

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request by BellSouth Telecommunications, Inc. for approval of interconnection and unbundling agreement with Aerial Communications, Inc. pursuant to Sections 251, 252, and 271 of the Telecommunications Act of 1996.

DOCKET NO. 980380-TP
ORDER NO. PSC-98-0887-FOF-TP
ISSUED: July 6, 1998

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman
J. TERRY DEASON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.

ORDER APPROVING INTERCONNECTION
AND UNBUNDLING AGREEMENT

BY THE COMMISSION:

On March 19, 1998, BellSouth Telecommunications, Inc. (BellSouth) and Aerial Communications, Inc. (Aerial) filed a request for approval of an interconnection and unbundling agreement under the Telecommunications Act of 1996, 47 U.S.C. §252(e) of the Telecommunications Act of 1996 (the Act). The agreement is attached to this Order as Attachment A and incorporated by reference herein.

Both the Act and Chapter 364, Florida Statutes, encourage parties to enter into negotiated agreements to bring about local exchange competition as quickly as possible. Under the requirements of 47 U.S.C. § 252(e), negotiated agreements must be submitted to the state commission for approval. Section 252(e)(4) requires the state to reject or approve the agreement within 90 days after submission or it shall be deemed approved.

DOCUMENT NUMBER DATE

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FOR ALL REPORTING

This agreement covers a 2-year period, effective 10 days after Commission approval, and thereafter, as described in the agreement. It governs the relationship between the companies regarding local interconnection and the exchange of traffic pursuant to 47 U.S.C. § 251. Under 47 U.S.C. § 252(a)(1), the agreement shall include a detailed schedule of itemized charges for interconnection and each service or network element included in the agreement.

Upon review of the proposed agreement, we find that it complies with the Telecommunications Act of 1996, and it is approved. BellSouth and Aerial must file any supplements or modifications to their agreement with the Commission for review under the provisions of 47 U.S.C. § 252(e). Approval of this agreement does not constitute a determination that BellSouth has met the requirements of Section 271 of the Telecommunications Act. We note that Aerial does not currently hold a Florida certificate to provide alternative local exchange telecommunications service, and therefore, it cannot provide alternative local exchange telecommunications services under this agreement until it obtains a certificate.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the interconnection, and unbundling agreement between BellSouth Telecommunications, Inc., 675 West Peachtree Street, Northeast, Suite 4300, Atlanta, Georgia 30375, and Aerial Communications, Inc., 8410 West Bryn Avenue, Suite 1100, Chicago, Illinois 60631, as set forth in Attachment A and incorporated by reference in this Order, is hereby approved. It is further

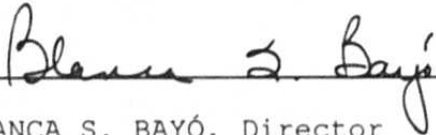
ORDERED that any supplements or modifications to this agreement must be filed with the Commission for review under the provisions of 47 U.S.C. § 252(e). It is further

ORDERED that Aerial Communications, Inc. shall not provide alternative local exchange telecommunications services OR land-line services under this agreement until it obtains a certificate to provide alternative local exchange telecommunications services from this Commission. It is further

ORDERED that this docket shall be closed.

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By ORDER of the Florida Public Service Commission this 6th
day of July, 1998.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

ALC

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review in Federal district court pursuant to the Federal Telecommunications Act of 1996, 47 U.S.C. § 252(e)(6).

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AGREEMENT

THIS AGREEMENT is made by and between BellSouth Telecommunications, Inc., ("BellSouth"), a Georgia corporation, and Aerial Communications, Inc., ("Aerial") a Delaware corporation for and on behalf of its affiliate, APT Tampa-Orlando, Inc., which entity Aerial hereby represents it has authority to bind hereunder, and shall be deemed effective as of February 1, 1998. This agreement may refer to either BellSouth or Aerial 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, Aerial is a Commercial Mobile Radio Service ("CMRS") provider licensed by the Federal Communications Commission ("FCC") to provide Commercial Mobile Radio Service ("CMRS") in the states of Florida and Louisiana; and

WHEREAS, the parties wish to interconnect their facilities and exchange traffic for the purposes of fulfilling their obligations pursuant to sections 251, 252 and 271 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 Aerial agree as follows:

I. Definitions

A. Commission is defined as the appropriate regulatory agencies in Florida and Louisiana.

B. Intermediary function is defined as the delivery, pursuant to an appropriate agreement or Commission directive, of local or toll (using traditional landline definitions) traffic to or from a local exchange carrier other than BellSouth; an ALEC; or another telecommunications company such as a CMRS provider other than Aerial through the network of BellSouth or Aerial from or to an end user of BellSouth or Aerial.

C. Local Traffic is defined for purposes of reciprocal compensation under this Agreement as: (1) any telephone call that originates on the network of Aerial within a Major Trading Area ("MTA") and terminates on the network of BellSouth in the same MTA and within the Local Access and Transport Area ("LATA") in which the call is handed off from Aerial to BellSouth, and (2) any telephone call that originates on the network of BellSouth that is handed off to Aerial in the same LATA in which the call originates and terminates on the network of Aerial in the MTA in which the call is handed off from BellSouth to Aerial. For purposes of this Agreement, LATA shall have the same definition as that contained in the Telecommunications Act of 1996, and MTA shall have the same definition as that contained in the FCC's rules.

D. Local Interconnection is defined for purposes of this Agreement as 1) the delivery of local traffic to be terminated on each party's local network so that end users of either party have the ability to reach end users of the other party without the use of any access code or substantial delay in the processing of the call; and 2) the LEC unbundled network features, functions, and capabilities set forth in this Agreement.

E. Percent of Interstate Usage (PIU) is defined as a factor to be applied to that portion of Toll Traffic comprised of interstate interMTA minutes of use in order to designate those minutes that should be rated as interstate access services minutes of use. The numerator includes all interstate interMTA minutes of use, less any interstate minutes of use for Terminating Party Pays services, such as 800 Services. The denominator includes all interMTA minutes of use less all minutes attributable to terminating party pays services.

F. Percent Local Usage (PLU) is defined as a factor to be applied to terminating minutes of use. The numerator shall include all "nonintermediary" Local minutes of use. The denominator is the total minutes of use including Local and Toll.

G. 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.).

H. Toll Traffic is defined as all traffic that is not Local Traffic or access services, as described in section VI (F) of this Agreement.

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, 252 and 271 and to replace any and all other prior agreements, both written and oral, concerning the terms and conditions of interconnection. The access and interconnection obligations

contained herein enable Aerial to provide CMRS in those areas where it is authorized to provide such services within the states of Florida and Louisiana.

III. Term of the Agreement

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.

IV. Local Interconnection

A. The delivery of Local Traffic between the parties shall be reciprocal and compensation will be mutual according to the provisions of this Agreement. The parties agree that the exchange of traffic on BellSouth's interLATA EAS routes shall be considered as Local Traffic and compensation for the termination of such traffic shall be pursuant to the terms of this section. 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. For Local Traffic exchanged, each party shall symmetrically compensate the other at the local interconnection rates set forth in Attachment B-1, by this reference incorporated herein. For purposes of this Agreement, Aerial shall be compensated by BellSouth at the Type 1 or Type 2A (Tandem Switched) rate for its termination of BellSouth originated Local Traffic that is delivered to Aerial via a Type 1 or Type 2A interconnection. In addition, Aerial shall be compensated by BellSouth at the Type 2B (Dedicated End Office) rate for its termination of BellSouth originated Local Traffic that is delivered to Aerial via a Type 2B interconnection. The charges for local interconnection are to be billed and paid monthly. Late payment fees, not to exceed one percent (1%) per month after the due date, may be assessed if interconnection charges are not paid within thirty (30) days of the due date of the monthly bill.

C. Notwithstanding section I (C) of this Agreement, BellSouth agrees to compensate Aerial at the applicable local interconnection rates set forth in Attachment B-1 to this Agreement for all BellSouth originated minutes of use that are delivered to Aerial by a BellSouth tandem or end office switch and are terminated by Aerial in the same MTA in which such minutes of use originated where BellSouth receives switched access compensation from an interexchange carrier.

V. Methods of Interconnection

A. The parties agree that there are three appropriate methods of interconnecting facilities: (1) virtual collocation where physical collocation is not practical for technical reasons or because of space limitations; (2) physical collocation; and (3) interconnection via purchase of facilities from either party by the other party. Rates and charges for collocation are set forth in Attachment C-13, incorporated herein by this reference. Facilities may be purchased at rates, terms and conditions set forth in BellSouth's intrastate Switched Access (Section E6) or Special Access (Section E7) services tariff. Type 1, Type 2A and Type 2B interconnection arrangements described in BellSouth's General Subscriber Services Tariff, Section A35, may also be purchased pursuant to this Agreement provided, however, that such interconnection arrangements shall be provided at the rates, terms and conditions set forth in this Agreement.

B. The parties agree to accept and provide any of the preceding methods of interconnection. Reciprocal connectivity shall be established to at least one BellSouth access tandem within every LATA Aerial desires to serve, or Aerial may elect to interconnect directly at an end office for interconnection to end users served by that end office. Such interconnecting facilities shall conform, at a minimum, to the telecommunications industry standard of DS-1 pursuant to Bellcore Standard No. TR-NWT-00499. Signal transfer point, Signaling System 7 ("SS7") connectivity is required, either directly between the parties or via a third party SS7 provider, at each interconnection point after Aerial implements SS7 capability within its own network. BellSouth will provide out-of-band signaling using Common Channel Signaling Access Capability where available, in accordance with the technical specifications set forth in the BellSouth Guidelines to Technical Publication, TR-TSV-000905. The parties agree that their facilities shall provide the necessary on-hook, off-hook answer and disconnect supervision and shall hand off calling party number ID when technically feasible. The parties further agree that 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. In the event that such facilities are used for two-way interconnection, the parties agree that the appropriate charges for such facilities will be shared by the parties based upon percentages equal to the estimated or actual percentage of traffic on such facilities.

C. Nothing herein shall prevent Aerial from utilizing existing collocation facilities, purchased from the interexchange tariffs, for local interconnection; provided, however, that if Aerial 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 Aerial the lower of the interstate or intrastate tariffed rate or promotional rate.

D. The parties agree to establish trunk groups from the interconnecting facilities of subsection (A) of this section such that each party provides a reciprocal of

each trunk group established by the other party. Notwithstanding the foregoing, each party may construct its network, including the interconnecting facilities, to achieve optimum cost effectiveness and network efficiency. BellSouth's treatment of Aerial as to said charges shall be consistent with BellSouth treatment of other local exchange carriers for the same charges. Unless otherwise agreed, BellSouth will provide or bear the cost of all trunk groups for the delivery of traffic from BellSouth to Aerial's Mobile Telephone Switching Offices within BellSouth's service territory, and Aerial will provide or bear the cost of all trunk groups for the delivery of traffic from Aerial to each BellSouth access tandem and end office at which the parties interconnect.

E. The parties agree to use an auditable PLU factor as a method for determining whether traffic is Local or Toll. The PLU factor will be used for traffic delivered by either party for termination on the other party's network.

F. 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.

G. The ordering and provision of all services purchased from BellSouth by Aerial 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. Toll Traffic Interconnection

A. The delivery of Toll Traffic by a party to the other party shall be reciprocal and compensation will be mutual. For terminating its Toll Traffic on the other party's network, each party will pay either the access charges described in paragraph (B) hereunder or the Toll Intermediary Charges described in paragraph (D) hereunder, as appropriate.

B. For originating and terminating intrastate interMTA or interstate interMTA Toll Traffic, each party shall pay the other BellSouth's intrastate or interstate, as appropriate, switched network access service rate elements on a per minute of use basis. Said rate elements shall be as set out in BellSouth's Intrastate Access Services Tariff or BellSouth's Interstate Access Services Tariff as those tariffs may be amended from time to time during the term of this Agreement. The appropriate charges will be determined by the routing of the call.

C. The parties agree that actual traffic measurements in each of the appropriate categories is the preferred method of classifying and billing traffic. If, however, either party cannot measure traffic in each category, then the parties shall agree on a surrogate method of classifying and billing traffic, taking into consideration

territory served (e.g. MTA boundaries, LATA boundaries and state boundaries) and traffic routing of the parties.

D. The parties acknowledge and agree that this Agreement is intended to govern the interconnection of traffic to and from the parties' networks only. Toll Traffic originated by a party to this Agreement and delivered to the other party for termination to the network of a nonparty telecommunications carrier ("Nonparty Carrier") may be delivered only with the consent of such Nonparty Carrier or pursuant to Commission directive. If a Nonparty Carrier objects to the delivery of such Toll Traffic, then either party to this Agreement may request direction from the Commission. If a Nonparty Carrier consents, then the party performing the intermediary function will bill the other party and the other party shall pay a \$.002 per minute intermediary charge in addition to any charges that the party performing the intermediary function may be obligated to pay to the Nonparty Carrier (collectively called "Toll Intermediary Charges"). Upon request from the other party, the party performing the intermediary function shall provide written documentation of the Toll Intermediary Charges. The parties agree that the charges that the party performing the intermediary function may be obligated to pay to the Nonparty Carrier may change during the term of this Agreement and that the appropriate rate shall be the rate in effect when the traffic is terminated. The parties shall agree for purposes of this section, and subject to verification by audit what percentage of the Toll Traffic delivered to BellSouth by Aerial shall be subject to Toll Intermediary Charges. The parties agree that none of the Toll Traffic delivered to Aerial by BellSouth shall be subject to the Toll Intermediary Charges.

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

BellSouth agrees to provide to Aerial, 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.

VIII. Access to 911/E911 Emergency Network

A. BellSouth and Aerial recognize that 911 and E911 services were designed and implemented primarily as methods of providing emergency services to fixed location subscribers. While BellSouth and Aerial recognize the need to provide "911-like" service to mobile subscribers, both parties recognize that current technological restrictions prevent an exact duplication of the services provided to fixed location customers. BellSouth agrees to route "911-like" calls received from Aerial to the emergency agency designated by Aerial for such calls. Aerial agrees to provide the information necessary to BellSouth so that each call may be properly routed and contain as much pertinent information as is technically feasible.

B. BellSouth and Aerial recognize that the technology and regulatory requirements for the provision of "911-like" service by CMRS carriers are evolving and agree to modify or supplement the foregoing in order to incorporate industry accepted technical improvements that either party desires to implement and to permit the parties to comply with applicable regulatory requirements.

IX. Access to Telephone Numbers

A. BellSouth, during any period under this Agreement in which it serves as a North American Numbering Plan administrator for its territory, shall ensure that Aerial has nondiscriminatory access to telephone numbers for assignment to its telephone exchange service customers. It is mutually agreed that BellSouth shall provide numbering resources pursuant to the Bellcore Guidelines Regarding Number Assignment and compliance with those guidelines shall constitute nondiscriminatory access to numbers. Aerial agrees that it will complete the NXX code application in accordance with Industry Carriers Compatibility Forum, Central Office Code Assignment Guidelines, ICCF 93-0729-010.

B. If during the term of this Agreement BellSouth is no longer the North American Numbering Plan administrator, the parties agree to comply with the guidelines, plan or rules adopted pursuant to 47 U.S.C. § 251(e).

X. Access to Signaling and Signaling Databases

A. Where Aerial decides to purchase SS7 services from BellSouth, BellSouth will offer to Aerial use of its signaling network and signaling databases on an unbundled basis at BellSouth's published tariffed rates or at unbundled rates that may be available through non-tariffed arrangements. Signaling functionality will be available with both A-link and B-link connectivity.

B. Where interconnection is via B-link connections, charges for the SS7 interconnection elements are as follows: 1) Port Charge - BellSouth shall not bill an STP port charge nor shall BellSouth pay a port charge; 2) SS7 Network Usage - BellSouth shall bill its tariffed usage charge and shall pay usage billed by the Aerial at rates not to exceed those charged by BellSouth; 3) SS7 Link - BellSouth will bill its tariffed charges for only two links of each quad ordered. Application of these charges in this manner is designed to reflect the reciprocal use of the parties' signaling networks. Where interconnection is via A-link connections, charges for the SS7 interconnection elements are as follows: 1) Port Charge - BellSouth shall bill its tariffed STP port charge but shall not pay a termination charge at the Aerial's end office; 2) SS7 Network Usage - BellSouth shall bill its tariffed usage charge but shall not pay for any usage; 3) SS7

Link - BellSouth shall bill its tariffed charges for each link in the A-link pair but shall not pay the Aerial for any portion of those links.

C. BellSouth agrees to input the NXXs assigned to Aerial into the Local Exchange Routing Guide ("LERG").

XI. 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 and in good faith as to the application of a charge. Notwithstanding the foregoing, the parties do intend to charge applicable non-recurring fees for any additions to, or added capacity to, any facility or trunk purchased.

E. The parties agree to provide Common Channel Signaling (CCS) information to one another, where available, in conjunction with all traffic in order to enable full interoperability of CLASS features and functions. All CCS signaling parameters will be provided, including automatic number identification (ANI), originating line information (OLI) calling party category, charge number, etc. All privacy indicators will be honored.

F. For network expansion, the parties agree to review engineering requirements on a quarterly basis and establish non-binding forecasts for trunk utilization as required by Section VI of this Agreement. New trunk groups will be implemented as stated by engineering requirements for both parties. For traffic routed to the other party over trunk groups controlled by originating party, each party agrees to provide the same quality service provided to itself and other carriers, generally recognized to be a grade of service of P.01.

G. 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.

H. For service interruptions, the provisions in BellSouth's General Subscriber Services Tariffs shall apply.

XII. Auditing Procedures

A. Upon sixty (60) days written notice, each party must provide the other the ability and opportunity to conduct an annual audit to ensure the proper billing of traffic between the parties. The parties agree to retain records of call detail for a minimum of nine months from which the PLU, the percent intermediary traffic, the percent interMTA traffic, and the PIU can be ascertained. The audit shall be accomplished during normal business hours at an office designated by the party being audited. Audit request shall not be submitted more frequently than one (1) time per calendar year. Audits shall be performed by a mutually acceptable independent auditor paid for by the party requesting the audit. The PLU shall be adjusted based upon the audit results and shall apply to the usage for the quarter the audit was completed, the usage for the quarter prior to the completion of the audit, and to the usage for the two quarters following the completion of the audit.

B. For combined interstate and intrastate Aerial traffic terminated by BellSouth over the same facilities, Aerial shall provide a PIU factor to BellSouth. Should Aerial in the future provide toll services through the use of network switched access services, then all jurisdictional report requirements, rules and regulations specified in E2.3.14 of BellSouth's Intrastate Access Services Tariff will apply to Aerial. After the Local Traffic percentage has been determined by use of the PLU factor for application and billing of Local Interconnection, the PIU factor will be used for application and billing of interstate and intrastate access charges, as appropriate.

XIII. Liability and Indemnification

A. Neither party shall be liable to the other under this Agreement for indirect, incidental, consequential or special damages, including without limitation, lost profits, regardless of the form of action.

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 Aerial.

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

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

G. 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.

H. 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.

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

XIV. More Favorable Provisions

If BellSouth enters into an agreement ("Other Agreement") approved by the applicable Commission pursuant to Section 252 (l) of the Act which provides for interconnection within Florida or Louisiana to another requesting wireless operator, including a BellSouth affiliate, BellSouth shall make available to Aerial such arrangement upon the same rates, terms and conditions as those provided in the Other Agreement, Aerial may only avail itself of the Other Agreement in its entirety.

XV. 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 Seller Or Purchaser.

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 Purchaser But Collected And Remitted By Seller.

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 Seller But Passed On To Purchaser.

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.

XVI. Treatment of Proprietary and Confidential Information

A. Both parties agree 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 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.

XVII. 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 Commission for a resolution of the dispute, and/or pursue any other remedy available to it at law or in equity.

XVIII. 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.

XIX. 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.

XX. Governing Law

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

XXI. 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.

XXII. 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 messenger, via overnight mail, or given by postage prepaid return receipt requested mail, addressed to:

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

Aerial Communications, Inc.
8410 W. Bryn Mawr Avenue
Suite 1100
Chicago, Illinois 60631
Attn: Vice President, Engineering
and Operations

With a copy to (for notices regarding
breach, termination and litigation)

Aerial Communications, Inc.
8410 W. Bryn Mawr Avenue
Suite 1100
Chicago, Illinois 60631
Attn: Director, External Affairs

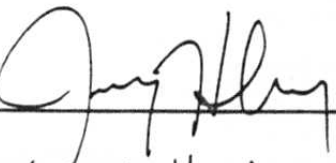
or at such other address as the intended recipient previously shall have designated by written notice to the other party.

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.

XXIII. 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.

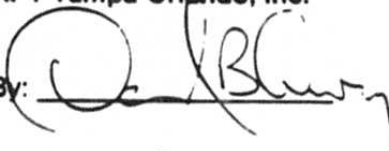
BellSouth Telecommunications, Inc.

By: 
Jerry D. Hendrix
Name

Director
Title

1/27/98
Date

**Aerial Communications, Inc.
on behalf of its affiliate
APT Tampa-Orlando, Inc.**

By: 
David B. Lacey
Name

V.P. Engineering & Operations
Title

2/10/98
Date

Attachment B-1

CMRS Local Interconnection Rates
(All rates are Per Minute of Use)

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

Attachment C-1

Unbundled Products and Services and New Services

Service: Subscriber Listing Information

Description: Subscriber primary listing information provided at no charge and in an acceptable format will be published at no charge as standard directory listings in an alphabetical directory published by or for BellSouth at no charge to each ALEC end user customer.

State(s): All

Rates

- (1) No charge for ALEC-1 customer primary listings.
- (2) Additional listings and optional listings may be provided by BellSouth at rates set forth in BellSouth's intrastate General Subscriber Services Tariffs.

Attachment C-13

Unbundled Products and Services and New Services

Service: Virtual Collocation

Description: Virtual Expanded Interconnection Service (VEIS) provides for location interconnection in collocator-provided/BellSouth leased fiber optic facilities to BellSouth's switched and special access services, and local interconnection facilities.

Rates, Terms and Conditions:

State(s): All except Florida: In all states except Florida, the rates, terms and conditions will be applied as set forth in Section 20 of BellSouth Telecommunication's, Inc. Interstate Access Service Tariff, FCC No. 1.

State: Florida

In the state of Florida, the rates, terms and conditions will be applied as set forth in Section E20 of BellSouth Telecommunication's, Inc. Intrastate Access Service Tariff.

Service: Physical Collocation

Description: Per FCC - (10/19/92 FCC Order, para 39) Physical Collocation is whereby "the interconnection party pays for LEC central office space in which to locate the equipment necessary to terminate its transmission links, and has physical access to the LEC central office to install, maintain, and repair this equipment."

State(s): All

Rates, Terms and Conditions: To be negotiated