

Settlement Agreement and Release

This Settlement Agreement and Release ("Agreement") is made and entered into by and between **Whatcom Community College** ("Customer"), and **Qwest Corporation** ("Qwest"), having its principal place of business at 1801 California Street, Denver, CO 80202. The effective date of this Agreement is the date on which Qwest signs it after Customer's signature ("Effective Date").

RECITALS

WHEREAS, Qwest currently provides related telecommunications to Customer

WHEREAS, There is a dispute relating to certain charges in the amount of approximately fifty six thousand and no/100 U.S. Dollars (\$56,000.00) that were billed to the Customer by Qwest (the "Dispute"). The Dispute is described in the Complaint filed by Customer with the Washington Utilities and Transportation Commission ("WUTC") on May 19, 2005 under Docket No. UT-050770.

WHEREAS, Customer and Qwest, without admitting liability, wish to resolve all differences and disputes between them relating to the Dispute;

NOW, THEREFORE, in consideration of the promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

1.1 Dismissal of Complaint. Customer will file with the WUTC, no later than 10 days after the Effective Date, a motion withdrawing the Complaint in Docket No. UT-50770 and requesting that the WUTC dismiss the Complaint with prejudice.

1.2 Settlement. In full and final settlement of the Dispute, within forty-five (45) business days after the WUTC enters a final order dismissing the Complaint in Docket No. UT-050770 with prejudice, Qwest shall [REDACTED].

2. RELEASE

2.1 Customer Release. Effective upon Qwest's performance of its obligations under Section 1., Customer, its predecessors, successors and assigns (collectively, "**Customer Releasers**") hereby release and forever discharge Qwest, its predecessors, successors, assigns, employees, officers, directors, stockholders, attorneys, representatives and agents (collectively, "**Qwest Releasees**") from and against all actions, causes of action, claims, counterclaims, crossclaims, suits, demands, debts, damages, judgments, and liabilities whatsoever, whether matured or unmatured, whether at law or in equity, whether before a local, state or federal court or state or federal administrative agency or commission, whether now known or unknown, liquidated or unliquidated, that the Customer Releasers ever had, now have, or may have had, or hereafter can, shall or may have, against the Qwest Releasees arising out of the dispute described in the Complaint.

3. CONFIDENTIALITY; PUBLICITY. Neither party will disclose the terms and conditions of this Settlement Agreement, except insofar as necessary to respond to a public records request under Chapter 42.17 RCW, and to the extent required by the WUTC.

4. REPRESENTATIONS. Qwest represents and warrants to Customer that it has full power and authority to enter into this Agreement. Customer represents and warrants to Qwest that it has full power and authority to enter into this Agreement. Each undersigned representative of the parties, by his or her execution of this Agreement, hereby certifies and represents that such representative is duly authorized by that party to enter into this Agreement.

5. NO ADMISSION OF LIABILITY. The parties agree that any actions taken in furtherance of this Agreement are not to be construed as an admission of liability on the part of any party. The parties stipulate that this Agreement shall not be admissible in evidence by any party hereto in any judicial or other proceeding except for the purpose of enforcing the rights and obligations created hereby.

6. **DISPUTE RESOLUTION; GOVERNING LAW.** Any dispute arising out of, or relating to, this Agreement will be settled by arbitration to be conducted in accordance with the Judicial Arbitration and Mediation Services ("JAMS") Comprehensive Arbitration Rules. The Federal Arbitration Act, 9 U.S.C. Sections 1-16, not state law, will govern the arbitrability of disputes. This Agreement will otherwise be governed by the laws of the State of New York without regard to its choice of law principles. The costs of the arbitration, including the arbitrator's fees, will be shared equally by the parties; provided, however, that each party will bear the cost of preparing and presenting its own claims and/or defenses (including its own attorneys' fees). The venue for arbitration will be Denver, Colorado. A single arbitrator engaged in the practice of law, who is knowledgeable about the subject matter of this Agreement, will conduct the arbitration. The arbitrator is bound to apply and enforce the terms of this Agreement. The arbitrator's decision will be final, binding, and enforceable in a court of competent jurisdiction. If a party is required to enforce compliance with this Section (including nonpayment of an award), then the noncomplying party must reimburse all of the costs and expenses incurred by the party seeking such enforcement (including reasonable attorneys' fees).

7. **COUNTERPARTS.** This Agreement may be executed in two or more counterparts, each of which shall for all purposes constitute an original, but all of which together shall be deemed one and the same instrument. This Agreement may be executed by facsimile signature(s).

8. **HEADINGS.** The headings in this Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.

9. **BINDING AGREEMENT.** The terms of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their respective successors, transferees, and assigns.

10. **ENTIRE AGREEMENT.** This Agreement (together with its preamble and recitals) constitutes the entire agreement between the parties with respect to the subject matter hereof, superseding all prior understandings and agreements and may not be modified or altered except by a written instrument duly executed by the parties. Any handwritten changes made to this Agreement will be void and of no effect.

11. **NOTICE.** Except as otherwise provided herein, all required notices must be in writing and sent to Qwest at 1801 California Street, Suite 900, Denver, Colorado 80202; Facsimile #: (888) 778-0054; Attn.: Legal Department, and to Customer at its then current address as reflected in Qwest's records; Attn.: General Counsel or other person designated for notices. Except as otherwise provided herein, all notices will be deemed given: (i) when delivered in person to the recipient named above; (ii) three business days after delivered via regular U.S. Mail; (ii) when delivered via overnight courier mail; or (iv) when delivered by facsimile so long as duplicate notification is also sent in the manner set forth herein. The following shall also constitute receipt: (x) a party's rejection or other refusal to accept notice; or (y) the inability to deliver notice to a party because of a changed address of which no notice has been received by the other parties. Notwithstanding the foregoing, no notice of change of address shall be effective until five (5) business days after the date of receipt therefore.

12. **WAIVERS.** Any failure by any party to comply with any of the obligations, agreements or conditions set forth in this Agreement may be waived by the other party, but any such waiver must be in writing signed by the waiving party and will not be deemed a waiver of any other obligations, agreements or conditions contained herein nor a waiver on any other occasion of the obligation so waived (unless expressly stated to the contrary in such written waiver).

IN WITNESS WHEREOF, Customer and Qwest have caused this Agreement to be executed and delivered by their duly authorized officers.

WHATCOM COMMUNITY COLLEGE

By: [Signature]
Printed Name: Harold G. Heizer
Title: PRESIDENT
Date: DEC 6, 2005

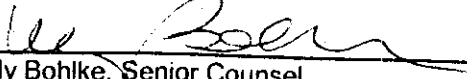
QWEST CORPORATION

By: [Signature]
Printed Name: J. J. McGrath
Title: VP
Date: 12/28/05

Approved as to legal form:

ROB MCKENNA

ATTORNEY GENERAL OF WASHINGTON

By 
Wendy Bohlke, Senior Counsel
Attorney for Whatcom Community College
WSBA # 8085