of any other consideration by such Party in order to obtain any Consent.

(b) To the extent requested by the Parent of the other Contributing Group, each Party agrees to cooperate fully with the members of the other Contributing Group in obtaining any necessary Consents, but such cooperating Party will not be required (i) to make any payment to any Person from whom such Consent is sought or (ii) to accept any material adverse changes in, or the imposition of any material adverse condition to, any License or any Assumed Contract as a condition to obtaining any Consent. To the extent requested by the Parent of the Contributing Group responsible for obtaining any Consent, the Parties shall jointly participate in negotiations with Third Parties with respect to the Consents. Each Party shall not, and shall cause its Affiliates not to, without the prior written consent of the other Parent (which may be withheld at such Parent's sole discretion), seek amendments or modifications to the Licenses or other Assumed Contracts which would reasonably be expected to delay or prevent obtaining any Consents necessary for the Closing.

(c) Each Party shall bear any costs required to remedy any item of noncompliance by such Person or any member of its Contributing Group with the terms of its Contracts and Licenses. The Company shall bear any costs arising with respect to the performance of the Contracts and Licenses post-Closing (other than any costs arising as a result

of noncompliance by any other Party or a member of its Contributing Group) in accordance with the terms of any such Contracts or Licenses (including any amendments or modifications) executed or assumed by the Company.

(d) Each Party shall promptly furnish to any Third Party such accurate and complete information regarding the Company and such Party, including financial information concerning such Party and other information relating to the wireless and other operations of such Party (other than information which such Party reasonably deems to be proprietary), as such Third Party may reasonably require in connection with obtaining any Consent, and each Party shall promptly furnish to the other Party needing such Consent, a copy of any such information provided to such Third Party. Each Party shall ensure that its appropriate officers and employees shall be available to attend any scheduled hearings or meetings in connection with obtaining such Consent.

(e) The Parties shall cooperate in seeking, and use commercially reasonable efforts to obtain, a declaratory ruling, or its functional equivalent, from the FCC or other Governmental Authority as the FCC may direct, confirming that:

(1) The Company's assets constitute the "own facilities" of Alaska Communications Systems Holdings, Inc. or one or more of its wholly-owned subsidiaries, and GCI Communication Corp., respectively, for the purposes of 47 U.S.C. § 214(e)(1)(A), and 47 C.F.R. § 54.201(d)(1);

(2) Alaska Communications Systems Holdings, Inc. and GCI Communication Corp. may remit all CETC Cash Flow to the Company in order to comply with 47 U.S.C. § 254(e)'s requirement that "a carrier that receives such support shall use that support only for the provision, maintenance, and upgrading of facilities and services for which the support is intended;" and

(3) Access by Alaska Communications Systems Holdings, Inc. or one or more of its wholly-owned subsidiaries, and GCI Communication Corp., respectively, to the Company's facilities and services under the Facilities and Network Use Agreement constitutes "access to spectrum" in areas in which the Company holds Licenses for the purpose of 47 C.F.R. §54.1003(b).

6.2 Cooperation. The Parties shall cooperate fully with each other and their respective counsel and accountants in connection with any actions required to be taken as part of their respective obligations under this Agreement, and each Party shall execute such other documents as may be reasonably necessary to the implementation and consummation of this Agreement, and otherwise shall use its commercially reasonable efforts in good faith to do all things necessary, proper or advisable in order to consummate the Transactions in the most expeditious manner practicable (including using commercially reasonable efforts to cause the conditions to Closing set forth in Section 7 for which such Party is responsible to be satisfied as soon as reasonably practicable) and to fulfill its obligations hereunder. Without limiting the foregoing, if a Governmental Authority requires an arrangement to be addressed through another form of agreement that requires Governmental Consent, or asserts that an arrangement requires a

Governmental Consent the Parties did not believe was required, the Parties agree to work in good faith to obtain that Consent.

6.3 Taxes, Fees and Expenses.

(a) Each Parent shall hold the Company harmless from any liability for payment or otherwise of any Taxes, without duplication, (i) of such Parent or its Affiliates or (ii) relating to the operation of such Parent's or Affiliates' Activities or the ownership of its Assets for any Tax period (or portion thereof) ending on or prior to the Closing Date (for purposes of this clause (ii), all real property Taxes, personal property Taxes and similar ad valorem obligations levied with respect to the Assets for a Tax period that includes (but does not end on) the Closing Date shall be apportioned between such Parent and the Company based upon the number of days of such period (which period shall include the Closing Date) included in the pre-Closing Tax period and the number of days of such Tax period after the Closing Date).

(b) Each Party shall pay, or shall reimburse the Company (to the extent the Company shall have paid) for, all sales, use, transfer, and recordation and documentary Taxes, if any, arising out of the transfer by such Person of its Assets to the Company pursuant to this Agreement. Each Parent shall pay, or shall reimburse the other Parent (to the extent such other Parent or its Affiliates shall have paid) for, 50 percent of all sales, use, transfer, and recordation and documentary taxes and fees, if any, arising out of the transfer by ACS of the Purchased Assets to GCI Member.

(c) Upon receipt of any bill for real or personal property Taxes or similar ad valorem Taxes relating to the ACS Assets or the GCI Assets, or upon the filing of any Tax Return with respect to any such ad valorem Taxes, ACS or GCI, as applicable, and the Company shall present a statement to the other setting forth the amount of such Taxes that is attributable to the portion of the applicable Tax period that ended on the Closing Date, with such supporting evidence as is reasonably necessary to calculate such prorated amount. The prorated amount shall be paid by the party owing it to the other within 30 days after delivery of such statement. Any payment required under this Section 6.3(c) and not made within 30 days of delivery of the relevant statement shall bear interest at LIBOR plus 2.5% until fully paid.

(d) Except as otherwise provided in this Agreement, each Member shall pay its own attorney's fees and other expenses incurred in connection with the negotiation, authorization, preparation, execution, and performance of this Agreement, *provided* that ACS shall pay 1/3rd and GCI shall pay 2/3rd of any filing fee with respect to the Transactions related to the HSR Act.

6.4 Brokers. Each Party represents and warrants that, except as set forth in Schedule 6.4, neither it nor any Person acting on its behalf has incurred any liability for any finders' or brokers' fees or commissions in connection with the Transactions.

6.5 Employee Matters.

(a) The Company shall not be obligated to hire any employee of any Party. Nothing in this Agreement is intended to confer upon any employee of any Party or its Affiliates

or such employee's legal representative or heirs any rights as a third-party beneficiary or otherwise or any remedies of any kind whatsoever under or by reason of this Agreement, or the Transactions, including any rights of employment or continued employment. All rights and obligations created by this Agreement are solely among the Parties.

(b) Each Member shall retain all liabilities with respect to any employees terminated by such Member at or prior to the Effective Time.

(c) The Parties shall comply, as necessary, with the provisions of the Worker Adjustment and Retaining Notification Act, as amended, 29 U.S.C. §2101, et seq. (the "WARN Act"), as it relates to the Transactions, including providing all affected employees and other necessary persons with any notice that may be required under the WARN Act, and shall indemnify and hold harmless the Company from and against all losses arising from any noncompliance with the WARN Act.

(d) Each Parent shall indemnify and hold harmless the Company following the Closing from and against any liability the Company may incur under COBRA as a successor to the Activities of such Parent.

6.6 Title Policies. With respect to each fee estate in Real Property that is owned by any member of a Contributing Group, such Person shall, at its expense, deliver to the other Parent prior to Closing a commitment for title insurance, in form and substance reasonably satisfactory to the Company and the other Parent, showing no Liens except for Permitted Liens.

6.7 Risk of Loss. The risk of any loss, damage or impairment, confiscation or condemnation of any Person's Assets from any cause whatsoever shall be borne by such Person at all times prior to the completion of the Closing as and to the extent provided in Section 10. In the event of any loss, damage or impairment, confiscation or condemnation, the proceeds of any claim for loss payable under any insurance policy, judgment or award with respect thereto shall be applied by such Person to repair, replace or restore such Assets to their prior condition as soon as reasonably practicable after such loss, impairment, condemnation or confiscation.

6.8 Post-Closing Access to Information. Following the Closing for a period of 24 months, each Party (i) shall allow the Company and its authorized representatives reasonable access, on reasonable notice and at the Company's expense during normal business hours, to such Party's books and records, for the purpose of audit, inspection or investigation relating to the business, tax and financial affairs of the Company as well as to any third-party claims made against the Company, relating to or arising from the acquisition, ownership or conduct of the operations of such Party's Assets or Activities during the time period prior to Closing, and (ii) shall furnish or cause to be furnished to the Company or its authorized representatives all information with respect to the Assets and Activities of such Person as the Company may reasonably request. Any such audit, investigation or request for information shall be conducted in such manner as not to interfere unreasonably with such Person's then-ongoing business.

6.9 Post-Closing Consents and Subsequent Transfers. In the event that any Party shall be unable to obtain prior to Closing any Consent required by such Party or its Affiliates to assign any of the Licenses or Assumed Contracts to be transferred by such Person to the

Company, the Company and the Members agree that at the option of the Member not affiliated with such non-performing Party, either (1) such Member shall waive such Consent as a precondition to assignment and such License or Assumed Contract shall be assigned by such Member to the Company, or (2) such License or Assumed Contract to which such Consent relates shall not be assigned and (i) the Person required to obtain such Consent shall cause such License or Assumed Contract to remain in effect and shall use its commercially reasonable efforts to give the Company the benefit of such License or Assumed Contract to the same extent as if it had been assigned, and the Company shall perform such Person's obligations under such License or Assumed Contract relating to the benefit obtained by the Company, and (ii) the Person that was required to obtain such Consent and the Company shall continue to cooperate to try to obtain such Consent as soon as practicable after Closing, with the provisions of Section 6.1 continuing to apply to such Consent. Upon the subsequent receipt of any such Consent to transfer any such License or Assumed Contract, or upon the subsequent waiver by the non-affiliated Member of the requirement that such Consent be obtained, such License or Assumed Contract shall be promptly assigned to the Company.

6.10 Confidentiality/Press Releases. Each Parent will hold, and will cause its Affiliates and its and their officers, directors, employees, lenders, accountants, representatives, agents, consultants and advisors to hold, in confidence all information (other than such information as may be publicly available) furnished by, or obtained from, the other Parent and its Affiliates ("Provider") to such Parent and its Affiliates ("Receiver") in connection with the Transactions, as well as all information concerning Provider, its Affiliates or its assets or Activities contained in any analyses, compilations, studies or other documents prepared by or on behalf of Receiver based on information provided by, or obtained from, Provider (collectively, the "Information") in the manner set forth in the Existing NDA or, following the Closing, Section 16.20 of the Operating Agreement.

(a) If the Transactions are not consummated, each Party, as Receiver, agrees that: (i) the Information, except for that portion thereof which consists of analyses, compilations, studies or other documents prepared by or on behalf of Receiver, will be returned to Provider immediately upon Provider's request therefor; and (ii) that portion of the Information which consists of analyses, compilations, studies or other documents prepared by or on behalf of Receiver will be destroyed by Receiver. Notwithstanding the foregoing, the Receiver may retain data or electronic records containing Information (i) for the legal department of the Receiver for compliance, evidentiary or archival purposes and (ii) for the purposes of backup, recovery, contingency planning or business continuity planning so long as such data or records are not accessible in the ordinary course of business and are not accessed except as required for backup, recovery, contingency planning or business continuity purposes.

(b) Each Parent and the Company shall consult with each other before issuing, and provide each other the opportunity to review and comment upon, any press release or other public statements with respect to the Transactions and shall not issue any such press release or make any such public statement without the prior written consent of the other Parent, except with respect to (i) any disclosures to any Governmental Authority which it is required to make under any Legal Requirement (including with respect to any such Person's public reporting obligations under applicable securities laws), or (ii) filing this Agreement with, or disclosing the terms of

this Agreement to, any institutional lender to such Person or any of its Affiliates or potential investor in such Person or any of its Affiliates. The Parties shall cooperate to issue a press release publicly announcing this Agreement and the Transactions and shall mutually agree upon the timing and contents of such press release. Notwithstanding the foregoing, any Party may without consulting with any other Party make additional announcements that are substantially similar in form as the mutually agreed upon press release referenced in the prior sentence.

6.11 Assignments to Members. ACS shall contribute and cause each of its Affiliates to contribute all of the ACS Assets to the ACS Member prior to the Closing. GCI shall contribute and cause each of its Affiliates to contribute all of the GCI Assets to GCI Member prior to or at the Closing.

6.12 Bulk Sales Law. Each Member shall cooperate with the Company and the other Member, be liable for, and hold the Company harmless with respect to, compliance or failed compliance with any bulk sales or other law, including with respect to Taxes, that if not complied with would create successor or derivative liability by operation of law, if applicable, of the states in which its Assets are located and its Activities are conducted.

6.13 HSR Act.

(a) Each Parent shall as promptly as practicable, but in no event later than five Business Days following the execution and delivery hereof, file with the United States Federal Trade Commission (the "FTC") and the United States Department of Justice (the "Antitrust Division") the notification and report form, if any, required for the Transactions and any supplemental information requested in connection therewith pursuant to the HSR Act. Any such notification and report form and supplemental information shall be in substantial compliance with the requirements of the HSR Act. To the extent permissible under applicable Legal Requirements, each Parent shall obtain all requisite approvals, clearances and authorizations for the Transactions under the HSR Act or other Antitrust Laws and use its reasonable best efforts to do each of the following with respect to matters relating to Antitrust Laws: (i) cooperate reasonably in all respects with the other Parent in connection with any filing or submission and in connection with any investigation or other inquiry, including any proceeding initiated by a private party, (ii) promptly inform the other Parent of any communication received by such Party from, or given by such Party to, the Antitrust Division, the FTC or any other Governmental Authority and of any material communication received or given in connection with any proceeding by a private party, in each case regarding any of the Transactions, (iii) permit the other Parent, or the other Parent's legal counsel, to review any material communication given by it to, and consult with each other in advance of any meeting or conference with, the Antitrust Division, the FTC or any such other Governmental Authority or, in connection with any proceeding by a private party, with any other Person, (iv) give the other Parent the opportunity to attend and participate in such meetings and conferences to the extent allowed by applicable Legal Requirements or by the applicable Governmental Authority, (v) in the event one Parent is prohibited by applicable Legal Requirements or by the applicable Governmental Authority from participating in or attending any meetings or conferences, keep the other promptly and reasonably apprised with respect thereto, (vi) cooperate reasonably in the filing of any memoranda, white papers, filings, correspondence, or other written communications explaining or defending the Transactions, articulating any regulatory or competitive argument, and/or

responding to requests or objections made by any Governmental Authority and (vii) furnish the other Parent with copies of all correspondence, filings, and written communications between the Parent and any Governmental Authority with respect to this Agreement and the Transactions, except that any materials containing valuation information, internal financial information, or competitively sensitive information may be designated for limited distribution as appropriate. Either Parent may, as it deems advisable and necessary, reasonably designate any competitively sensitive material provided to the other Parent under this Section 6.13(a) as "outside counsel only." Such materials and the information contained therein shall be given only to the outside legal counsel of the recipient and will not be disclosed by such outside counsel to employees, officers, or directors of the recipient, unless express written permission is obtained in advance from the source of the materials.

(b) Each Parent will use reasonable best efforts to resolve any objections that may be asserted by any Person with respect to the Transactions under any Antitrust Law. In connection with the foregoing, if any proceeding is instituted or threatened to be instituted challenging any Transaction as violative of any Antitrust Law, each Parent will cooperate in good faith in all respects with each other and use reasonable best efforts to contest and resist any such proceeding and to have vacated, lifted, reversed or overturned any decree, judgment, injunction or other order, whether temporary, preliminary or permanent, that is in effect and that prohibits, prevents or restricts consummation of the Transactions, including by pursuing all available avenues of administrative and judicial appeal, unless by mutual agreement the Members decide that litigation is not in their respective best interests. Each Parent shall use reasonable best efforts to take such action as may be required to cause the expiration of the notice periods under the HSR Act or other Antitrust Laws with respect to such Transactions as promptly as possible after the execution of this Agreement. In connection with and without limiting the foregoing, each Parent shall use reasonable best efforts to take promptly any and all steps necessary to avoid or eliminate each and every impediment under any Antitrust Laws that may be asserted by any Governmental Authority, so as to enable the Parties to close the Transactions as expeditiously as possible.

6.14 Network Capacity and Maintenance. All network capacity included in the Contributed Assets shall be contributed pursuant to the IRU Contribution Agreement and maintenance shall be provided in accordance with the Joint Maintenance Agreement. The remedies set forth in such agreements shall be the sole and exclusive remedies for breaches of any representations, warranties and covenants with respect to such network capacity and the maintenance thereof.

6.15 Payment of CETC Amounts. After the Closing, each Party shall promptly deliver, and cause its Affiliates to promptly deliver, to the Company an amount equal to all CETC Cash Flow as and when received by it and its Affiliates for support and maintenance of the Company's network. Each Party shall take all commercially reasonable actions necessary to assure continued receipt of CETC Cash Flow, including the continued filing of high cost line counts and any other reports required by the FCC or USAC as a condition of receipt of the CETC Cash Flow. In the event that the FCC and/or USAC do not agree to disburse the CETC Cash Flow directly to the Company, each Party shall maintain with USAC separate Service Area Codes for Wireless services and will establish financial accounts, with appropriate instructions,

such that any payments of CETC Cash Flow received by a Contributing Group will be automatically transferred to the Company.

6.16 Agreed Tax Treatment; Allocation.

(a) The Parties acknowledge and agree that, for U.S. federal income Tax purposes and for the purpose of any corresponding state, local or foreign Taxes, (x) at the Effective Time (i) ACS will be treated as having sold the Purchased Assets to GCI in a fully taxable transaction prior to the consummation of the transactions described in (ii) and (iii) below, (ii) ACS will be treated as having contributed the ACS Assets (other than the Purchased Assets) to the Company in exchange for (A) a membership interest in the Company as set forth in, and in accordance with the terms of, the Operating Agreement, in a transaction qualifying as a tax-free contribution described in Section 721(a) of the Code, and (B) the assumption by the Company of the Assumed Liabilities relating to the ACS Assets or the ACS Wireless Activities, and (iii) GCI will be treated as having contributed the GCI Assets and the Purchased Assets to the Company in exchange for (A) a membership interest in the Company as set forth in, and in accordance with the terms of, the Operating Agreement, in a transaction qualifying as a tax-free contribution described in Section 721(a) of the Code and (B) the assumption by the Company of the Assumed GCI Liabilities relating to the GCI Assets or the GCI Wireless Activities and (y) the Parties shall report the transactions for U.S. federal and applicable state income Tax purposes in a manner consistent with the above described treatment.

(b) The Parties agree that the Purchase Price (including the Assumed Liabilities, if any, attributable to the Purchased Assets to the extent properly taken into account for U.S. federal income tax purposes) shall be allocated among the Purchased Assets in accordance with Code Section 1060 and the Treasury regulations thereunder (and any similar provision of state, local or foreign law, as appropriate) as shown on the allocation schedule (the "Allocation Schedule"). The Allocation Schedule shall be prepared by the Parties prior to the Closing Date and shall be subject to mutual agreement by ACS and GCI. ACS, GCI, the Company and their Affiliates shall file all Tax Returns (including Internal Revenue Service Form 8594) in a manner consistent with, and shall take no position in any audit, proceeding or otherwise inconsistent with, the Allocation Schedule.

6.17 Forwarding Inquiries and Payments; Collection of Accounts Receivable.

(a) For a period of 12 months from the Closing Date, each Contributing Group shall forward to the Company any e-mail, facsimile, postal mail or telephone inquiries that such Contributing Group receives to the extent relating to its Activities and not otherwise addressed pursuant to the GCI Services Agreement or the ACS Services Agreement and shall promptly after the Closing Date file complete and adequate forwarding notices with the postal officials and appropriate telephone utilities provided by the Company for the forwarding to the Company of all mail and telephone calls relating to the Assets or the Activities.

(b) To the extent (i) either Contributing Group receives any payments in respect of any of their portion of the ACS Assets or GCI Assets that relate to the post-Closing operations of the Activities, such Contributing Group shall promptly forward the same to the Company, or (ii) the Company receives any payments in respect of any of the Excluded Assets,

the Company shall promptly forward the same to the appropriate Contributing Group, in each case to the extent not otherwise addressed pursuant to this Agreement or the Ancillary Agreements. The Parties also agree to use commercially reasonable efforts to coordinate the collection of the accounts receivable of the Activities that constitute Excluded Assets and those that arise in connection with the Activities after the Closing Date, including advance notice of any referral of unpaid accounts receivable to a collection agency or the initiation of litigation or other enhanced collection procedures.

6.18 ICA Order. ACS shall as promptly as practicable, but in no event later than 60 days following the execution and delivery hereof, file with the SEC an application for an order to be issued by the SEC either (i) pursuant to Section 3(b)(2) of the Investment Company Act, declaring that as a result of and after giving effect to the Transactions, ACS is primarily engaged in a business other than that of investing, reinvesting, owning, holding or trading in securities, or, alternatively, (ii) pursuant to Section 6(c) of the Investment Company Act granting ACS an exemption from all provisions of the Investment Company Act. ACS will use reasonable best efforts to obtain the ICA Order as soon as reasonably practicable after the date hereof.

6.19 Transaction Opinion. GCI shall use reasonable best efforts to cause the Transaction Opinion to be issued so as not to delay the Closing. Such efforts shall include entering into an engagement letter as soon as reasonably practicable with a nationally recognized investment banking or valuation firm, paying any applicable fees, providing all necessary information to such firm and requesting the Transaction Opinion from such firm.

SECTION 7. CONDITIONS TO THE OBLIGATIONS TO CLOSE

7.1 Conditions to Obligations of ACS Contributing Group. All obligations of ACS, ACS Member and the Company at the Closing hereunder are subject to the satisfaction, on or before the Closing Date, of each and every one of the following conditions, all or any of which may be waived, in whole or in part, by ACS for purposes of consummating such transactions, but without prejudice to any other right or remedy which ACS or ACS Member may have hereunder as a result of any misrepresentation by, or breach of any covenant or warranty of, GCI or GCI Member contained in this Agreement or any other certificate or instrument furnished by GCI or GCI Member hereunder:

(a) Representations and Warranties. All representations and warranties of each of GCI and GCI Member in this Agreement shall be true and correct in all respects to the extent qualified by materiality and in all material respects to the extent not so qualified at and as of the Closing Date as though such representations and warranties were made at and as of such time, except insofar as any such representation or warranty is made as of the date of this Agreement or any other specified date (in which case it shall be true and correct in all respects to the extent qualified by materiality and in all material respects to the extent not so qualified as of the date of this Agreement or such other specified date). ACS and ACS Member shall have received a certificate signed by authorized officers of GCI and GCI Member to the effect of the preceding sentence.

(b) Covenants and Conditions. Each of GCI and GCI Member shall have in all material respects performed and complied with all covenants, agreements, and conditions

required by this Agreement to be performed or complied with by it prior to or on the Closing Date. ACS and ACS Member shall have received a certificate signed by authorized officers of GCI and GCI Member to the effect of the preceding sentence.

(c) Consents. Each of the Material Consents to be obtained by a member of the GCI Contributing Group, in form and substance reasonably acceptable to ACS, shall have been duly obtained and delivered to ACS with, as a result of obtaining such Consent, no material adverse change having been made in the terms of any License or Assumed Contract that is the subject of such Material Consent.

(d) Licenses. No FCC Licenses or ETC Designations relating to the GCI Wireless Activities shall have been revoked, canceled, expired without renewal or suspended and no Proceeding shall be pending the effect of which is reasonably likely to be to revoke, cancel, fail to renew, or suspend any FCC Licenses or ETC Designations relating to the GCI Wireless Activities.

(e) Membership Documents. The Operating Agreement and the other Ancillary Agreements shall have been duly executed and delivered by GCI, GCI Member and the other parties thereto, as applicable (other than ACS and ACS Member), and all such parties shall have become parties to the Arbitration Agreement pursuant to a joinder agreement in form and substance reasonably acceptable to the Parties, and each Ancillary Agreement shall constitute the legal, valid, and binding obligation of each of such parties, enforceable against it in accordance with its terms, except to the extent such enforceability may be limited by the Enforceability Exceptions.

(f) Lien Searches. Any lien searches that shall have been obtained by ACS, at its expense, shall disclose no Liens on any material GCI Assets other than Permitted Liens.

(g) Governmental Consents. All waiting periods under the HSR Act applicable to this Agreement or the Transactions shall have expired or been terminated and any Governmental Consents shall have been obtained.

(h) Material Adverse Change. GCI and its Affiliates shall not have suffered any material adverse change in the GCI Assets or the GCI Wireless Activities, its liabilities, condition (financial or otherwise) or results of operations, including as a result of any damage, destruction or loss affecting the GCI Assets, other than any material adverse change resulting from (i) general economic conditions, (ii) changes adversely affecting the wireless industry in which GCI operates (so long as no Parent is disproportionately affected thereby), (iii) the negotiation, announcement, execution, delivery, consummation or pendency hereof or of the Transactions, any litigation relating to this Agreement or the Transactions or any action or inaction by GCI or its Affiliates contemplated by or required by this Agreement, (iv) changes in accounting principles, (v) matters disclosed or referred to in the Schedules, or (vi) attack, outbreak, hostility, terrorist activity, act or declaration of war or act of public enemies or other geopolitical event (so long as no Parent is disproportionately affected thereby).

(i) Governmental Orders. No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any order, writ, judgment, injunction, decree,

stipulation, determination or award that is in effect and has the effect of making any material aspect of the Transactions illegal, otherwise restraining or prohibiting consummation of any material aspect of the Transactions or causing any material aspect of the Transactions to be rescinded following completion thereof.

(j) Deliveries. GCI and GCI Member shall have made or stand willing and able to make all the deliveries to the Company set forth in Section 8.2.

(k) Absence of Proceedings. There shall not be pending or threatened any Proceeding (i) challenging or seeking to restrain or prohibit the Transactions or seeking to obtain from ACS or ACS Member or any of their respective Affiliates, in connection with the Transactions, any damages that are material in relation to ACS or ACS Member (as the case may be) taken as whole, (ii) seeking to prohibit or limit the ownership or operation by the Company of any material portion of the Activities or the Assets or to compel ACS, ACS Member or the Company to dispose of or hold separate any material portion of the Activities or the Assets, in each case as a result of the Transactions, or (iii) seeking to impose any conditions or restrictions that, individually or in the aggregate, in the reasonable judgment of ACS or ACS Member, would materially impair (or would reasonably be expected to materially impair) the ability of ACS or ACS Member to consummate the Transactions or would reasonably be expected to have a material adverse effect on the economic benefits to ACS or ACS Member arising therefrom.

(l) Bankruptcy Event. No Bankruptcy Event shall have occurred and be continuing with respect to any member of the GCI Contributing Group.

(m) Investment Company Act. The ICA Order shall have been granted to ACS.

(n) Transaction Opinion. GCI shall have received the Transaction Opinion.

(o) Exhibits. All exhibits to this Agreement, the Ancillary Agreements, the Pre-Closing Agreements and the Operating Agreement that were not completed at the execution of this Agreement shall have been completed to the reasonable satisfaction of ACS.

7.2 Conditions to Obligations of GCI Contributing Group. All obligations of GCI and GCI Member at the Closing hereunder are subject to the satisfaction, on or before the Closing Date, of each and every one of the following conditions, all or any of which may be waived, in whole or in part, by GCI for purposes of consummating the Transactions, but without prejudice to any other right or remedy which GCI or GCI Member may have hereunder as a result of any misrepresentation by, or breach of any covenant or warranty of, ACS or ACS Member contained in this Agreement or any other certificate or instrument furnished by ACS, ACS Member or the Company hereunder:

(a) Representations and Warranties. All representations and warranties of each of ACS and ACS Member in this Agreement shall be true and correct in all respects to the extent qualified by materiality and in all material respects to the extent not so qualified at and as of the Closing Date as though such representations and warranties were made at and as of such time, except insofar as any such representation or warranty is made as of the date of this

Agreement or any other specified date (in which case it shall be true and correct in all respects to the extent qualified by materiality and in all material respects to the extent not so qualified as of the date of this Agreement or such other specified date). GCI and GCI Member shall have received a certificate signed by authorized officers of ACS and ACS Member to the effect of the preceding sentence.

(b) Covenants and Conditions. Each of ACS and ACS Member shall have in all material respects performed and complied with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date. GCI and GCI Member shall have received a certificate signed by authorized officers of ACS and ACS Member to the effect of the preceding sentence.

(c) Consents. Each of the Material Consents to be obtained by a member of the ACS Contributing Group, in form and substance reasonably acceptable to GCI, shall have been duly obtained and delivered to GCI with, as a result of obtaining such Consent, no material adverse change having been made in the terms of the License or Assumed Contract that is the subject of such Material Consent.

(d) Licenses. No FCC Licenses or ETC Designations relating to the ACS Wireless Activities shall have been revoked, cancelled, expired without renewal or suspended and no Proceeding shall be pending the effect of which is reasonably likely to be to revoke, cancel, fail to renew, or suspend any FCC Licenses or ETC Designations relating to the ACS Wireless Activities.

(e) Membership Documents. The Operating Agreement and the other Ancillary Agreements shall have been duly executed and delivered by ACS, ACS Member and the other parties thereto, as applicable (other than GCI and GCI Member), and all such parties shall have become parties to the Arbitration Agreement pursuant to a joinder agreement in form and substance reasonably acceptable to the Parties, and each Ancillary Agreement shall constitute the legal, valid, and binding obligation of each of such parties enforceable against it in accordance with its terms, except to the extent such enforceability may be limited by the Enforceability Exceptions.

(f) Lien Searches. Any lien searches that shall have been obtained by GCI, at its expense, shall disclose no Liens on any material ACS Assets other than Permitted Liens.

(g) Governmental Consents. All waiting periods under the HSR Act applicable to this Agreement or the Transactions shall have expired or been terminated and any Governmental Consents shall have been obtained.

(h) Material Adverse Change. ACS and its Affiliates shall not have suffered any material adverse change in the ACS Assets or the ACS Wireless Activities, its liabilities, condition (financial or otherwise) or results of operations, including as a result of any damage, destruction or loss affecting the ACS Assets, other than any material adverse change resulting from (i) general economic conditions, (ii) changes adversely affecting the wireless industry in which ACS operates (so long as no Parent is disproportionately affected thereby), (iii) the negotiation, announcement, execution, delivery, consummation or pendency hereof or of the

Transactions, any litigation relating to this Agreement or the Transactions or any action or inaction by ACS or its Affiliates contemplated by or required by this Agreement, (iv) changes in accounting principles, (v) matters disclosed or referred to in the Schedules, or (vi) attack, outbreak, hostility, terrorist activity, act or declaration of war or act of public enemies or other geopolitical event (so long as no Parent is disproportionately affected thereby).

(i) Governmental Orders. No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any order, writ, judgment, injunction, decree, stipulation, determination or award that is in effect and has the effect of making the Transactions illegal, otherwise restraining or prohibiting consummation of such Transactions or causing such Transactions to be rescinded following completion thereof.

(j) Deliveries. ACS and ACS Member shall have made or shall stand willing and able to make all the deliveries to the Company set forth in Section 8.2.

(k) Absence of Proceedings. There shall not be pending or threatened any Proceeding (i) challenging or seeking to restrain or prohibit the Transactions or seeking to obtain from GCI or GCI Member or any of their respective Affiliates, in connection with the Transactions, any damages that are material in relation to GCI or GCI Member (as the case may be) taken as whole, (ii) seeking to prohibit or limit the ownership or operation by the Company of any material portion of the Activities or the Assets or to compel GCI, GCI Member or the Company to dispose of or hold separate any material portion of the Activities or the Assets, in each case as a result of the Transactions, or (iii) seeking to impose any conditions or restrictions that, individually or in the aggregate, in the reasonable judgment of GCI or GCI Member, would materially impair (or would reasonably be expected to materially impair) the ability of GCI or GCI Member to consummate the Transactions or would reasonably be expected to have a material adverse effect on the economic benefits to GCI or GCI Member arising therefrom.

(l) Bankruptcy Event. No Bankruptcy Event shall have occurred and be continuing with respect to any member of the ACS Contributing Group.

(m) Transaction Opinion. GCI shall have received the Transaction Opinion.

(n) Exhibits. All exhibits to this Agreement, the Ancillary Agreements, the Pre-Closing Agreements and the Operating Agreement that were not completed at the execution of this Agreement shall have been completed to the reasonable satisfaction of GCI.

SECTION 8. CLOSING AND CLOSING DELIVERIES

8.1 Time and Place of Closing. Subject to (i) the satisfaction or, to the extent permissible by Legal Requirements, waiver (by the Parent for whose benefit the closing condition is imposed), of the closing conditions described in Section 7, and (ii) the provisions of Section 9 hereof, the closing of the Transactions (the "Closing") will take place at the offices of GCI, 2550 Denali Street, Suite 1000, Anchorage, Alaska, at 10:00 a.m., local time, on the fifth Business Day following the date on which each of the conditions set forth in Section 7 is satisfied or waived by the Party entitled to waive such condition (except for any conditions that by their nature can only be satisfied on the Closing Date, but subject to the satisfaction of such

conditions or waiver by the Party entitled to waive such conditions) (the "Closing Date"); or on such other date or other location as shall otherwise be mutually agreed upon by the Parents.

8.2 Deliveries by the Members. Prior to or on the Closing Date, and subject to the terms of Section 6.10 hereof, the appropriate Member shall deliver to the Company the following, in form and substance reasonably satisfactory to the other Member and its counsel:

(a) Transfer Documents. Duly executed Instruments of Assignment and duly executed bills of sale, deeds, motor vehicle titles, assignments of the Licenses and other Assumed Contracts and such other transfer documents which shall be sufficient to vest good and marketable title to such Member's Assets in the name of the Company, free and clear of any Liens (except for the Permitted Liens);

(b) Consents. The original of each Consent which has been obtained relating to such Contributing Group;

(c) Secretary's Certificate. A certificate dated as of the Closing Date, executed by the Secretary or Assistant Secretary of each of such Member: (i) certifying that the resolutions, as attached to such certificate, were duly adopted by such Person's board of directors and shareholders (if required), or managers and members (if required), as applicable, authorizing and approving the execution of this Agreement and the consummation of the Transactions and that such resolutions remain in full force and effect; and (ii) providing, as attachments thereto, such Person's articles of incorporation or other organizational documents and a certificate of good standing certified by an appropriate state official, and, if appropriate, certificates of qualification as a foreign corporation certified by an appropriate state official of those states in which such Person conducts its Activities, all certified by such state officials as of a date not more than 20 days before the Closing Date and by such Person's Secretary or Assistant Secretary as of the Closing Date, and a copy of such Person's bylaws or operating agreement, as applicable, certified by such Person's Secretary or Assistant Secretary as of the Closing Date;

(d) Title Insurance on Fee Estates. A commitment for an owner's title insurance policy, in customary form for commercial property in such location, obtained by such Member at its expense, insuring the Company's fee simple title in any fee estates included in such Member's Real Property, in an amount equal to the fair market value of such real property, subject only to Permitted Liens, or any Liens with respect to which such Member shall agree to indemnify the Company, with the final title insurance policy being delivered as soon as practicable after the Closing;

(e) Contracts, Activities Records, Etc. Promptly after Closing, copies of all Licenses and Assumed Contracts relating to such Member or its Contributing Group, and all files and records included in such Member's Assets; and

(f) Operating Agreement. The Operating Agreement, and any other Ancillary Agreements to which such Member is specified to be a party, duly executed by such Member.

8.3 Deliveries by the Company. On the Closing Date, and subject to the terms of Section 6.10 hereof, the Company shall deliver to the Members the following, in form and substance reasonably satisfactory to the Members and their counsels:

(a) Assumption Agreements. Duly executed Instruments of Assumption, pursuant to which the Company shall assume and undertake to perform each Member's obligations arising after the Effective Time under the Licenses and Assumed Contracts; and

(b) Loan Agreement. The Loan Agreement, and any other Ancillary Agreements to which the Company is specified to be a party, duly executed by the Company.

SECTION 9. RIGHTS OF THE COMPANY AND THE MEMBERS ON TERMINATION OR BREACH

9.1 Termination Rights. This Agreement shall automatically terminate on the date that is 120 days after the date of this Agreement, if (i) the Closing has not occurred and (ii) all of the 120 Day Consents have not been obtained. This Agreement may be terminated prior to the Closing:

(a) At any time by mutual written consent of both Parents;

(b) By either Parent if on and after the 121st day after the date of this Agreement, the non-terminating Parent or any of its Affiliates has failed to maintain in full force and effect any of its non-regulatory Material Consents that it or any of its Affiliates has obtained; *provided, however,* that a Parent shall not be permitted to terminate this Agreement pursuant to this Section 9.1(b) if (i) the failure of the other Parent or any of its Affiliates to maintain in full force and effect such Material Consent results from a material breach by such terminating Parent or any of its Affiliates of any of their representations, warranties, covenants or agreements contained herein or in any Ancillary Agreement or (ii) the Parent seeking to terminate has failed to maintain in full force and effect all of its non-regulatory Material Consents;

(c) By ACS if (A) there have been one or more breaches by GCI or the GCI Member of any of their representations, warranties, covenants or agreements contained herein or in any Ancillary Agreement that have not been waived by ACS and would result in the failure to satisfy any of the conditions set forth in Section 7.1 (Conditions to Obligations of ACS Contributing Group) and such breaches have not been cured within 10 days after written notice thereof has been received by GCI or (B) any of the conditions set forth in Section 7.1 (Conditions to Obligations of ACS Contributing Group) has become incapable of being satisfied on or before the Outside Date and has not been waived by ACS; provided, in each case that ACS and its Affiliates are not in material breach of any of their representations, warranties, covenants or agreements contained herein or in any Ancillary Agreement;

(d) By GCI if (A) there have been one or more breaches by ACS or the ACS Member of any of their representations, warranties, covenants or agreements contained herein or in any Ancillary Agreement that have not been waived by GCI and would result in the failure to satisfy any of the conditions set forth in Section 7.2 (Conditions to Obligations of GCI Contributing Group) and such breaches have not been cured within 10 days after written notice

thereof has been received by ACS or (B) any of the conditions set forth in Section 7.2 (Conditions to Obligations of GCI Contributing Group) has become incapable of being satisfied on or before the Outside Date and has not been waived by GCI; provided, in each case that GCI and its Affiliates are not in material breach of any of their representations, warranties, covenants or agreements contained herein or in any Ancillary Agreement;

(e) By either Parent if the terminating Parent's board of directors has received a Superior Proposal and such Parent has previously paid or pays no later than three Business Days after such termination to the other Parent the Superior Proposal Fee due under Section 9.2(b), and acceptance by the other Parent of the Superior Proposal Fee shall constitute acceptance by it of the validity of any termination of this Agreement under this Section 9.1(e);

(f) If the Closing hereunder has not taken place within 15 months and ten days of the date of this Agreement (the "**Outside Date**"); *provided, however*, that a Parent shall not be permitted to terminate this Agreement pursuant to this Section 9.1(f) if the failure to consummate the Closing by such date results from material breach by such Parent or any of its Affiliates of any of their representations, warranties, covenants or agreements contained herein or in any Ancillary Agreement.

In the event of termination by either Parent pursuant to this Section 9.1, written notice thereof shall promptly be given to the other Parent, setting forth the clause of Section 9.1 pursuant to which such Party is terminating and the facts giving rise to such Party's termination right in reasonable detail, and this Agreement and the Transactions shall be terminated, without further action by any Party. Upon such termination: (i) if no Party is in intentional or willful material breach of any provision of this Agreement, the Parties shall not have any further liability to each other except as set forth in Section 9.2 hereof; or (ii) except as set forth in Section 9.2(c), if any Party shall be in intentional or willful material breach of any provision of this Agreement, the other Parties shall have all rights and remedies available at law or equity.

9.2 Termination Fee.

(a) If a Parent terminates this Agreement pursuant to Section 9.1(b), the Parties agree that the terminating Parent shall have suffered a loss and value of an incalculable nature and amount, unrecoverable in law, and the other Parent shall pay to the terminating Parent a fee of \$5 million in immediately available funds by wire transfer no later than three Business Days after such termination.

(b) If a Parent terminates this Agreement pursuant to Section 9.1(e), the Parties agree that the other Parent shall have suffered a loss and value of an incalculable nature and amount, unrecoverable in law, and if the terminating Parent is ACS, then ACS shall pay to GCI a fee of \$20 million, or if the terminating Parent is GCI, then GCI shall pay to ACS a fee of \$40 million (in either case, the "**Superior Proposal Fee**"), in immediately available funds by wire transfer no later than three Business Days after such termination or such sale.

(c) Notwithstanding anything to the contrary in this Agreement, upon termination of this Agreement pursuant to Section 9.1(b) or 9.1(e), a Parent's right to receive payment of the fees pursuant to this Section 9.2 shall be the sole and exclusive remedy of such