

DIRECTORY ASSISTANCE AGREEMENT

This Directory Assistance Agreement ("Agreement") is made and entered into by and between U S WEST Communications, Inc. ("USWC") and Allegiance Telecom of Washington, Inc. ("Allegiance"). This Agreement may refer to Allegiance or to USWC as a Party ("Party") to this Agreement. The Directory Assistance service(s) provided in this Agreement (the "Services") will be delivered in the state of Washington.

WHEREAS, USWC desires to provide the Services as described herein.

NOW THEREFORE, in consideration of the promises, mutual covenants, and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. SCOPE OF AGREEMENT

1.1 The Directory Assistance service is a telephone number, voice information service that USWC provides to other telecommunications carriers and its own end users. The published and non-listed telephone numbers provided within the relevant geographic area are only those contained in USWC's current Directory Assistance database. USWC offers the following five separate options:

1.1.1 Local Directory Assistance Service - Permits Allegiance's end users to receive published and non-listed telephone numbers for their own NPA/LATA, whichever is greater.

1.1.2 National Directory Assistance Service - Permits Allegiance's end users to receive listings for the entire United States database.

1.1.3 Branding - Permits Allegiance's end users to receive the service options in 1.1.1 and 1.1.2 branded with the brand of Allegiance, where technically feasible. Call Branding provides the announcement of Allegiance's name to Allegiance's end user during the introduction of the call, and at the completion of the call. USWC will record the Brand.

1.1.4 Directory Assistance Call Completion Service - Permits Allegiance's end users to connect to the requested local or intraLATA telephone number directly, where available, without having to dial another call, using the USWC intraLATA toll network. Call Completion is not available in the states of Iowa, Montana, Nebraska, South Dakota and Wyoming.

1.1.5 Directory Assistance Call Completion Link Service - Permits Allegiance's end user to connect to the requested interLATA telephone number directly, where available, without having to dial another call. USWC will return the end user to Allegiance for completion. Call Completion Link is not available in the states of Iowa, Montana, Nebraska, South Dakota and Wyoming.

2. TERMS AND CONDITIONS

2.1 Allegiance elects to receive the following Directory Assistance service options:

- Local Directory Assistance
- National Directory Assistance
- Branding
- Directory Assistance Call Completion
- Directory Assistance Call Completion Link

2.2 Allegiance will complete the "USWC Operator Services/Directory Assistance Questionnaire for Local Service Providers" to request Services, and Allegiance represents that the information completed is true and correct to the best of its knowledge and belief.

2.3 USWC's Directory Assistance database contains only those published and non-listed telephone numbers provided to USWC by its own end users and other telecommunications carriers.

2.4 USWC will provide access to the Services via dedicated multi-frequency (MF) operator service trunks purchased from USWC or provided by Allegiance. These operator service trunks will be connected directly to USWC's Directory Assistance host switch or directly to a remote Directory Assistance switch via the trunk side. Allegiance will be required to order or provide an operator service trunk for each NPA served.

2.5 USWC will provide and maintain the equipment and personnel necessary to perform the Directory Assistance services specified in this Agreement. Allegiance will provide and maintain the equipment, facilities, lines and materials necessary to connect its telecommunication facilities to an agreed upon USWC's Operator Services switch.

3. TERM AND TERMINATION

This Agreement arises out of an Interconnection Agreement between the Parties which was approved by the Public Utilities Commission in the state of Washington. This Agreement will become effective upon latest signature date, and will terminate at the same time as the said Interconnection Agreement.

4. RATE ELEMENTS

4.1 The following per call rate is applicable for Local Directory Assistance service and National Directory Assistance service, where selected by Allegiance.

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|-------------------------------|---------|
| Local Directory Assistance | \$ 0.41 |
| National Directory Assistance | \$0.385 |

- 4.2 A non-recurring charge for studio set-up and recording will apply. The non-recurring studio/recording charge will be assessed each time the brand message is changed. The non-recurring charge to load the switches will be assessed each time there is any type of change to the switch. (CLECs offering service in more than one state will be assessed a one time only non-recurring charge for studio set-up and recording.) The non-recurring charge(s) must be paid prior to commencement of Service.

| | |
|--|-------------|
| Branding – Studio Set-up and Record Brand: (Includes both front-end and back-end Brand) | \$10,500.00 |
|--|-------------|

| | |
|---|----------|
| Branding – Load brand into Switch: (Per Switch) | \$175.00 |
|---|----------|

- 4.3 A per call rate for Directory Assistance Call Completion and Directory Assistance Call Completion Link will be applicable. Additional charges for USWC IntraLATA Toll services also apply for completed intraLATA toll calls. Additional charges for interLATA may apply from the interLATA toll carrier.

| | |
|---|--------|
| Directory Assistance Call Completion | \$.06 |
| Directory Assistance Call Completion Link | \$.085 |

5. BILLING

- 5.1 USWC will track and bill Allegiance on a monthly basis for the number of calls placed to USWC's Directory Assistance service by Allegiance's end users. USWC will also track and bill monthly the number of Call Completion requests.
- 5.2 For purposes of determining when Allegiance is obligated to pay the per call rate, the call will be deemed made and Allegiance will be obligated to pay when the call is answered. An end user may request and receive no more than two telephone numbers per Directory Assistance call. USWC will not credit, rebate or waive the per call charge due to any failure to provide a telephone number, or due to any incorrect information.
- 5.3 Allegiance alone and independently establishes all prices it charges its end users for the Directory Assistance and Call Completion Services provided by means of this Agreement.

6. PAYMENT

- 6.1 Amounts payable under this Agreement are due and payable within thirty (30) days after the date of invoice.

6.2 Unless prohibited by law, any amount due and not paid by the due date stated above will be subject to a late charge equal to either i) 0.03 percent per day compounded daily for the number of calendar days from the payment due date to and including, the date of payment, that would result in an annual percentage rate of 12% or ii) the highest lawful rate, whichever is less.

6.3 Should Allegiance dispute any portion of the monthly billing under this Agreement, Allegiance will notify USWC in writing within thirty (30) days of the receipt of such billing, identifying the amount and details of such dispute. Allegiance will pay all amounts due. Both Allegiance and USWC agree to expedite the investigation of any disputed amounts in an effort to resolve and settle the dispute prior to initiating any other rights or remedies.

7. CONFIDENTIAL INFORMATION

7.1 "Confidential Information" means all documentation and technical and business information, whether oral, written or visual, which is legally entitled to be protected from disclosure, which a Party to this Agreement may furnish to the other Party or has furnished in contemplation of this Agreement to such other Party. Each Party agrees (1) to treat all such Confidential Information strictly as confidential and (2) to use such Confidential Information only for purposes of performance under this Agreement or for related purposes.

7.2 The Parties shall not disclose Confidential Information to any person outside their respective organizations unless disclosure is made in response to, or because of an obligation to, or in connection with any proceeding before any federal, state, or local governmental agency or court with appropriate jurisdiction, or to any person properly seeking discovery before any such agency or court. The Parties' obligations under this Section shall continue for one (1) year following termination or expiration of this Agreement.

8. FORCE MAJEURE

With the exception of payment of charges due under this Agreement, a Party shall be excused from performance if its performance is prevented by acts or events beyond the Party's reasonable control, including but not limited to, severe weather and storms; earthquakes or other natural occurrences; strikes or other labor unrest; power failures; computer failures; nuclear or other civil or military emergencies; or acts of legislative, judicial, executive, or administrative authorities.

9. LIMITATION OF LIABILITY

USWC SHALL BE LIABLE TO ALLEGIANCE, AND ALLEGIANCE ONLY, FOR THE ACTS OR OMISSIONS OF USWC, EXPRESSLY INCLUDING THE NEGLIGENT ACTS OR OMISSIONS OF USWC OR THOSE ATTRIBUTABLE TO USWC, IN CONNECTION WITH USWC'S SUPPLYING OR ALLEGIANCE'S USING THE DIRECTORY ASSISTANCE SERVICE, BUT STRICTLY IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THIS AGREEMENT. IT IS EXPRESSLY AGREED

THAT USWC'S LIABILITY TO ALLEGIANCE, AND ALLEGIANCE'S SOLE AND ONLY REMEDY FOR ANY DAMAGES ARISING IN CONNECTION WITH THE SERVICES AND THIS AGREEMENT SHALL BE A REFUND TO ALLEGIANCE OF THE AMOUNT OF THE CHARGES BILLED AND PAID BY ALLEGIANCE TO USWC FOR FAILED OR DEFECTIVE SERVICES. UNDER NO CIRCUMSTANCES OR THEORY, WHETHER BREACH OF AGREEMENT, PRODUCT LIABILITY, TORT, OR OTHERWISE, SHALL USWC BE LIABLE FOR LOSS OF REVENUE, LOSS OF PROFIT, CONSEQUENTIAL DAMAGES, INDIRECT DAMAGES OR INCIDENTAL DAMAGES, AND ANY CLAIM FOR DIRECT DAMAGES SHALL BE LIMITED AS SET FORTH ABOVE. UNDER NO CIRCUMSTANCES SHALL USWC EVER BE LIABLE TO ALLEGIANCE'S END USERS FOR ANY DAMAGES WHATSOEVER.

10. INDEMNIFICATION

Each Party to this Agreement hereby indemnifies and holds harmless the other Party with respect to any third-party claims, lawsuits, damages or court actions arising from performance under this Agreement to the extent that the indemnifying Party is liable or responsible for said third-party claims, losses, damages, or court actions. Allegiance is indemnifying USWC from any claim made against it by a Allegiance end user on account of Allegiance's end user's use or attempted use of the Directory Assistance service. Whenever any claim shall arise for indemnification hereunder, the Party entitled to indemnification shall promptly notify the other Party of the claim and, when known, the facts constituting the basis for such claim. In the event that one Party to this Agreement disputes the other Party's right to indemnification hereunder, the Party disputing indemnification shall promptly notify the other Party of the factual basis for disputing indemnification. Indemnification shall include, but is not limited to, costs and attorneys' fees.

11. LAWFULNESS OF AGREEMENT

- 11.1 This Agreement and the Parties' actions under this Agreement shall comply with all applicable federal, state, and local laws, rules, regulations, court orders, and governmental agency orders. This Agreement shall only be effective when mandatory regulatory filing requirements are met, if applicable. If a court or a governmental agency with proper jurisdiction determines that this Agreement, or a provision of this Agreement, is unlawful, this Agreement, or that provision of this Agreement shall terminate on written notice to Allegiance to that effect.
- 11.2 If a provision of this Agreement is so terminated, the Parties will negotiate in good faith for replacement language. If replacement language cannot be agreed upon, either Party may terminate this Agreement.

12. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the state in which the Directory Assistance service is delivered to the end user.

13. DISPUTE RESOLUTION

Any claim, controversy or dispute between the Parties shall be resolved by arbitration in accordance with the then current rules of the American Arbitration Association. The arbitration shall be conducted by a single arbitrator engaged in the practice of law and knowledgeable about telecommunications. The arbitrator's decision and award shall be final and binding and may be entered in any court with jurisdiction.

14. DEFAULT

If a Party defaults in the performance of any substantial obligation herein, and such default continues, uncured and uncorrected, for thirty (30) days after written notice to cure or correct such default, then the non-defaulting Party may immediately terminate this Agreement. Subject to Section 9 (Limitation of Liability) above, the non-defaulting Party may also pursue other permitted remedies by arbitration as set forth above.

15. SUCCESSORS, ASSIGNMENT

This Agreement binds the Parties, their successors, and their assigns. Either Party may assign its rights and delegate its duties under this Agreement with the express, written permission of the other Party, which permission shall not unreasonably be withheld; provided, however, that USWC may assign its rights and delegate its duties under this Agreement to its parent, its subsidiaries, or its affiliates without prior, written permission.

16. AMENDMENTS TO AGREEMENT

The Parties may by mutual agreement and execution of a written amendment to this Agreement amend, modify, or add to the provisions of this Agreement.

17. NOTICES

All notices required or appropriate in connection with this Agreement shall be in writing and shall be deemed effective and given upon deposit in the United States Mail, postage pre-paid, addressed as follows:

Allegiance
Robert McCausland
1950 North Stemmons Freeway, Suite 3026
Dallas, TX 75207

USWC
Director - Interconnection Compliance
1801 California Street, Suite 2410
Denver, CO 80202

Copy to:
U S WEST Law Department
General Counsel - Interconnection
1801 California Street, Suite 4900
Denver, CO 80202

18. ENTIRE AGREEMENT

This Agreement, together with any jointly-executed written amendments, constitutes the entire agreement and the complete understanding between the Parties. No other verbal or written representation of any kind affects the rights or the obligations of the Parties regarding any of the provisions in this Agreement.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be duly executed for and on its behalf on the day and year indicated below:

Allegiance Telecom of Washington, Inc.

Robert W. McCausland

Signature

Robert W. McCausland

Name Printed/Typed

Vice President

Title

6/21/00

Date

U S WEST Communications, Inc.

Giuliana Brunner

Signature

GIULIANA BRUNNER

Name Printed/Typed

Account Mgr

Title

6/29/00

Date