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Ronald C. Hill
Lead Negotiator/SBC
Industry Markets

Southwestern Bell



November 2, 2000

Dear David:

Thank you for your letter of November 1, 2000 concerning our companies' negotiation efforts. Rather than attempt to address each irregularity concerning our companies' conduct and actions during this negotiations process, I will simply state that SBC does not agree with your general characterizations and outlined facts, and would prefer to continue to move toward a business relationship based on cooperation. As was evident during negotiations for the MOU, communication can be effective.

To that end, I am in receipt of the call flow diagram and have shared it with my SMEs. SBC is currently discussing the diagram and preparing for our next negotiations. At this time, it appears that Friday, November 3, 2000 at 9:00 am (CDT) would be the appropriate time to continue our negotiations. SBC has not yet completed our evaluation. I am also anxiously awaiting SCC's comments and redline of the Service Bureau Provider document that I provided on October 10, 2000. To date, SCC has not responded. While some attention has been paid to the 911 Appendix, the Service Bureau Provider document is the core document that must receive equal attention. To that end, may I suggest the following agenda for the negotiations call on Friday:

A. Service Bureau Provider Agreement

- What are the issues, if any, do you have with this document?
- If issues are present, please provide in a redlined format as we have utilized in the past.

B. Call Flow Description

- SBC's evaluation of the Call Flow diagrams provided by SCC

C. Revisions of SCC's redlined 911 Appendix

- Rationale/Issues

If SCC does not provide its response to the Service Bureau Provider document that it has had since October 10 2000, then the productivity of our next negotiations session may be limited.

One of SCC's key issues during negotiation of the MOU was to address SCC's intention to immediately order transport facilities in Houston so that SCC could begin testing of its equipment. I trust that SCC has been able to accomplish its goal of placing orders for the needed facilities.

In preparation for tomorrow's call, I have attached a portion of the 911 Appendix for your review. I will provide the balance of the Appendix edits this afternoon. It's my desire to discuss these items in on our call tomorrow. I look forward to continuing our negotiations to meet our mutual goal of an executed agreement on November 17, 2000.

Regards,

A handwritten signature in cursive script that reads "Ronald C. Hill".

Ronald C. Hill

cc: Cherie Kiser(by facsimile)