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Southwestern Bell
Telephone

CENTRAL OFFICE LOCAL AREA NETWORK
(CO-LAN)
SERVICE ARRANGEMENT
LETTER OF ELECTION
(93-BHO-4118)

PLAINTIFF'S EXHIBIT

SWB-279

The undersigned hereby elects to subscribe to a Central Office Local Area Network (CO-LAN) service arrangement. The following sets forth some of the major terms and conditions for this arrangement. Service will be provided on or about May 28, 1993 (or Actual Cutover). This CO-LAN service arrangement is intended for use by the City of San Antonio (the Customer) only.

In addition, rules and regulations as set forth in the General Exchange Tariff, as approved by the state regulatory commission, are applicable. Should any part of this Letter of Election be in conflict with the applicable tariffs at the time of election, the tariffs will govern.

The service arrangement will provide for a maximum of eighty-seven (87) Integrated Voice/Data Multiplexer (IVDM) and Megalink I terminations in the Capitol, Fratt, Walnut, General, Diamond, Pershing, and Wetmore Central Offices.

Installation and Nonrecurring Charges associated with this offering can be deferred over the fixed term. The annuity factor for deferring these charges is .03231 for the 3 year term.

A termination charge based on 80 percent of the present worth of remaining monthly payments will be applicable for partial or total disconnection of service. This calculation will be based on a 10.58% discount rate. In addition, any deferred Installation or Nonrecurring Charge is payable in full at the time of disconnect.

The obligation of the customer to make all payments under this agreement is subject to, and dependent upon annual appropriation of funds necessary to make such payments.

002936

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Additions of equipment elements will be made coterminous with the original contract period.

At the conclusion of the fixed term, the customer must elect one of the following options:

- a) Renew the contract under the terms, conditions and rates developed at that time.
- b) Discontinue the service.

Customer Address: 506 Dolorosa

Election Acknowledged for
Southwestern Bell Telephone Co.

By Phil Howard

Name Phil Howard

Title General Manager-Marketing

Date May 11, 1993

Election Placed By
City of San Antonio

By Gary Moeller

Name Gary Moeller

Title Systems Services Manager

Date May 7, 1993

002937

CENTRAL OFFICE LOCAL AREA NETWORK (COLAN) SERVICE ARRANGEMENT

PAGE 1

CUSTOMER: CITY OF SAN ANTONIO (93-BHO-4118) TEL. NUMBER 210-299-7011 DATE ISSUED: APRIL 27, 1993 SERV. ORDER:

DESCRIPTION	MONTHLY RATE	INSTALLATION(1) CHARGE	NONRECURRING CHARGE
Base System			
Capitol Central Office	\$ 310.00	\$ 825.00	
Walnut Central Office	180.00	360.00	
Fratt Central Office	26.50	85.00	
Pershing Central Office	65.00	200.00	
Metmore Central Office	40.00	75.00	
General Central Office	67.00	200.00	
Diamond Central Office	39.00	120.00	
Case Preparation		335.00	
SUB TOTAL	\$ 727.50	\$2,200.00	

(FORECAST AT CAPACITY)

QTY	DESCRIPTION	UNIT MONTHLY PRICE	TOTAL MONTHLY PRICE	UNIT INSTALLATION	TOTAL INSTALLATION
20	IVDM	\$ 9.00	\$ 180.00	25.00 (2)	-0-
41	IVDMs & Term 32, per port	\$14.00	574.00	50.00 (2)	-0-
17	CSU/DSU	\$20.00	340.00	25.00 (2)	-0-
4	CSU/DSU & Term 32, per port	\$24.00	96.00	50.00 (2)	-0-
5	9.6 Modem & Term 32, per port	\$30.25	151.25	55.00 (2)	-0-
	SUB TOTAL		\$1,341.25		\$ -0-
	TOTAL		\$2,068.75		\$2,200.00

002938

CITY OF SAN ANTONIO TEL. NUMBER 210-299-7011 DATE ISSUED: APRIL 27, 1993 SERV. ORDER:

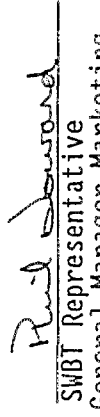
QTY	DESCRIPTION	UNIT MONTHLY PRICE	TOTAL MONTHLY PRICE	UNIT INSTALLATION	TOTAL INSTALLATION	NONRECURRING CHARGE
	Subsequent Simple Translation Charge (applies for line or port changes, additions or deletions affected by a central office translation)					4.00

90.00


Customer Signature

5-7-93
Date

Effective Date: May 28, 1993


SWBT Representative
General Manager-Marketing

5-11-93
Date

This contract will be coterminous with the existing contract for COLAN service.

(1) Initial Installation Charges associated with this service can be deferred over the contract term. The annuity factor to be used for this deferred is 0.03231 for the 3 year term.

(2) These charges apply only to central office equipment added subsequent to the installation of the initial service.

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002939