

**Memorandum of Understanding  
MountainStar Development LLC and Inland Telephone Co.**

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**I. PURPOSE:**

This document is a Memorandum of Understanding (MOU) between the MountainStar Resort Development LLC (MountainStar), a Delaware limited liability company, and Inland Telephone Co. (Inland Telephone) and its affiliates for Telecommunications services as described herein.

The purpose of this MOU is to establish an understanding between the above-mentioned entities concerning their respective roles and responsibilities for the implementation of various telecommunications services. This MOU is to ensure the effective and efficient delivery of said services at the MountainStar Resort Development located in Kittitas County, Washington.

Parties to this document shall coordinate and perform the activities and services described herein within the scope of legislative requirements governing the parties' respective programs, services, and agencies.

Further, the content of this MOU will be utilized to develop a contractual agreement between the parties, upon which services described herein will be delivered.

**II. INTRODUCTION:**

MountainStar and Inland Telephone and its affiliates enter into this MOU with the understanding that all principles of the (Telecommunication Act of 1996) must be complied with, including but not limited to:

1. All customers, including those with special needs, will have access to a core set of services at each residential dwelling.
2. Open Access – Customers will have access to multiple service providers.

The implementation of this memorandum is intended to accomplish the following:

1. To establish how infrastructure components are provided, and who will pay for each infrastructure components.
2. To provide competitively priced telecommunication services to businesses and residents of MountainStar.
3. Where possible provide these services in a "bundle" to reduce costs, and simplify billing.
4. To establish guidelines for revenue sharing for various services as described herein.
5. To establish a method of penalty for non-performance of either party
6. To establish the time and/or other trigger for the provision of services not currently available, in the future.

**III. PERIOD OF PERFORMANCE**

This MOU shall commence on the date it is executed \_\_\_\_\_ (date) and terminate on \_\_\_\_\_ (date), unless otherwise terminated by agreement of all parties.

Within sixty (60) days of the execution of this MOU, Inland Telephone agrees to make available to the MountainStar development, all services presently available by Inland Telephone.

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**IV. GENERAL PROVISIONS**

1. MountainStar will sell at a fair price, conduit runs to Inland Telephone to install cabling per network design specification (Attachment A) as indicated below:
  - a. Where six (6) runs are available, two (2) may be utilized by Inland.
  - b. Where four (4) or three (3) runs are available, one (1) may be utilized by Inland.
  - c. Where two (2) runs are available, one (1) 1-¼" inner duct may be placed inside one (1) 4" conduit for use by Inland with MountainStar retaining ownership of the 4" conduit.
  - d. Ownership of all 2" home runs will be retained by MountainStar
  - e. The purchase price for conduit runs will include:
    1. Cost of materials
    2. A prorated portion of the installation and design labor
    3. MountainStar will retain ownership of all conduits where inner ducts are utilized, (See IV.1.c) Inland will lease said duct space.

**NOTE:** Existing conduit infrastructure design is as follows:  
(6), (4), or (3) 4" conduits are provided for main runs.  
(1) 2" conduit is provided to each home.

2. MountainStar will provide either shared facilities or lease appropriate land to Inland Telephone for the strategic placement of repeater "Huts" in adherence to the projects Design and Review Committee's guidelines.
3. MountainStar agrees to a phased approach for more advanced services as described below:
  - a. Video on Demand (VOD)
  - b. Video Surveillance
  - c. OC3 Internet
4. Inland agrees to provide the following components of the telecommunication system at no cost to the resident or MountainStar:
  - a. Fiber cable per Vector USA specification (Attachment A)
  - b. Fiber to the home (FTTH) build out
  - c. An Optical Network Unit (ONU) at the residence with the following capabilities:
    1. 3mb data
    2. 750mhz video
    3. 2 dedicated and 3 additional voice lines
  - d. All repeater or switch equipment required to deploy services.
5. Inland agrees to provide the following services in phase one:
  - a. POTS
  - b. Long Distance (LD) service
    1. Purchase LD services through PSI Network
      - a. PSI Network will pay the revenue shared portion to MountainStar directly
  - c. Operator Services
  - d. High speed internet
  - e. Security alarm monitoring
  - f. CATV
  - g. Intranet or Extranet

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6. Inland agrees to provide the above mentioned services at the minimum technical service level specifications as indicated below in phase one:
  - a. POTS
    1. 2 dedicated and 3 additional voice lines per residence
    2. \_\_\_\_\_
    3. \_\_\_\_\_
  - b. Long Distance (LD) service
    1. \_\_\_\_\_
    2. \_\_\_\_\_
  - c. Operator Services
    1. \_\_\_\_\_
    2. \_\_\_\_\_
  - d. High speed internet
    1. 3mb
    2. \_\_\_\_\_
    3. \_\_\_\_\_
  - e. ONU:
    1. Outputs:
      - a. Data – Cat5 data
      - b. Video – RG6 Coax
      - c. Voice –
  - f. Security alarm monitoring
    1. \_\_\_\_\_
    2. \_\_\_\_\_
  - g. CATV
    1. 750mhz video
    2. \_\_\_\_\_
    3. \_\_\_\_\_
  - h. Intranet or Extranet
    1. \_\_\_\_\_
    2. \_\_\_\_\_
7. Inland agrees to allow access for 3<sup>rd</sup> party providers of advanced services not competitively provided by Inland Telephone, including but not limited to:
  - a. Video surveillance
  - b. Private video surveillance – Office to home
  - c. VOD
8. Both parties will negotiate an appropriate “trigger” to determine the timetable for providing future advanced services. Possible trigger(s) could include but are not limited to:
  - a. Time/Date
  - b. Demographics – agreed upon source of data
  - c. Number of connections

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9. Inland agrees to provide the future minimum technical service level specifications as indicated below based on the agreed upon trigger(s):

- a. POTS
  - 1. VoIP
  - 2. \_\_\_\_\_
  - 3. \_\_\_\_\_
- b. Long Distance (LD) service
  - 1. \_\_\_\_\_
  - 2. \_\_\_\_\_
- c. Operator Services
  - 1. \_\_\_\_\_
  - 2. \_\_\_\_\_
- d. High speed internet
  - 1. OC3
  - 2. \_\_\_\_\_
  - 3. \_\_\_\_\_
- e. ONU:
  - 1. Outputs:
    - a. Cat5 - Data
    - b. RG6 Coax - Video
    - c. \_\_\_\_\_ - Voice
    - d. Fiber (at residential owner request)
- f. Security alarm monitoring
  - 1. Video Surveillance
  - 2. \_\_\_\_\_
  - 3. \_\_\_\_\_
- g. CATV
  - 1. 750mhz video
  - 2. \_\_\_\_\_
  - 3. \_\_\_\_\_
- h. Intranet or Extranet
  - 1. \_\_\_\_\_
  - 2. \_\_\_\_\_

10. Inland agrees that once a trigger has been met, the new service(s) will be made available within 30 days.

**V. CERTIFICATION:**

By signing this MOU, all parties agree that the provisions contained herein are subject to all applicable, Federal, State and local laws, regulations and/or guidelines.

By signatures affixed below, the parties specify their agreement:

MountainStar Resort Development, LLC

Inland Telephone Co.

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_