



BellSouth Telecommunications, Inc. 615 214-6301
Suite 2101 Fax 615 214-7406
333 Commerce Street
Nashville, Tennessee 37201-3300

Guy M. Hicks
General Counsel

May 16, 2000

VIA HAND DELIVERY

Mr. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

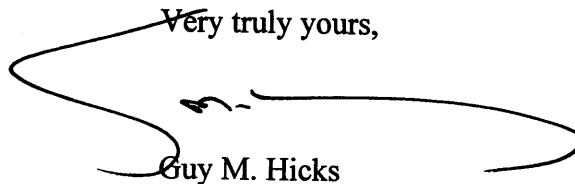
Re: *Approval of the Paging Interconnection Agreement Negotiated by
BellSouth Telecommunications, Inc. and Teletouch Communications, Inc.
Pursuant to Sections 251 and 252 of the Telecommunications Act of 1996*
Docket No. 00-00384

Dear Mr. Waddell:

Enclosed for filing are the original and thirteen copies of the Petition for Approval of the Paging Interconnection Agreement Negotiated by BellSouth Telecommunications, Inc. ("BellSouth") and Teletouch Communications, Inc. ("Teletouch") Pursuant to Sections 251 and 252 of the Telecommunications Act of 1996. The enclosed Agreement was negotiated by Teletouch and BellSouth and is consistent with the standards for approval.

Thank you for your attention to this matter.

Very truly yours,



Guy M. Hicks

GMH/dt

Enclosure

cc: Michael Batis, Teletouch Communications, Inc.
David Falgoust, BellSouth Telecommunications, Inc.

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

In Re: *Approval of the Paging Interconnection Agreement Negotiated by BellSouth Telecommunications, Inc. and Teletouch Communications, Inc. Pursuant to Sections 251 and 252 of the Telecommunications Act of 1996*

Docket No. 00-00384

**PETITION FOR APPROVAL OF THE PAGING AGREEMENT NEGOTIATED BY
BELLSOUTH TELECOMMUNICATIONS, INC. AND
TELETOUCH COMMUNICATIONS, INC. PURSUANT TO SECTIONS
251 AND 252 OF THE TELECOMMUNICATIONS ACT OF 1996**

COME NOW BellSouth Telecommunications, Inc. ("BellSouth") and Teletouch Communications, Inc. ("Teletouch") and respectfully file this request with the Tennessee Regulatory Authority (the "TRA") for approval of the attached Paging Interconnection Agreement (the "Agreement"). The Agreement was negotiated between Teletouch and BellSouth pursuant to Sections 251 and 252 of the Telecommunications Act of 1996, ("the Act"). The Agreement provides for the continued interconnection of the two companies' networks, thereby facilitating Teletouch's provision of commercial mobile radio services ("CMRS") to both residential and business customers in Tennessee. Teletouch and BellSouth, therefore, respectfully request that the Authority act within the 90 days specified by the Act and approve the Agreement.

In support of their request, Teletouch and BellSouth state the following:

THE PARTIES

1. BellSouth is an incumbent local exchange carrier authorized to provide local exchange service in Tennessee.

2. Teletouch is a telecommunications carrier that has been granted authority by the Federal Communications Commission to provide paging CMRS in a specific market in Tennessee.

THE AGREEMENT

3. Teletouch and BellSouth have successfully negotiated the agreement for the continued interconnection of their networks. A copy of the Agreement is attached hereto and incorporated herein by reference.

4. BellSouth and Teletouch have entered into this Agreement, pursuant to Sections 251 (c) and 252 (a) of the Act.

5. Pursuant to Section 252 (e) of the Act, Teletouch and BellSouth are submitting their Agreement to the TRA for its consideration and approval.

COMPLIANCE WITH THE ACT

6. First, as required by Section 252(e)(2)(a)(i) of the Act, the Agreement does not discriminate against any other telecommunications carrier. Other carriers are not bound by the Agreement and remain free to negotiate independently with BellSouth pursuant to Section 252 of the Act.

7. Second, the Agreement is consistent with the public interest, convenience, and necessity, as required by Section 252(e)(2)(a)(ii) of the Act.

APPROVAL OF THE AGREEMENT

8. In accordance with Section 252(e) of the Act, the TRA is charged with approving or rejecting the Agreement between Teletouch and BellSouth within 90 days of its submission. The Act provides that the TRA may reject such Agreement only if it finds that the Agreement or any portion thereof discriminates against a telecommunications carrier not a party to the

Agreement, or if it finds that the implementation of the Agreement or any portion thereof is not consistent with the public interest, convenience and necessity.

9. Teletouch and BellSouth aver that the Agreement is consistent with the standards for approval.

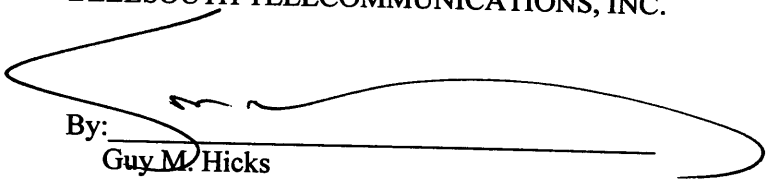
10. Pursuant to Section 252 (i) of the Act, once the Agreement is approved, BellSouth will make the terms and conditions of the Agreement available to any similarly situated CMRS provider.

11. Teletouch and BellSouth respectfully request that the TRA approve the Agreement negotiated between the parties without revision as expeditiously as possible consistent with the public interest.

This 6th day of May, 2000.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.

By: 

Guy M. Hicks
333 Commerce Street, Suite 2101
Nashville, Tennessee 37201-3300
(615) 214-6301

CERTIFICATE OF SERVICE

I, Guy M. Hicks, hereby certify that I have served a copy of the foregoing Petition for Approval of the Paging Agreement on the following via United States Mail on the 16th day of May, 2000.

Michael Batis
Teletouch Communications, Inc.
110 North College, Suite 200
Tyler, Texas 75702

A handwritten signature in black ink, appearing to read "Guy M. Hicks", is written over a horizontal line.

Guy M. Hicks

ONE-WAY PAGING INTERCONNECTION AGREEMENT

THIS AGREEMENT is made by and between BellSouth Telecommunications, Inc., ("BellSouth"), a Georgia corporation, and Teletouch Communications, Inc., ("Carrier") a Delaware corporation and shall be deemed effective as of September 1, 1999 (the "Effective Date"). This Agreement may refer to either BellSouth or Carrier or both as a "party" or "parties."

WITNESSETH

WHEREAS, BellSouth is a local exchange telecommunications company authorized to provide telecommunications services in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee; and

WHEREAS, Carrier is a Commercial Mobile Radio Service ("CMRS") provider licensed by the Federal Communications Commission ("FCC") to provide one-way paging and/or narrowband Personal Communications Service (hereinafter "Paging Services") in the states of Mississippi, Tennessee, Louisiana, Florida, Kentucky and Alabama; and

WHEREAS, the parties wish to interconnect their facilities for the purposes of fulfilling their obligations pursuant to sections 251 and 252 of the Telecommunications Act of 1996 and to replace any and all other prior agreements, both written and oral;

NOW THEREFORE, in consideration of the mutual agreements contained herein, BellSouth and Carrier agree as follows:

I. Definitions

A. Commission is defined as the appropriate regulatory agency in each of BellSouth's nine state region: Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee.

B. Local Traffic is defined for purposes of this Agreement as any telephone call that originates on the network of BellSouth that is handed off to Carrier at a point of interconnection in the same Local Access and Transport Area ("LATA") in which the call originates. For purposes of this Agreement, LATA shall have the same definition as that contained in the Telecommunications Act of 1996.

C. Local Interconnection is defined for purposes of this Agreement as the delivery of Local Traffic to be terminated on Carrier's local network so that end users of

BellSouth have the ability to reach end users of Carrier without the use of any access code or substantial delay in the processing of the call.

D. Telecommunications Act of 1996 ("Act") means Public Law 104-104 of the United States Congress effective February 8, 1996. The Act amended the Communications Act of 1934 (47, U.S.C. Section 1 et. seq.).

II. Purpose

The parties desire to enter into this Agreement consistent with all applicable federal, state and local statutes, rules and regulations in effect as of the date of its execution including, without limitation, the Act at Sections 251 and 252. The access and interconnection obligations contained herein enable Carrier to provide Paging Services in those areas where it is authorized to provide such service within the nine state region of BellSouth.

III. Term and Termination

The term of this Agreement shall be two years, beginning on the Effective Date and shall automatically renew for additional six (6) month terms unless either party provides written notice of termination to the other party at least sixty (60) days prior to the end of the then-current term. The parties acknowledge, however, that if the FCC's classification of Paging Services providers as telecommunications carriers or the application to such carriers of its rules pertaining to reciprocal compensation are modified either by the FCC through its own action or as a result of judicial decree, then either party may terminate this Agreement upon thirty (30) days notice to the other party.

IV. Local Interconnection

A. The delivery of Local Traffic shall be one way from BellSouth to Carrier. The delivery of traffic on BellSouth's interLATA EAS routes shall be considered as Local Traffic. EAS routes are those exchanges within an exchange's Basic Local Calling Area, as defined in Section A3 of BellSouth's General Subscriber Services Tariff.

B. BellSouth will pay Carrier for terminating its Local Traffic on the Carrier's network the local interconnection rates as set forth in Attachment B-1. Charges for terminating traffic will be in accumulated conversation minutes, whole and partial, measured from receipt of answer supervision to receipt of disconnect supervision and rounded up to the next whole minute at the close of the billing period. If Carrier is unable to measure traffic in this manner, the charges from Carrier for traffic terminating to Carrier will be based upon actual usage determined by multiplying the actual number of pages per month times the average hold time per page. The charges for local

interconnection are to be billed and paid monthly. The parties will share the recurring charges for certain transport facilities for Local Traffic as more fully set forth in Section V of this Agreement. Carrier's share of charges for such local transport facilities are to be billed and paid pursuant to the terms and conditions of the applicable state tariff(s) from which such facilities are provided. Late payment fees, not to exceed 1 1/2% per month (or a lower percent as specified by an appropriate state regulatory agency) after the due date may be assessed, if undisputed interconnection charges are not paid, within thirty (30) days after due date after monthly bill. All charges under this agreement shall be billed within one year from the time the charge was incurred. Previously unbilled charges more than one year old shall not be billed by either party.

C. If during the term of this agreement BellSouth has interconnection agreements with other Carriers containing usage rate(s) for Cellular/PCS/SMR which are different from the usage rate(s) in this agreement and 75% of the other Carriers' usage is subject to a different rate, the parties agree that either party shall have the right to modify the rates in Attachment B-1 to the then current usage rate contained in the Cellular/PCS/SMR interconnection agreements.

V. Methods of Interconnection

A. There are three appropriate methods of interconnecting facilities: (1) interconnection via purchase of facilities from either party by the other party; (2) physical collocation; and (3) virtual collocation where physical collocation is not practical for technical reasons or because of space limitations. Type 1, Type 2A and Type 2B and other interconnection arrangements described in BellSouth's General Subscriber Services Tariff, Section A35, or, in the case of North Carolina, in the North Carolina Connection and Traffic Interchange Agreement effective June 30, 1994, as amended, may be purchased pursuant to this Agreement subject, however, to the sharing of recurring charges for certain transport facilities for Local Traffic as more fully set forth in this section.

B. The parties will accept and provide any of the preceding methods of interconnection. Connectivity shall be established to at least one BellSouth access tandem within every LATA Carrier desires to serve, or Carrier may elect to interconnect directly at an end office. In the event a party interconnects via the purchase of facilities and/or services from the other party, the appropriate intrastate tariff, as amended from time to time will apply. The parties acknowledge, however, that with respect to such facilities that run from BellSouth's tandem or end office to Carrier's first switch or terminal as the case may be, in the same LATA as the interconnected BellSouth tandem or end office, the applicable recurring charges for such facilities will be shared by the parties with BellSouth responsible for 87% of the facility charges and Carrier responsible for 13% of the facility charges, except that BellSouth shall only share the cost of the first twenty-five (25) miles of interoffice facilities, with Carrier responsible for all other interoffice facility charges. Sharing of recurring facility charges shall apply to activated trunks only. Carrier shall be and remain solely responsible for all installation and other nonrecurring charges for such facilities.

C. The decision to activate facilities for which charges are shared will be made by the party responsible for the majority of the recurring charges for the facility. This decision will be based on traffic information from studies performed by BellSouth or, if BellSouth has not or will not perform such studies, by traffic information provided by Carrier. Recurring facility charges sharing will be at the DS1 level for transport facilities at the DS1 or higher level. If trunks have been activated in quantities exceeding the capacity of a full DS1, but not sufficient to fully occupy an additional DS1, sharing will be rounded up to the next DS1. Sharing of recurring facility charges for those carriers who subscribe to voice grade transport at less than the DS1 level will be based on actual facilities installed.

D. Nothing herein shall prevent Carrier from utilizing existing collocation facilities, purchased from the interexchange tariffs, for local interconnection; provided, however, that if Carrier orders new facilities for interconnection or rearranges any facilities presently used for its alternate access business in order to use such facilities for local interconnection hereunder and a BellSouth charge is applicable thereto, BellSouth shall only charge Carrier the lower of the interstate or intrastate tariffed rate or promotional rate.

E. When the parties provide an access service connection between an interexchange carrier ("IXC") and each other, each party will provide its own access services to the IXC. Each party will bill its own access services rates to the IXC.

F. The ordering and provision of all services purchased from BellSouth by Carrier shall be as set forth in the BellSouth Telecommunications Wireless Customer Guide as that guide is amended by BellSouth from time to time during the term of this Agreement.

VI. Access To Poles, Ducts, Conduits, and Rights of Way

BellSouth agrees to provide to Carrier, pursuant to 47 U.S.C. § 224, as amended by the Act, nondiscriminatory access to any pole, duct, conduit, or right-of-way owned or controlled by BellSouth.

VII. Directory Listings

A. Subject to execution of an agreement between Carrier and BellSouth's affiliate, BellSouth Advertising & Publishing Corporation, ("BAPCO"), (1) listings shall be included in appropriate White Pages or alphabetical directories; (2) Carrier's business subscribers' listings shall also be included in appropriate Yellow Pages, or classified directories; and (3) copies of such directories shall be delivered to Carrier's subscribers.

B. BellSouth will include Carrier's subscriber listings in BellSouth's directory assistance databases and BellSouth will not charge Carrier to maintain the Directory

Assistance database. The parties agree to cooperate with each other in formulating appropriate procedures regarding lead time, timeliness, format and content of listing information.

C. BellSouth will provide Carrier a magnetic tape or computer disk containing the proper format for submitting subscriber listings. Carrier will provide BellSouth with its directory listings and daily updates to those listings, including new, changed, and deleted listings, in an industry-accepted format.

D. BellSouth and BAPCO will accord Carrier's directory listing information the same level of confidentiality which BellSouth and BAPCO accords its own directory listing information, and BellSouth shall limit access to Carrier's customer proprietary confidential directory information to those BellSouth or BAPCO employees who are involved in the preparation of listings.

E. Additional listings and optional listings may be provided by BellSouth at the rates set forth in the General Subscriber Services Tariff as the tariff is amended from time to time during the term of this Agreement.

VIII. Access to Telephone Numbers

Carrier is responsible for interfacing with the North American Numbering Plan administrator for all matters dealing with dedicated NXXs. BellSouth will cooperate with Carrier in the provision of shared NXXs where BellSouth is the service provider.

IX. Network Design and Management

A. The parties agree to work cooperatively to install and maintain reliable interconnected telecommunications networks, including but not limited to, maintenance contact numbers and escalation procedures. BellSouth agrees to provide public notice of changes in the information necessary for the transmission and routing of services using its local exchange facilities or networks, as well as of any other changes that would affect the interoperability of those facilities and networks.

B. The interconnection of all networks will be based upon accepted industry/national guidelines for transmission standards and traffic blocking criteria.

C. The parties will work cooperatively to apply sound network management principles by invoking appropriate network management controls, e.g., call gapping, to alleviate or prevent network congestion.

D. Neither party intends to charge rearrangement, reconfiguration, disconnection, termination or other non-recurring fees that may be associated with the initial reconfiguration of either party's network interconnection arrangement contained in

this Agreement. However, the interconnection reconfigurations will have to be considered individually as to the application of a charge. Notwithstanding the foregoing, BellSouth intends to charge non-recurring fees for any additions to, or added capacity to, any facility or trunk provided to Carrier.

E. The parties agree to provide each other with the proper call information, including all proper translations for routing between networks and any information necessary for billing where BellSouth provides recording capabilities. This exchange of information is required to enable each party to bill properly.

X. Liability and Indemnification

A. EXCEPT AS OTHERWISE PROVIDED FOR IN THIS AGREEMENT OR IN E AND F OF THIS SECTION, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, RELIANCE, OR SPECIAL DAMAGES SUFFERED BY THE OTHER PARTY (INCLUDING WITHOUT LIMITATION DAMAGES FOR HARM TO BUSINESS, LOST REVENUES, LOST SAVINGS, OR LOST PROFITS SUFFERED BY THE OTHER PARTY), REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, WARRANTY, STRICT LIABILITY, OR TORT, INCLUDING WITHOUT LIMITATION NEGLIGENCE OF ANY KIND WHETHER ACTIVE OR PASSIVE, AND REGARDLESS OF WHETHER THE PARTIES KNEW OF THE POSSIBILITY THAT SUCH DAMAGES COULD RESULT.

B. Neither party shall be liable to the other for any act or omission of any other telecommunications company providing a portion of a service, nor shall either party hold liable any other telecommunications company providing a portion of a service for any act or omission of BellSouth or Carrier.

C. Neither party is liable for damages to the other party's terminal location, POI nor customer's premises resulting from the furnishing of a service, including but not limited to the installation and removal of equipment and associated wiring, unless the damage is caused by a party's gross or willful negligence or intentional misconduct.

D. Each party shall be indemnified, defended and held harmless by the other party against any claim, loss or damage arising from the other party's acts or omissions under this Agreement, including without limitation: 1) Claims for libel, slander, invasion of privacy, or infringement of copyright arising from the other party's own communications; 2) Claims for patent infringement arising from combining or using the service furnished by either party in connection with facilities or equipment furnished by either party or either party's customer; 3) any claim, loss, or damage claimed by a customer of either party arising from services provided by the other party under this Agreement; or 4) all other claims arising out of an act or omission of the other party in the course of using services provided pursuant to this Agreement.

E. Notwithstanding any other provision of this Agreement, claims for damages by Carrier or Carrier's clients or any other person or entity resulting from the gross negligence or willful misconduct of BellSouth shall not be subject to such limitation of liability.

F. Notwithstanding any other provision of this Agreement, claims for damages by BellSouth or any other person or entity resulting from the gross negligence or willful misconduct of Carrier shall not be subject to such limitation of liability.

G. Neither party assumes liability for the accuracy of the data provided to it by the other party.

H. Neither party guarantees or makes any warranty with respect to its services when used in an explosive atmosphere.

I. No license under patents (other than the limited license to use) is granted by either party or shall be implied or arise by estoppel, with respect to any service offered pursuant to this Agreement.

J. Each party's failure to provide or maintain services offered pursuant to this Agreement shall be excused by labor difficulties, governmental orders, civil commotion, criminal actions taken against them, acts of God and other circumstances beyond their reasonable control.

K. The obligations of the parties contained within this section shall survive the expiration of this Agreement.

XI. More Favorable Provisions

A. The parties agree that if ---

1. the FCC or the Commission finds that the terms of this Agreement are inconsistent in one or more material respects with any of its or their respective decisions, rules, or regulations, or
2. the FCC or the Commission preempts the effect of this Agreement,

then, in either case, upon such occurrence becoming final and no longer subject to administrative or judicial review, the parties shall immediately commence good faith negotiations to conform this Agreement to the requirements of any such decision, rule, regulation, or preemption. The revised agreement shall have the same effective date as the initial FCC or Commission action giving rise to such negotiations. The rates, terms, and conditions of any new agreement shall not be applied retroactively to any period prior to such effective date except to the extent that such retroactive effect is expressly required by such FCC or Commission decision, rule, regulation, or

preemption.

B. In the event that BellSouth, either before or after the Effective Date, enters into an agreement with any other telecommunications carrier (an "Other Interconnection Agreement") which provides for the provision within a state of any of the arrangements covered by this Agreement upon rates, terms or conditions that differ from the rates, terms and conditions for such arrangements set forth in this Agreement ("Other Terms"), then BellSouth shall be deemed thereby to have offered such arrangements to Carrier upon such Other Terms in that state only, which Carrier may accept as provided in Part E of this Section. In the event that Carrier accepts such offer within sixty (60) days after the Commission, or the FCC, as the case may be, approves such Other Interconnection Agreement pursuant to Section 252 of the Act, or within thirty (30) days after Carrier acquires actual knowledge of an Other Interconnection Agreement not requiring the approval of the Commission pursuant to Section 252 of the Act, as the case may be, such Other Terms shall be effective between BellSouth and Carrier as of the effective date of such Other Interconnection Agreement or the Effective Date of this Agreement, whichever is later. In the event that Carrier accepts such offer more than sixty (60) days after the Commission, or the FCC, as the case may be, approves such Other Interconnection Agreement pursuant to Section 252 of the Act, or more than thirty (30) days after acquiring actual knowledge of an Other Interconnection Agreement not requiring the approval of the Commission pursuant to Section 252 of the Act, as the case may be, such Other Terms shall be effective between BellSouth and Carrier as of the date on which Carrier accepts such offer.

C. In the event that after the Effective Date the FCC or the Commission having jurisdiction enters an order (an "Interconnection Order") requiring BellSouth to provide within a particular state any of the arrangements covered by this Agreement upon Other Terms, then upon such Interconnection Order becoming final and not subject to further administrative or judicial review, BellSouth shall be deemed to have offered such arrangements to Carrier upon such Other Terms, which Carrier may accept as provided in Part E of this Section. In the event that Carrier accepts such offer within sixty (60) days after the date on which such Interconnection Order becomes final and not subject to further administrative or judicial review, such Other Terms shall be effective between BellSouth and Carrier as of the effective date of such Interconnection Order or the Effective Date of this Agreement, whichever is later. In the event that Carrier accepts such offer more than sixty (60) days after the date on which such Interconnection Order becomes final and not subject to further administrative or judicial review, such Other Terms shall be effective between BellSouth and Carrier as of the date on which Carrier accepts such offer.

D. In the event that after the Effective Date BellSouth files and subsequently receives approval for one or more intrastate or interstate tariffs (each, an "Interconnection Tariff") offering to provide within a particular state any of the arrangements covered by this Agreement upon Other Terms, then upon such Interconnection Tariff becoming effective, BellSouth shall be deemed thereby to have offered such arrangements to Carrier upon such Other Terms in that state only, which

Carrier may accept as provided in Part E of this Section. In the event that Carrier accepts such offer within sixty (60) days after the date on which such Interconnection Tariff becomes effective, such Other Terms shall be effective between BellSouth and Carrier as of the effective date of such Interconnection Tariff or the Effective Date of this Agreement, whichever is later. In the event that Carrier accepts such offer more than sixty (60) days after the date on which such Interconnection Tariff becomes effective, such Other Terms shall be effective between BellSouth and Carrier as of the date on which Carrier accepts such offer.

E. In the event that BellSouth is deemed to have offered Carrier the arrangements covered by this Agreement upon Other Terms, Carrier in its sole discretion may accept such offer either --

1. by accepting such Other Terms in their entirety; or
2. by accepting the Other Terms that directly relate to any one or more of the following arrangements as described by lettered category:
 - a. local interconnection (including transport and termination),
 - b. interLATA and intraLATA toll traffic interconnection,
 - c. unbundled access to network elements, which include: local loops, network interface devices, switching capability, interoffice transmission facilities, signaling networks and call-related databases, operations support systems functions, operator services and directory assistance, and any elements that result from subsequent bona fide requests,
 - d. access to poles, ducts, conduits and rights-of-way,
 - e. access to 911/E911 emergency network,
 - f. collocation, or
 - g. access to telephone numbers.

The terms of this Agreement, other than those affected by the Other Terms accepted by Carrier, shall remain in full force and effect.

F. Corrective Payment. In the event that --

1. BellSouth and Carrier revise this Agreement pursuant to Part A of this Section, or
2. Carrier accepts a deemed offer of Other Terms pursuant to Part E of this Section, then BellSouth or Carrier, as applicable, shall make a corrective payment to the other party to correct for the difference between (a) the rates set forth herein and (b) the rates in such revised agreement or Other Terms for the period from (x) the effective date of such revised agreement or Other Terms until (y) the later of the date that the parties execute such revised agreement or the parties implement such Other Terms, plus simple interest at a rate equal to the thirty (30) day

commercial paper rate in effect from time to time for high-grade, unsecured notes sold through dealers by major corporations in multiples of \$1,000.00 as regularly published in *The Wall Street Journal*.

XII. Taxes and Fees

A. Definition. For purposes of this section, the terms "taxes" and "fees" shall include but not be limited to federal, state or local sales, use, excise, gross receipts or other taxes or tax-like fees of whatever nature and however designated (including tariff surcharges and any fees, charges or other payments, contractual or otherwise, for the use of public streets or rights of way, whether designated as franchise fees or otherwise) which are imposed, or sought to be imposed, on or with respect to the services furnished hereunder or measured by the charges or payments therefor.

B. Taxes And Fees Imposed Directly On Either Providing Party Or Purchasing Party.

- 1.** Taxes and fees imposed on the providing party, which are neither permitted nor required to be passed on by the providing party to its customer, shall be borne and paid by the providing party.
- 2.** Taxes and fees imposed on the purchasing party, which are not required to be collected and/or remitted by the providing party, shall be borne and paid by the purchasing party.

C. Taxes And Fees Imposed On Purchasing Party But Collected And Remitted By Providing Party.

- 1.** Taxes and fees imposed on the purchasing party shall be borne by the purchasing party, even if the obligation to collect and/or remit such taxes or fees is placed on the providing party.
- 2.** To the extent permitted by applicable law, any such taxes and fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the purchasing party shall remain liable for any such taxes and fees regardless of whether they are actually billed by the providing party at the time that the respective service is billed.
- 3.** If the purchasing party determines that in its opinion any such taxes or fees are not payable, the providing party shall not bill such taxes or fees to the purchasing party if the purchasing party provides written certification, reasonably satisfactory to the providing party, stating that it is exempt or otherwise not subject to the tax or fee, setting forth the basis therefor, and satisfying any other requirements under applicable law. If

any authority seeks to collect any such tax or fee that the purchasing party has determined and certified not to be payable, or any such tax or fee that was not billed by the providing party, the purchasing party shall have the right, at its own expense, to contest the same in good faith, in its own name or on the providing party's behalf. In any such contest, the purchasing party shall promptly furnish the providing party with copies of all filings in any proceeding, protest, or legal challenge, all rulings issued in connection therewith, and all correspondence between the purchasing party and the governmental authority.

4. In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the providing party during the pendency of such contest, the purchasing party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.

5. If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the purchasing party shall pay such additional amount, including any interest and penalties thereon.

6. Notwithstanding any provision to the contrary, the purchasing party shall protect, indemnify and hold harmless (and defend at the purchasing party's expense) the providing party from and against any such tax or fee, interest or penalties thereon, or other charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the providing party in connection with any claim for or contest of any such tax or fee.

7. Each party shall notify the other party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a governmental authority; such notice to be provided, if possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

8. The Purchasing Party shall have the right, at its own expense, to claim a refund or credit, in its own name or on the Providing Party's behalf, of any such tax or fee that it determines to have paid in error, and the Purchasing Party shall be entitled to any recovery thereof.

D. Taxes And Fees Imposed On Providing Party But Passed On To Purchasing Party.

1. Taxes and fees imposed on the providing party, which are permitted or required to be passed on by the providing party to its customer, shall be borne by the purchasing party.
2. To the extent permitted by applicable law, any such taxes and fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the purchasing party shall remain liable for any such taxes and fees regardless of whether they are actually billed by the providing party at the time that the respective service is billed.
3. If the purchasing party disagrees with the providing party's determination as to the application or basis of any such tax or fee, the Parties shall consult with respect to the imposition and billing of such tax or fee and with respect to whether to contest the imposition of such tax or fee. Notwithstanding the foregoing, the providing party shall retain ultimate responsibility for determining whether and to what extent any such taxes or fees are applicable, and the purchasing party shall abide by such determination and pay such taxes or fees to the providing party. The providing party shall further retain ultimate responsibility for determining whether and how to contest the imposition of such taxes or fees; provided, however, that any such contest undertaken at the request of the purchasing party shall be at the purchasing party's expense.
4. In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the providing party during the pendency of such contest, the purchasing party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.
5. If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the purchasing party shall pay such additional amount, including any interest and penalties thereon.
6. Notwithstanding any provision to the contrary, the purchasing party shall protect, indemnify and hold harmless (and defend at the purchasing party's expense) the providing party from and against any such tax or fee, interest or penalties thereon, or other charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the providing party in connection with any claim for or contest of any such tax or fee.
7. Each party shall notify the other party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a governmental authority; such notice to be provided, if

possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

E. Mutual Cooperation. In any contest of a tax or fee by one Party, the other Party shall cooperate fully by providing records, testimony and such additional information or assistance as may reasonably be necessary to pursue the contest. Further, the other Party shall be reimbursed for any reasonable and necessary out-of-pocket copying and travel expenses incurred in assisting in such contest.

XIII. Treatment of Proprietary and Confidential Information

A. The parties acknowledge that it may be necessary to provide each other during the term of this Agreement with certain confidential information, including trade secret information, including but not limited to, technical and business plans, technical information, proposals, specifications, drawings, procedures, customer account data, call detail records, customer proprietary network information ("CPNI") and like information (hereinafter collectively referred to as "Information"). Both parties agree that all Information shall be in writing or other tangible form and clearly marked with a confidential, private or proprietary legend and that the Information will be returned to the owner within a reasonable time. Both parties agree that the Information shall not be copied or reproduced in any form. Both parties agree to receive such Information and not disclose such Information. Both parties agree to protect the Information received from distribution, disclosure or dissemination to anyone except employees of the parties with a need to know such Information and which employees agree to be bound by the terms of this Section. Both parties will use the same standard of care to protect Information received as they would use to protect their own confidential and proprietary Information.

B. Notwithstanding the foregoing, both parties agree that there will be no obligation to protect any portion of the Information that is either: 1) made publicly available by the owner of the Information or lawfully disclosed by a nonparty to this Agreement; 2) lawfully obtained from any source other than the owner of the Information; 3) previously known to the receiving party without an obligation to keep it confidential; or 4) requested by a governmental agency, provided that the party upon whom the request is made shall notify the party who originally provided the confidential Information at least seven (7) days prior to its release to the agency; or, 5) information that does not constitute a trade secret or CPNI following two (2) years after termination or expiration of this Agreement..

XIV. Resolution of Disputes

Except as otherwise stated in this Agreement, the parties agree that if any dispute arises as to the interpretation of any provision of this Agreement or as to the proper

implementation of this Agreement, the parties will initially refer the issue to the individuals in each company that negotiated the Agreement. If the issue is not resolved within 30 days, either party may petition the FCC or applicable Commission for a resolution of the dispute, and/or pursue any other remedy available to it at law or in equity.

XV. Limitation of Use

The parties agree that this Agreement shall not be proffered by either party in another jurisdiction as evidence of any concession or as a waiver of any position taken by the other party in that jurisdiction or for any other purpose.

XVI. Waivers

Any failure by either party to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement, and each party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

XVII. Assignment

Either party may assign this Agreement in whole or in part to any person or entity that controls, is controlled by, or is under common control with such party by giving written notice of such assignment to the other party. Except as stated in the foregoing sentence, neither party may assign any of its rights or delegate any of its obligations under this Agreement without the written consent of the other party, which will not be unreasonably withheld.

XVIII. Governing Law

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Georgia, without regard to its conflict of laws principles, and the Communications Act of 1934 as amended by the Act.

XIX. Arm's Length Negotiations

This Agreement was executed after arm's length negotiations between the undersigned parties and reflects the conclusion of the undersigned that this Agreement is in the best interests of all parties.

XX. Filing of Agreement

Upon execution of this Agreement, it shall be filed with the appropriate state regulatory agency pursuant to the requirements of Section 252 of the Act. If the regulatory agency imposes any filing or public notice fees regarding the filing or approval of the Agreement, Carrier shall be responsible for publishing the required notice and the publication and/or notice costs shall be borne by Carrier.

XXI. Notices

A. Every notice, consent, approval, or other communications required or contemplated by this Agreement shall be in writing and shall be delivered in person, via overnight mail, or given by postage prepaid mail, address to:

BellSouth Telecommunications, Inc.
675 W. Peachtree St. N.E.
Suite 4300
Atlanta, Georgia 30375
Attn: Legal Dept. "Wireless" Attorney

Teletouch Communications, Inc.
110 North College
Suite 200
Tyler, TX 75702
Attn: Michael Batis

or at such other address as the intended recipient previously shall have designated by written notice to the other party.

B. Where specifically required, notices shall be by certified or registered mail. Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent, and in the absence of such record of delivery, it shall be presumed to have been delivered the fifth day, or next business day after the fifth day, after it was deposited in the mails; and by overnight mail, the day after being sent.

XXII. Entire Agreement

This Agreement and its Attachments, incorporated herein by this reference, sets forth the entire understanding and supersedes prior agreements between the parties relating to the subject matter contained herein and merges all prior discussions between them, and neither party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the party to be bound thereby. In the event of any conflict between the term(s) of this Agreement and those of an applicable tariff, the terms of this Agreement shall control.

BellSouth Telecommunications, Inc.

By: 

Jerry D. Hendrix
Name

Senior Director
Title

2/23/00
Date

Teletouch Communications, Inc.

By: 

Michael Batis
Name

Director of Engineering
Title

3/1/2000
Date

Attachment B-1

CMRS Local Interconnection Rates

(All rates are Per Minute of Use)

Alabama

Type 1 (End Office Switched):	\$.004709
Type 2A (Tandem Switched):	\$.004709
Type 2B (Dedicated End Office):	\$.0017

Mississippi

Type 1 (End Office Switched):	\$.009104
Type 2A (Tandem Switched):	\$.009104
Type 2B (Dedicated End Office):	\$.0026

Tennessee

Type 1 (End Office Switched):	\$.003767
Type 2A (Tandem Switched):	\$.003767
Type 2B (Dedicated End Office):	\$.0019

Florida

Type 1 (End Office Switched):	\$.003776
Type 2A (Tandem Switched):	\$.003776
Type 2B (Dedicated End Office):	\$.002

Louisiana

Type 1 (End Office Switched):	\$.003730
Type 2A (Tandem Switched):	\$.003730
Type 2B (Dedicated End Office):	\$.001599

Kentucky

Type 1 (End Office Switched):	\$.005273
Type 2A (Tandem Switched):	\$.005273
Type 2B (Dedicated End Office):	\$.002562