

162999

FILED FOR RECORD

10:05 o'clock A.m.

APR 27 1987

Nickie Spardley Dep
Beaver County Recorder

Fee \$ 48.80

BILL OF SALE AND DEED dated April 27, 1987 between WILLIAMS TELECOMMUNICATIONS COMPANY, a Delaware corporation (the "Lessee"), and WILMINGTON TRUST COMPANY, a Delaware banking corporation, and WILLIAM J. WADE, an individual, not in their individual capacities but solely as trustees under a Trust Agreement dated as of April 15, 1987 (collectively, the "Owner Trustee").

The Lessee and the Owner Trustee are among the parties to a Participation Agreement dated as of April 15, 1987 (the "Participation Agreement"), which provides for the Owner Trustee's purchase of the Facility (as such term is defined below) from the Lessee.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that:

1. The Lessee for and in consideration of the Owner Trustee's payment to it for its account of \$100, and other good and valuable consideration and other property, the receipt of which is hereby acknowledged, has sold, granted, bargained, conveyed, assigned, transferred and delivered and by these presents sells, grants, bargains,

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conveys, assigns, transfers and delivers to the Owner Trustee, and to the extent the property described below is located in the State of California, solely to William J. Wade, as Owner Trustee, its or his successors and assigns, all its estate, right, title and interest in and to the property described in Schedule I hereto (the "Facility"), which property is located upon a certain right of way described in Schedule II hereto,

TO HAVE AND TO HOLD the same together with all rights and appurtenances thereto belonging unto the Owner Trustee, its successors and assigns forever.

It is the intent of the Lessee that the Facility conveyed hereby shall, from and after this date, be and remain personal property and not be or become a part of the real property in which the Facility is now located (being the real property more particularly described in Schedule II) notwithstanding the extent of affixation thereto or the fitness or adaption of the Facility to the uses or purposes of the real property more particularly described in Schedule II. It is further the intent of the Lessee that the Owner Trustee shall have the right, subject to the terms of the Lease (as defined in Exhibit A hereto) and the other Basic Agreements (as defined in Exhibit A hereto), at any time and from time to time, to remove the Facility conveyed hereby from its present location. By executing this Bill of Sale

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and Deed, the Owner Trustee affirms its desire and intent that the Facility being conveyed be and remain personal property.

2. The Lessee hereby warrants that it is the lawful owner of the Facility and that its title thereto is free and clear of all liens, security interests, charges, and encumbrances of every kind whatsoever, except for permitted liens (as defined in Exhibit A hereto), and that the Lessee will warrant and defend such title forever against every person whomsoever claiming or to claim the same or any part thereof.

3. The Lessee acknowledges, as stated above, that the payment to it for the Facility has been made, and, accordingly, that this is a fully executed Bill of Sale and Deed and that the title of the Owner Trustee to the Facility is in no way subject to defeasance or forfeiture by reason of any alleged failure of consideration to be received by the Lessee hereunder.

4. With respect to each portion of the Facility, this Bill of Sale shall be governed by, and construed in accordance with, the laws of the jurisdiction wherein such portion is located.

5. The Lessee and the Owner Trustee recognize and agree that the Owner Trustee shall, from and after the date hereof, be the owner of the Facility for all purposes and

the Lessee agrees not to take any action inconsistent with or contrary to this Agreement.

IN WITNESS WHEREOF, the Lessee and the Owner Trustee have each caused this Bill of Sale and Deed to be duly executed by their respective officers thereunto duly authorized the day and year first above written.

WILLIAMS TELECOMMUNICATIONS COMPANY

By: Harry S. Dandellis
Title: Vice President

[Seal]

WILMINGTON TRUST COMPANY,
not in its individual capacity, but solely as Owner Trustee

By: [Signature]
Title: ~~Vice President~~
SENIOR FINANCIAL SERVICES OFFICER

[Seal]

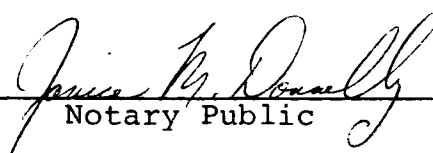
WILLIAM J. WADE,
not in his individual capacity, but solely as Owner Trustee

[Signature]

STATE OF NEW YORK)
 :
COUNTY OF NEW YORK)

Before me personally appeared HARRY G. DANDELLES personally known to me to be the person whose name is subscribed to the foregoing instrument as the designated officer of WILLIAMS TELECOMMUNICATIONS COMPANY, one of the corporations named in said instrument, and personally known to me to be such officer of said corporation, and acknowledged to me that he executed said instrument for the purposes and consideration therein expressed and in the capacity therein stated, for and on behalf of and as the act and deed of said corporation.

IN WITNESS of which I have hereunto set my hand and official seal, this 23rd day of April, 1987.



Notary Public

[NOTARIAL STAMP AND SEAL]

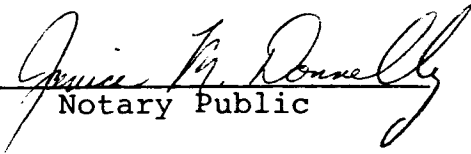
JANICE M. DONNELLY
Notary Public, State of New York
No. 41-4650819
Qualified in Queens County
Certificate filed in New York County
Commission expires January 31, 1990

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STATE OF NEW YORK)
 :
COUNTY OF NEW YORK)

Before me personally appeared WILLIAM J. WADE, personally known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed said instrument for the purposes and consideration therein expressed and in the capacity therein stated, for and on his own behalf and as his act and deed.

IN WITNESS of which I have hereunto set my hand and official seal, this 25th day of April, 1987.


Notary Public

[NOTARIAL STAMP AND SEAL]

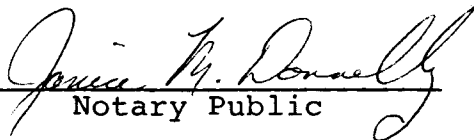
JANICE M. DONNELLY
Notary Public, State of New York
No. 40-450037
Qualified in Nassau County
Certificate filed in New York County
Commission expires January 31, 1990

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STATE OF NEW YORK)
 :
COUNTY OF NEW YORK)

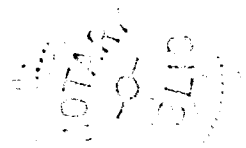
Before me personally appeared ROBIN LYNCH personally known to me to be the person whose name is subscribed to the foregoing instrument as the designated officer of WILMINGTON TRUST COMPANY, one of the corporations named in said instrument, and personally known to me to be such officer of said corporation, and acknowledged to me that he executed said instrument for the purposes and consideration therein expressed and in the capacity therein stated, for and on behalf of and as the act and deed of said corporation.

IN WITNESS of which I have hereunto set my hand and official seal, this 25th day of April, 1987.


Notary Public

[NOTARIAL STAMP AND SEAL]

JANICE M. DONNELLY
Notary Public, State of New York
No. 41-4650319
Qualified in Queens County
Certificate filed in New York County
Commission expires January 31, 1990



BOOK 230 PAGE 772

FIBER OPTIC COMMUNICATIONS FACILITY

"Facility" shall mean, except as expressly hereinafter noted, the entire fiber optics telecommunications system comprising approximately 747 route miles starting in Salt Lake City, Utah, and ending in Los Angeles, California and running through the States of Utah, Nevada and California. The Facility begins inside a building located at 70 South State Street, Salt Lake City, Utah and ends in the office building located at One Wilshire Boulevard, Los Angeles, California. The Facility is installed along the Right of Way and includes the following: (i) the fiber optic cable manufactured by Siecor Company and included in such system, (ii) all cable ducts or conduits through which such cable runs (excluding all steel pipelines), (iii) the associated splice boxes, splice vaults and other associated concrete structures constructed by or for Lessee and used to protect, or provide splicing space for, the fiber optic cable, together with all manhole and handhole covers relating thereto, (iv) electrical power facilities, including electrical distribution panels, lighting, wiring and other related apparatus attached to or within the Facility (excluding any meters owned by other Persons), (v) heating, ventilating and air conditioning equipment, (vi) metal enclosures (sometimes referred to as the regeneration stations) containing the Electronics together with the concrete slabs to which the enclosures are attached, (vii) auxiliary generators, batteries, battery-charging equipment, telephone equipment and other related equipment used on the Closing Date by Lessee on the Right of Way, and (viii) any other property the title to which vests in Lessor pursuant to the terms of the Lease; provided, that with respect to that portion of the Facility which is subject to the Centel Agreement (as defined below) the term Facility shall mean only the Lessee's interest in the items described in clauses (i) through (viii) above. The Facility specifically excludes (i) the Electronics and (ii) the green sheath containing eight fibers and such eight fibers which are owned by Central Telephone Company (of Nevada) pursuant to the Telecommunications Agreement dated October 10, 1986, between Central Telephone Company (of Nevada) and the Lessee (the "Centel Agreement") and which lie between a point approximately 24.0 kilometers north of the North Three Central Office in Las Vegas, Nevada and a point near Stateline, Nevada with a total length of approximately 125.7 kilometers, as more fully described in the Centel Agreement.

RIGHT OF WAY

ASSIGNMENT LIST
BEAVER COUNTY, UTAH

<u>Tract</u>	<u>County</u>	<u>Grantor</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Inst. Date</u>	<u>Recording Data</u>
6800	Beaver	Letha S. Smyth	9	26 South	10 West	7-8-86	227/291
A strip of land 16 feet in width situated in the W/2 NW/4 of Section 9, Township 26 South, Range 10 West, Beaver County, Utah							
6801	Beaver	State of Utah	9	26 South	10 West	8-14-86	Consent
A strip of land in the West Half of the Southwest Quarter (W/2 SW/4) of Section 9, Township 26 South, Range 10 West, Beaver County, Utah							
6802	Beaver	BLM	8/16/17	26 South	10 West	7-31-86	Grant
A strip of land located in the following quarter sections in Beaver County, Utah: the Southeast Quarter of the Southeast Quarter (SE/4 SE/4) of Section 8 Township 26 South, Range 10 West; the Northwest Quarter of the Northwest Quarter (NW/4 NW/4) of Section 16, Township 26 South, Range 10 West; and the Northeast Quarter of the Northeast Quarter (NE/4 NE/4) and the Southeast Quarter of the Northeast Quarter (SE/4 NE/4) of Section 17, Township 26 South, Range 10 West.							
6803	Beaver	Ralph & June Pearson	17/20	26 South	10 West	7-9-86	226/530
A strip of land 16 feet in width situated in the E/2 SE/4 of Section 17 and E/2 NE/4 NE/4 of Section 20, Township 26 South, Range 10 West, Beaver County, Utah							
6804	Beaver	BLM	20/29	26 South	10 West	7-31-86	Grant
A strip of land located in the following quarter sections in Beaver County, Utah: the Southeast Quarter of the Northeast Quarter (SE/4 NE/4), the Northeast Quarter of the Southeast Quarter (NE/4 SE/4), and the Southeast Quarter of the Southeast Quarter (SE/4 SE/4) of Section 20, Township 26 South, Range 10 West; and the Northeast Quarter of the Northeast Quarter (NE/4 NE/4), the Southeast Quarter of the Northeast Quarter (SE/4 NE/4), the Northeast Quarter of the Southeast Quarter (NE/4 SE/4), and the Southeast Quarter of the Southeast Quarter (SE/4 SE/4) of Section 29, Township 26 South, Range 10 West.							
6805	Beaver	Ralph & June Pearson	32	26 South	10 West	7-9-86	226/528
A strip of land 16 feet in width situated in the E/2 E/2 of Section 32, Township 26 South, Range 10 West, Beaver County, Utah							
6806	Beaver	BLM	5/8	27 South	10 West	7-31-86	Grant
A strip of land located in the following quarter sections in Beaver County, Utah: the Northeast Quarter of the Northeast Quarter (NE/4 NE/4), the Southeast Quarter of the Northeast Quarter (SE/4 NE/4), the Northeast Quarter of the Southeast Quarter (NE/4 SE/4), and the Southeast Quarter of the Southeast Quarter							

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ASSIGNMENT LIST
BEAVER COUNTY, UTAH

State of Utah

<u>Tract</u>	<u>County</u>	<u>Grantor</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Inst. Date</u>	<u>Recording Date</u>
<p>(SE/4 SE/4) of Section 5, Township 27 South, Range 10 West; and the Northeast Quarter of the Northeast Quarter (NE/4 NE/4), the Southeast Quarter of the Northeast Quarter (SE/4 NE/4), the Northeast Quarter of the Southeast Quarter (NE/4 SE/4), and the Southeast Quarter of the Southeast Quarter (SE/4 SE/4) of Section 8, Township 27 South, Range 10 West.</p>							
6807	Beaver	Ralph & June Pearson	17	27 South	10 West	7-9-86	226/526
<p>A strip of land 16 feet in width situated in the W/2 NE/4 of Section 17, Township 27 South, Range 10 West, Beaver County, Utah</p>							
6808	Beaver	Howard V. Hatch, et al	17	27 South	10 West	7-30-86	226/518
<p>A strip of land 16 feet in width situated in the SE/4 NW/4 and the N/2 SW/4 of Section 17, Township 27 South, Range 10 West, Beaver County, Utah</p>							
6809	Beaver	Gary E. Sullivan, et ux	17	27 South	10 West	7-22-86	226/524
<p>A strip of land 16 feet in width situated in the SW/4 SW/4 of Section 17, Township 27 South, Range 10 West, Beaver County, Utah</p>							
6810	Beaver	BLM	29/20	27 South	10 West	7-31-86	Grant
<p>A strip of land located in the following quarter sections in Beaver County, Utah: the Northwest Quarter of the Northwest Quarter (NW/4 NW/4), the Southwest Quarter of the Northwest Quarter (SW/4 NW/4), the Northwest Quarter of the Southwest Quarter (NW/4 SW/4), and the Southwest Quarter of the Southwest Quarter (SW/4 SW/4) of Section 29, Township 27 South, Range 10 West; and the Southwest Quarter of the Southwest Quarter (SW/4 SW/4), the Northwest Quarter of the Southwest Quarter (NW/4 SW/4), the Southwest Quarter of the Northwest Quarter (SW/4 NW/4), the Northwest Quarter of the Northwest Quarter (NW/4 NW/4) of Section 20, Township 27 South, Range 10 West.</p>							
6813 A	X Beaver	City of Milford	30/31	27 South	10 West	9-18-86	228/736
<p>A strip of land being situated in part of the East Half of the East Half (E/2 E/2) of Section 30, Township 27 South, Range 10 West; and part of the East Half of the Northeast Quarter (E/2 NE/4) of Section 31, Township 27 South, Range 10 West; and part of the East Half of the Northeast Quarter of the Southeast Quarter (E/2 NE/4 SE/4) of Section 31, Township 27 South, Range 10 West, Beaver County, Utah</p>							
6813 C	X Beaver	Dorothy B. Newdigate	31/6	27/28 South	10 West	9-18-86	228/734
<p>A strip of land 16 feet in width situated in the S/2 N/2 SE/4 and S/2 SE/4, Section 31, Township 27 South, Range 10 West, and N/2 NE/4, Section 6, Township 27 South, Range 10 West, Beaver County, Utah</p>							
6813 D	Beaver	Beaver County Road Dept.	6	28 South	10 West	8-14-86	Permit

ASSIGNMENT LIST
BEAVER COUNTY, UTAH

State of Utah

<u>Tract</u>	<u>County</u>	<u>Grantor</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Inst. Date</u>	<u>Recording Dat</u>
A strip of land in the South Half of the Northeast Quarter (S/2 NE/4) of Section 6, Township 28 South, Range 10 West, Beaver County, Utah							
6813 G	Beaver	Roy Gray, et ux	6	28 South	10 West	11-10-86	229/11
A strip of land in the N/2 SW/4 NE/4, Section 6, Township 28 South, Range 10 West, Beaver County, Utah							
6814	X Beaver	City of Milford	6	28 South	10 West	9-18-86	228/736
A strip of land 16 feet in width situated on the Quarter section line of the SW/4 and the SE/4, Section 6, Township 28 South, Range 10 West, Beaver County Utah							
6814 B, 6814 D, 6814 F	X Beaver	Larry R.&Leona B. Shurtliff, et al	7	28 South	10 West	9-13-86	228/741
A strip of land 16 feet in width situated in the E/2 SE/4 NW/4 and the S/2 NE/4 NW/4 of Section 7, Township 28 South, Range 10 West, Beaver County, Utah							
6814 E	X Beaver	Church of Latter Day Saints	7	28 South	10 West	9-23-86	228/749
A strip of land situated in the East Half (E/2) of the following described tract: Beginning at a point bearing North 1680.15 feet and bearing West 10 feet from the Southeast Quarter of the Northwest Quarter (SE/4 NW/4); thence North 89°39'41" West 736.20 feet; thence North 350 feet; thence South 89°39'41" East 736.20 feet; thence South 350 feet to the point of beginning, in Section 7, Township 28 South, Range 10 West, Beaver County, Utah							
6814 G	X Beaver	City of Milford	7	28 South	10 West	9-10-86	228/751
A strip of land 16 feet in width situated in the E/2 SW/4, Section 7, Township 28 South, Range 10 West, Beaver County, Utah							
6814 H	X Beaver	Russell Mayer, et ux	7	28 South	10 West	9-11-86	228/753
A strip of land 16 feet in width situated in the NE/4 SW/4, Section 7, Township 28 South, Range 10 West, Beaver County, Utah							
6817	Beaver	Beaver Co. Road	18	28 South	10 West	8-14-86	Permit
A strip of land in the West Half (W/2) of Section 18, Township 28 South, Range 10 West, Beaver County, Utah							
6818	Beaver	Byron E. Pullem, et ux	13	28 South	11 West	7-25-86	226/516
A strip of land 16 feet in width situated in the Easterly portion of the SE/4 SE/4 of Section 13, Township 28 South, Range 11 West, Beaver County, Utah							

ASSIGNMENT LIST
BEAVER COUNTY, UTAH

<u>Tract</u>	<u>County</u>	<u>Grantor</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Inst. Date</u>	<u>Recording Dat.</u>
6819	Beaver	Beaver County Road	Various	28/29 South	11 West	8-14-86	Permit
A strip of land located in the following quarter sections in Beaver County, Utah: the East Half of the East Half (E/2 E/2) of Section 24, the East Half of the East Half (E/2 E/2) of Section 25, and the East Half of the East Half (E/2 E/2) of Section 36, Township 28 South, Range 11 West; the East Half of the East Half (E/2 E/2) of Section 1, the East Half of the East Half (E/2 E/2) of Section 12, the East Half of the East Half (E/2 E/2) of Section 13, the North Half of the North Half (N/2 N/2) of Section 24, the North Half of the North Half (N/2 N/2) and the West Half of the West Half (W/2 W/2) of Section 23, and the West Half of the West Half (W/2 W/2) of Section 26, Township 29 South, Range 11 West.							
6821	Beaver	BLM	35/34	29 South	11 West	7-31-86	Grant
A strip of land located in the following quarter sections in Beaver County, Utah: the Northwest Quarter of the Northwest Quarter (NW/4 NW/4) of Section 35 Township 29 South, Range 11 West; and the Northeast Quarter of the Northeast Quarter (NE/4 NE/4), the Southeast Quarter of the Northeast Quarter (SE/4 NE/4) and the Southwest Quarter of the Northeast Quarter (SW/4 NE/4) of Section 34, Township 29 South, Range 11 West.							
6821 A	Beaver	Beaver County Road	Various	29/30 South	11 West	8-14-86	Permit
A strip of land located in the following quarter sections in Beaver County, Utah: the Southwest Quarter (SW/4) of Section 34, Township 29 South, Range 11 West; the Northwest Quarter of the Northwest Quarter (NW/4 NW/4) of Section 3, Township 30 South, Range 11 West; the Northeast Quarter of the Northeast Quarter (NE/4 NE/4), the Southeast Quarter of the Northeast Quarter (SE/4 NE/4), the Southwest Quarter of the Northeast Quarter (SW/4 NE/4), the Northwest Quarter of the Southeast Quarter (NW/4 SE/4), the Northeast Quarter of the Southwest Quarter (NE/4 SW/4), the Southeast Quarter of the Southwest Quarter (SE/4 SW/4), and the Southwest Quarter of the Southwest Quarter (SW/4 SW/4) of Section 4, Township 30 South, Range 11 West; the Southeast Quarter of the Southeast Quarter (SE/4 SE/4) of Section 5, Township 30 South, Range 11 West; the Northeast Quarter of the Northeast Quarter (NE/4 NE/4), the Northwest Quarter of the Northeast Quarter (NW/4 NE/4), the Southwest Quarter of the Northeast Quarter (SW/4 NE/4), and the Southeast Quarter of the Northwest Quarter (SE/4 NW/4) of Section 8, Township 30 South, Range 11 West.							
6821 B	Beaver	BLM	7/8	30 South	11 West	7-31-86	Grant
A strip of land located in the following quarter sections in Beaver County, Utah: the Southeast Quarter of the Southeast Quarter (SE/4 SE/4) of Section 7, Township 30 South, Range 11 West; the Northeast Quarter of the Southwest Quarter (NE/4 SW/4), the Northwest Quarter of the Southwest Quarter (NW/4 SW/4), and the Southwest Quarter of the Southwest Quarter (SW/4 SW/4) of Section 8, Township 30 South, Range 11 West.							
6821 C	Beaver	Beaver County Road	18	30 South	11 West	8-14-86	Permit
A strip of land located in the following quarter sections in Beaver County, Utah: the Northeast Quarter of the Northeast Quarter (NE/4 NE/4), the Northwest Quarter of the Northeast Quarter (NW/4 NE/4), the Southwest Quarter of the Northeast Quarter (SW/4 NE/4), the Southeast Quarter of the Northwest Quarter (SE/4 NW/4), the Northeast Quarter of the Southwest Quarter (NE/4 SW/4), the Northwest Quarter of the Southwest Quarter (NW/4 SW/4), and the Southwest Quarter of the Southwest Quarter (SW/4 SW/4) of Section 18, Township 30 South, Range 11 West.							

ASSIGNMENT LIST
BEAVER COUNTY, UTAH

State of Utah

<u>Tract</u>	<u>County</u>	<u>Grantor</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Inst. Date</u>	<u>Recording Date</u>
6821 D	Beaver	Beaver County Road	13/24/23	30 South	12 West	8-14-86	Permit
A strip of land located in the following quarter sections in Beaver County, Utah: the Southeast Quarter of the Southeast Quarter (SE/4 SE/4) of Section 13 Township 30 South, Range 12 West; the Northeast Quarter of the Northeast Quarter (NE/4 NE/4), the Northwest Quarter of the Northeast Quarter (NW/4 NE/4), the Northeast Quarter of the Northwest Quarter (NE/4 NW/4), the Southeast Quarter of the Northwest Quarter (SE/4 NW/4), the Southwest Quarter of the Northwest Quarter (SW/4 NW/4), and the Northwest Quarter of the Northwest Quarter (NW/4 NW/4) of Section 24, Township 30 South, Range 12 West; and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4), the Southeast Quarter of the Southeast Quarter (SE/4 SE/4), and the Southwest Quarter of the Southeast Quarter (SW/4 SE/4) of Section 23, Township 30 South, Range 12 West.							
6821 E	Beaver	BLM	26	30 South	12 West	7-31-86	Grant
A strip of land located in the following quarter sections in Beaver County, Utah: the Northwest Quarter of the Northeast Quarter (NW/4 NE/4) and the Southwest Quarter of the Northeast Quarter (SW/4 NE/4) of Section 26, Township 30 South, Range 12 West.							
6821 F	Beaver	Beaver County Road	26	30 South	12 West	8-14-86	Permit
A strip of land located in the following quarter sections in Beaver County, Utah: the Southeast Quarter of the Northwest Quarter (SE/4 NW/4), the Northeast Quarter of the Southwest Quarter (NE/4 SW/4), the Northwest Quarter of the Southwest Quarter (NW/4 SW/4), and the Southwest Quarter of the Southwest Quarter (SW/4 SW/4) of Section 26, Township 30 South, Range 12 West.							
6821 G	Beaver	BLM	27	30 South	12 West	7-31-86	Permit
A strip of land located in the following quarter sections in Beaver County, Utah: the Southeast Quarter of the Southeast Quarter (SE/4 SE/4) and the Southwest Quarter of the Southeast Quarter (SW/4 SE/4) of Section 27, Township 30 South, Range 12 West.							
6821 H	Beaver	Beaver County Road	34/33/32	30 South	12 West	8-14-86	Permit
A strip of land located in the following quarter sections in Beaver County, Utah: the Northwest Quarter of the Northeast Quarter (NW/4 NE/4), the Northeast Quarter of the Northwest Quarter (NE/4 NW/4), and the Northwest Quarter of the Northwest Quarter (NW/4 NW/4) of Section 34, Township 30 South, Range 12 West; the Northeast Quarter of the Northeast Quarter (NE/4 NE/4), the Southeast Quarter of the Northeast Quarter (SE/4 NE/4), the Southwest Quarter of the Northeast Quarter (SW/4 NE/4), the Southeast Quarter of the Northwest Quarter (SE/4 NW/4), the Northeast Quarter of the Southwest Quarter (NE/4 SW/4), and the Northwest Quarter of the Southwest Quarter (NW/4 SW/4) of Section 33, Township 30 South, Range 12 West; and the Northeast Quarter of the Southeast Quarter (NE/4 SE/4), the Northwest Quarter of the Southeast Quarter (NW/4 SE/4), the Southwest Quarter of the Southeast Quarter (SW/4 SE/4), the Southeast Quarter of the Southwest Quarter (SE/4 SW/4), and the Southwest Quarter of the Southwest Quarter (SW/4 SW/4) of Section 32, Township 30 South, Range 12 West.							
6822	Beaver	Lucile M. Woodward, et al	31	30 South	12 West	7-22-86	226/522
Being a strip of land 16 feet in width situated in the SE/4, Section 31, Township 30 South, Range 12 West, Beaver County, Utah							

ASSIGNMENT LIST
 BEAVER COUNTY, UTAH

State of Utah

<u>Fract</u>	<u>County</u>	<u>Grantor</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>Inst. Date</u>	<u>Recording Dat.</u>
6823	Beaver	Robert D. Dibkey	31	30 South	12 West	7-25-86	226/520
A strip of land 16 feet in width situated in the S/2 SW/4 of Section 31, Township 30 South, Range 12 West, Beaver County, Utah							
6824	Beaver	State of Utah	36	30 South	13 West	8-14-86	Consent
A strip of land in the Southeast Quarter of the Southeast Quarter (SE/4 SE/4) of Section 36, Township 30 South, Range 13 West, Beaver County, Utah							

Regenerator Sites
Assignment List

<u>Tract</u>	<u>Name</u>	<u>Grantor</u>	<u>Section</u>	<u>Township</u>	<u>Range</u>	<u>County/State</u>	<u>Inst. Date</u>	<u>Recording Data</u>
SL #9	Milford North	City of Milford	31	27 South	10 West	Beaver, UT	8-25-86	229/48
A portion of the Northeast Quarter (NE/4) of Section 31, Township 27 South, Range 10 West, S.L.B.&M., Beaver County, Utah.								
SL #10	Milford South	Larry L. Hamilton	26	29 South	11 West	Beaver, UT	8-8-86	229/51
A portion of the Northwest Quarter of the Southwest Quarter (NW/4 SW/4) of Section 26, Township 29 South, Range 11 West, S.L.M., abutting and parallel to the East right of way line of the Beaver County road, as it now exists.								

EXHIBIT A TO
PARTICIPATION AGREEMENT
LEASE AGREEMENT
INDENTURE AND SECURITY AGREEMENT
TRUST AGREEMENT
PROPERTY RIGHTS AGREEMENT
BILL OF SALE
SUPPORT AGREEMENT

WILLIAMS TELECOMMUNICATIONS COMPANY

Fiber Optic Telecommunications Facility

DEFINITIONS RELATING TO THE PARTICIPATION AGREEMENT, LEASE AGREEMENT, INDENTURE AND SECURITY AGREEMENT, TRUST AGREEMENT, PROPERTY RIGHTS AGREEMENT, SUPPORT AGREEMENT AND GUARANTY AGREEMENT REFERRED TO BELOW

"Acceptance Certificate" shall mean the Acceptance Certificate substantially in the form of Annex C to the Lease, which shall be executed and delivered by Lessor and Lessee on the Closing Date for the purpose of setting forth the Closing Date and confirming the acceptance of the Facility by Lessee under the Lease on the Closing Date.

"Affiliate" of the specified Person shall mean any other Person directly or indirectly controlling, controlled by or under direct or indirect common control with, such specified Person. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

"After-Tax Basis" shall mean, with respect to any payment received or deemed to have been received by any Person, the amount of such payment supplemented by a further payment to that Person so that the sum of the two payments, after deduction of all Taxes and other charges (taking into account any current credits or deductions arising therefrom) resulting from the receipt or accrual (actual or constructive) of such two payments imposed under any federal, state or local law or by a Governmental Authority or any taxing authority of any thereof, shall be equal to the payment received or deemed to have been received.

"Applicable Laws" shall mean all applicable laws (including, without limitation, federal and state securities laws), ordinances, judgments, decrees, injunctions, writs and orders of any court, arbitrator or governmental agency or authority and rules, regulations, orders, interpretations, licenses and permits of any federal, state, county, municipal, regional or other governmental body, instrumentality, agency or authority.

"Appraisal Procedure" shall mean the following procedure for determining Fair Market Rental Value, Fair Market Sale Value or Return Value if either Lessor or Lessee shall request by notice (the "Appraisal Request") to the other the determination of either of such Values by the Appraisal Procedure. Lessor and Lessee shall, within 15 days after the Appraisal Request, appoint an independent appraiser mutually satisfactory to them, who shall determine such Value and such determination shall be final and binding on Lessor and Lessee. If Lessor and Lessee are unable to agree on a mutually acceptable appraiser within such 15-day period, Fair Market Rental Value, Fair Market Sale Value or Return Value, as the case may be, shall be determined by a panel of three independent appraisers, one of whom shall be appointed by Lessor, another by Lessee and the third of whom shall be appointed by the other two appraisers or, if such two appraisers are unable to agree on a third appraiser within 45 days after the Appraisal Request, by the American Arbitration Association (or its successor); provided, however, that if Lessor or Lessee shall not have appointed its appraiser within 30 days after the Appraisal Request, such Value shall be determined solely by the appraiser selected by the other party. The appraiser or appraisers appointed pursuant to the foregoing procedure shall be instructed to determine Fair Market Rental Value, Fair Market Sale Value or Return Value, as the case may be, within 45 days after such appointment, and such determination shall be final and binding on Lessor and Lessee. If three appraisers are appointed, the determination of the appraiser that shall differ most from the second highest determinations of all three appraisers shall be excluded, the remaining two determinations shall be averaged and such average shall constitute the determination of the appraisers. In the event that a single appraiser is appointed, the fees of such appraiser shall be divided equally between Lessee and Lessor. In the event that more than a single appraiser is appointed, the fees and expenses of the appraiser appointed by Lessee shall be paid by Lessee, the fees and expenses of the appraiser appointed by Lessor shall be paid by Lessor and the fees and expenses of the third appraiser shall be divided equally between Lessee and Lessor. Notwithstanding the foregoing, all fees and expenses of each appraiser shall be paid by Lessee in the case of an appraisal or determination under Section 18 of

the Lease and the Lessee shall pay all such fees and expenses in the circumstances provided in Section 15(c) of the Lease.

"Approved Bank" shall mean (a) so long as Canadian Imperial Bank of Commerce shall remain the L/C Bank, Canadian Imperial Bank of Commerce, or (b) any other bank, acting through a branch or agency located in the United States, that (i) is one of the world's 200 largest banks measured by total assets in United States dollars, and (ii) has, on the date that its written commitment to issue a replacement Letter of Credit is delivered to the Owner Participant pursuant to Section 6.16 of the Participation Agreement, an A-1 or P-1 commercial paper rating, (iii) was identified as a bank then meeting the requirements of clauses (i) and (ii) above in a written notice delivered by Lessee to the Owner Participant not more than 90 days prior to the expiration date of the Letter of Credit then in effect and (iv) was not identified on a written notice delivered by the Owner Participant to Lessee within 10 days after the delivery to the Owner Participant of the written notice described in clause (iii) above, as one of not more than 10 banks that the Owner Participant elects to eliminate from qualification as an Approved Bank eligible to issue the replacement Letter of Credit.

"Base Rate" shall mean the rate of interest announced publicly by Citibank, N.A. in New York, New York, from time to time, as its base rate.

"Basic Agreements" shall mean the Lease, the Bill of Sale, the Participation Agreement, the Trust Agreement, the Indenture, the Guaranty Agreement, the Letter of Credit, the Loan Certificates, the Support Agreement, the Property Rights Agreement and the Tax Indemnification Agreement.

"Basic Rent" shall mean the aggregate rent payable pursuant to Section 3(b) of the Lease for the Primary Term, the aggregate rent payable pursuant to Section 13 of the Lease for the Renewal Term, if any, in each case subject to adjustment in accordance with Section 3(c) of the Lease.

"Bill of Sale" shall mean a Bill of Sale and Deed, substantially in the form of Exhibit E to the Participation Agreement, to be executed and delivered by the Lessee to the Owner Trustee on the Closing Date with respect to the Facility.

"Business Day" shall mean any day except a Saturday, Sunday or other day on which commercial banks in New York City, Delaware or Connecticut are authorized by law to be closed.

"Closing Date" shall mean the date on which the Facility is sold by Lessee to Lessor and accepted by Lessee under the Lease, which shall be the date of the Bill of Sale and the Acceptance Certificate.

"Code" shall mean the Internal Revenue Code of 1986, as amended to the Closing Date, but "1954 Code" shall mean the Internal Revenue Code of 1954, as amended to the Closing Date, as in effect after the enactment of Title XVIII of the Tax Reform Act of 1986 (the "Act") but before the enactment of any other title of the Act.

"Collateral" shall mean all the properties, interests and rights referred to in the Granting Clause of the Indenture and intended to be subjected to the mortgage, security interest and assignment created by the Indenture.

"Commencement Date" shall mean July 15, 1987.

"Contract Services" shall mean, at any time during the Shirt-Tail Period, materials, supplies or services of a kind provided by Lessee at such time to Persons (other than Lessor or any affiliate of Lessee), including (but not limited to) the provision of interconnection and similar services between the Facility and other telecommunications facilities (whether or not based on fiber optics) then owned by Lessee, but excluding services provided to such other Persons at such time that are insignificant or infrequent in comparison to the services required by Lessor.

"Default" shall mean an event or condition that, with notice or lapse of time or both, would constitute an Event of Default.

"Depreciable Basis" shall mean an amount equal to 91.75% of Lessor's Cost.

"Electronics" shall mean the transceivers, regenerators, multiplexers and other electronic equipment, together with all racks to which the same are affixed, located at the regenerator sites and points of presence on the Right of Way, including all equipment replacing any of the foregoing.

"Employee Benefit Plan" shall have the meaning set forth in Section 3 of ERISA.

"Engineer" shall mean a Person appointed by Lessee who is engaged in the engineering profession (who shall be duly licensed as an engineer in a State of the United States) and is familiar with engineering and operational matters relating to the Facility or facilities similar thereto, which Engineer may be an officer or employee of Lessee or any Affiliate.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended, or any comparable successor law.

"Event of Default" shall mean any event or condition defined as "Event of Default" under either Section 17 of the Lease or Section 4.01 of the Indenture, or both, as is indicated by the context in which the term "Event of Default" is used.

"Event of Loss" shall mean any of the following events or conditions:

(i) all or substantially all of the Facility shall become destroyed or damaged beyond repair or permanently rendered unfit for commercial operation, as a consequence of any event whatsoever;

(ii) any damage to or loss of all or any portion of the Facility occurring through any cause whatsoever, which results in the receipt of insurance proceeds with respect to the Facility on the basis of an actual or constructive total loss of the Facility;

(iii) the condemnation, confiscation or seizure of, or other requisition of title to, or use of, all or substantially all of the Facility or the Right of Way (including the taking of title to, or use of, all or substantially all of the Facility or the Right of Way under power of eminent domain or by forfeiture pursuant to any proceeding commenced under any provision of law providing for escheat) by a Governmental Authority; provided, however, that, in the case of a requisition of use of all or substantially all of the Facility or the Right of Way, such requisition shall be for an indefinite period which shall have continued for at least one year or for a definite period of at least one year's duration or that extends beyond the end of the Primary Term or, if such requisition shall occur during a Renewal Term, beyond the end of such Renewal Term; or

(iv) a Special Event of Termination shall have occurred and be continuing.

Subject to the proviso in Section 10(a) of the Lease, the date of occurrence of any of the Events of Loss specified in clause (i), (ii) or (iii) above shall be the date of the casualty or other occurrence specified above giving rise to such Event of Loss. The date of

occurrence of a Special Event of Termination shall be the date specified in the definition of that term.

"Excepted Payments" shall mean (a) any amount paid or payable to or for the benefit of the Owner Participant or the Owner Trustee, in its individual capacity, under Sections 7, 8 or 11 of the Participation Agreement, or pursuant to the Tax Indemnification Agreement, (b) any proceeds of Excess Insurance paid or payable to or for the benefit of the Owner Trustee in its individual capacity or the Owner Participant, (c) amounts payable by the Lessee to the Owner Participant or the Owner Trustee in its individual capacity or as Trustee under the Trust Agreement pursuant to Section 16 of the Lease with respect to any of the amounts referred to in clauses (a) and (b) above, (d) amounts payable pursuant to the Guaranty Agreement with respect to any of the amounts described in clauses (a), (b) and (c) above, together with the right to demand, collect, sue for or otherwise obtain such amounts from the Lessee or the Guarantor, and (e) amounts payable to the Owner Participant under the Letter of Credit or the Note and Supplemental Note Amounts paid pursuant to Section 6.16 of the Participation Agreement.

"Excess Insurance" shall mean the proceeds of liability insurance on the Facility or the Right of Way payable to or for the benefit of the Owner Participant or the Owner Trustee, in its individual capacity, and any insurance proceeds payable solely to the Owner Participant or the Owner Trustee under policies of insurance carried pursuant to Section 12(f) of the Lease.

"Facility" shall mean, except as expressly hereinafter noted, the entire fiber optics telecommunications system comprising approximately 747 route miles starting in Salt Lake City, Utah, and ending in Los Angeles, California and running through the States of Utah, Nevada and California. The Facility begins inside a building located at 70 South State Street, Salt Lake City, Utah and ends in the office building located at One Wilshire Boulevard, Los Angeles, California. The Facility is installed along the Right of Way and includes the following: (i) the fiber optic cable manufactured by Siecor Company and included in such system, (ii) all cable ducts or conduits through which such cable runs (excluding all steel pipelines), (iii) the associated splice boxes, splice vaults and other associated concrete structures constructed by or for Lessee and used to protect, or provide splicing space for, the fiber optic cable, together with all manhole and handhole covers relating thereto, (iv) electrical power facilities, including electrical distribution panels, lighting, wiring and other related apparatus attached to or within the Facility (excluding any meters owned by other Persons), (v) heating,

ventilating and air conditioning equipment, (vi) metal enclosures (sometimes referred to as the regeneration stations) containing the Electronics together with the concrete slabs to which the enclosures are attached, (vii) auxiliary generators, batteries, battery-charging equipment, telephone equipment and other related equipment used on the Closing Date by Lessee on the Right of Way, and (viii) any other property the title to which vests in Lessor pursuant to the terms of the Lease; provided, that with respect to that portion of the Facility which is subject to the Centel Agreement (as defined below) the term Facility shall mean only the Lessee's interest in the items described in clauses (i) through (viii) above. The Facility specifically excludes (i) the Electronics and (ii) the green sheath containing eight fibers and such eight fibers which are owned by Central Telephone Company (of Nevada) pursuant to the Telecommunications Agreement dated October 10, 1986, between Central Telephone Company (of Nevada) and the Lessee (the "Centel Agreement") and which lie between a point approximately 24.0 kilometers north of the North Three Central Office in Las Vegas, Nevada and a point near Stateline, Nevada with a total length of approximately 125.7 kilometers, as more fully described in the Centel Agreement.

"Fair Market Rental Value" shall mean at any time, with respect to the Facility or any part thereof, the fair market rental value thereof at such time as determined by agreement between Lessor and Lessee or, if requested by either of such parties, by the Appraisal Procedure. Fair Market Rental Value shall be equal to the rental value of the Facility or such part, as the case may be, for a specified period that would be obtained in an arm's-length transaction between an informed and willing lessor under no compulsion to lease and an informed and willing lessee-user (other than a lessee currently in possession), which determination shall be made on the assumption that the Facility or such part is free and clear of all Liens (other than Lessor Liens) and is in the condition and repair required under Section 7 of the Lease, and shall be calculated at the higher of (i) the fair market rental value thereof at its existing location on the assumption that the lessee-user has the right to use the Facility and the necessary ancillary rights in connection with the operation thereof that are comparable to the rights provided for in the Property Rights Agreement and the Support Agreement, subject, however, to the payment of the charges provided for in the Property Rights Agreement and the Support Agreement for such ancillary rights, and (ii) the fair market rental value thereof at any place other than at its existing location after deduction of all costs and expenses of dismantling, removal, delivery and reconstruction thereof.

"Fair Market Sale Value" shall mean at any time, with respect to the Facility or any part thereof, the fair market sale value thereof at such time as determined by agreement between Lessor and Lessee or, if requested by either of such parties, by the Appraisal Procedure. Fair Market Sale Value shall be equal to the sale value of the Facility or such part, as the case may be, that would be obtained in an arm's-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer-user (other than a buyer currently in possession), which determination shall be made on the assumption that the Facility or such part, as the case may be, is free and clear of all Liens (other than Lessor Liens) and is in the condition and repair required under Section 7 of the Lease, and shall be calculated at the higher of (i) the fair market sale value thereof at its existing location, on the assumption that the buyer-user has the right to use the Facility and the necessary ancillary rights in connection with the operation thereof that are comparable to the rights provided for in the Property Rights Agreement and the Support Agreement, subject, however, to the payment of the charges provided for in the Property Rights Agreement and the Support Agreement for such ancillary rights, and (ii) the fair market sale value thereof at any place other than at its existing location, after deduction of all costs and expenses of dismantling, removal, delivery and reconstruction thereof; provided, however, that notwithstanding the foregoing provisions of this definition, the determination of Fair Market Sale Value for the purpose of Section 9(a) or 18(d) of the Lease shall be based on the actual condition of the Facility or part thereof at the time of such determination and shall take into account any legal impediments to the prompt transfer of title to the Facility or such part.

"Governmental Authority" shall mean any federal, state, county, municipal, local, territorial, or other governmental department, court, commission, board, bureau, agency, taxing authority or instrumentality, domestic or foreign.

"Guarantor" shall mean The Williams Companies, a Nevada corporation, and its successors and, to the extent permitted by the Guaranty Agreement, its assigns.

"Guaranty Agreement" shall mean the Guaranty Agreement dated as of April 15, 1987 by the Guarantor for the benefit of the Owner Trustee, the Owner Participant, the Loan Participants and the Indenture Trustee, substantially in the form of Exhibit D to the Participation Agreement, as the same may be amended, modified or supplemented from time to time in accordance with the provisions thereof and of the Indenture and the Participation Agreement.

"Highest Lawful Rate" shall mean, in the case of any holder of a Loan Certificate, the maximum legal rate of interest which such holder is permitted to contract for, charge or receive under applicable law and as to which the Owner Trustee could not successfully assert a claim or defense of usury.

"Indemnified Person" shall mean each of the Participants, the Indenture Trustee, in its individual capacity and as Indenture Trustee under the Trust Indenture, the Owner Trustee in its individual capacity and as Owner Trustee under the Trust Agreement, the Trust Estate, the Indenture Estate, and the respective successors, assigns, officers, directors, servants or agents of any thereof and any Affiliate of any of the foregoing.

"Indenture" shall mean the Indenture, Deed of Trust, Assignment of Rents, Security Agreement and Fixtures Filing as of April 15, 1987 between the Owner Trustee and the Indenture Trustee, substantially in the form of Exhibit C to the Participation Agreement, as the same may be amended, modified or supplemented from time to time in accordance with the provisions thereof and of the Indenture and the Participation Agreement.

"Indenture Default" shall mean any event or condition defined as an "Event of Default" under Section 4.01 of the Indenture.

"Indenture Estate" shall mean all estate, right, title and interest of the Indenture Trustee in and to the Facility and the Right of Way and in, to and under the Lease, the Guaranty Agreement, the Property Rights Agreement, the Support Agreement and the Bill of Sale, including without limitation, all properties referred to in the Granting Clause of the Indenture including all amounts of Basic Rent, Supplemental Rent, insurance proceeds (other than Excess Insurance) and requisition and other payments of any kind for or with respect to the Facility, but excluding Excepted Payments.

"Indenture Trustee" shall mean The Connecticut Bank and Trust Company, National Association, a national banking association, in its capacity as Indenture Trustee under the Indenture, and its successors as Indenture Trustee thereunder.

"Indenture Trustee Office" shall mean the office of The Connecticut Bank and Trust Company, National Association at One Constitution Plaza, Hartford, Connecticut 06115, Attention: Corporate Trust Department.

"Intended Use" shall mean the use of the Facility in commercial operation on a continuing basis for the functions for which the Facility was specifically designed, taking into account normal wear and tear.

"Interim Rent" shall mean the aggregate rent payable pursuant to Section 3(a) of the Lease for the Interim Term.

"Interim Term" shall mean the period beginning on the Closing Date and ending on (but not including) the Commencement Date.

"IRS" shall mean the Internal Revenue Service or any successor agency or other office or official of the United States at the time administering the Code.

"L/C Amounts" shall mean the amounts set forth in Schedule II to the Participation Agreement.

"L/C Bank" shall mean Canadian Imperial Bank of Commerce or another Approved Bank issuing the Letter of Credit.

"Lease" shall mean the Lease Agreement dated as of April 15, 1987, between the Owner Trustee and the Lessee, pertaining to the leasing of the Facility by the Owner Trustee to Lessee, substantially in the form of Exhibit B to the Participation Agreement, as the same may be amended, modified or supplemented from time to time in accordance with the provisions thereof and of the Indenture and the Participation Agreement.

"Lease Default" shall mean an Event of Default under the Lease or an event or a condition that, with notice or lapse of time or both, would become such an Event of Default.

"Lease Event of Default" shall mean an Event of Default under the Lease.

"Lessee" shall mean Williams Telecommunications Company, a Delaware corporation, and its successors and, to the extent permitted by the Lease and the Participation Agreement, its assigns thereunder and sublessees.

"Lessor" shall mean the Owner Trustee as lessor under the Lease and, to the extent permitted by the Lease and the Participation Agreement, its successors and assigns.

"Lessor Liens" shall mean the Liens that Lessor in its individual capacity or Owner Participant is required to discharge pursuant to Section 6.01 of the Participation Agreement.

"Lessor's Cost" shall mean \$76,500,000 representing the purchase price of the Facility paid by the Owner Trustee to Lessee on the Closing Date, as set forth in the Acceptance Certificate.

"Letter of Credit" shall mean the Letter of Credit substantially in the form of Exhibit I to the Participation Agreement, any renewal thereof and any replacement letter of credit in substantially such form and meeting the requirements of Section 6.16 of the Participation Agreement.

"Lien" shall mean any lien, mortgage, deed of trust, encumbrance, pledge, charge, lease, easement, servitude, or other security interest of any kind.

"Loan Certificates" shall mean the Series A-1 Loan Certificates and the Series B-1 Loan Certificates issued to the initial Loan Participants on the Closing Date to evidence its loans to the Owner Trustee on the Closing Date and all Loan Certificates issued upon the transfer of or substitution for such Loan Certificates in accordance with Section 2.10 or 2.11 of the Indenture, each Series A-1 Loan Certificate to be substantially in the form set forth in Appendix B-1 to the Indenture and to bear interest at the rates and to be payable as to principal and interest as set forth in such form and in the Indenture, and each Series B-Loan Certificate to be substantially in the form set forth in Exhibit B-2 to the Indenture and to bear interest at the rates and to be payable as to principal and interest as set forth in such form and in the Indenture.

"Loan Participants" shall mean the financial institutions listed in Schedule I to the Participation Agreement and their respective successors and assigns.

"Majority in Interest of Certificate Holders" as of a particular date of determination shall mean the holders of not less than 66-2/3% in aggregate unpaid principal amount of all unpaid indebtedness evidenced by the Loan Certificates at the time outstanding, excluding any Loan Certificate then held by the Owner Participant or the Owner Trustee (unless the Owner Participant or the Owner Trustee shall hold all Loan Certificates) or the Lessee or Guarantor (or an Affiliate of any thereof).

"Majority in Interest of Participants" as of a particular date of determination shall mean (i) a Majority in Interest of Certificate Holders, and (ii) the Owner Participant; provided, however, that during any period during which an Indenture Default shall have occurred and be continuing, "Majority in Interest of Participants" shall have the same meaning as "Majority in Interest of Certificate Holders."

"Net Economic Return" shall mean the Owner Participant's after-tax yield (as computed using the Multiple Investment Sinking Fund Method), internal rate of return (as determined by the Owner Participant), earnings (determined in accordance with FASB 13) and aggregate after-tax cash flows computed by the Owner Participant on the date the Participation Agreement is executed on the basis of the assumptions set forth in Exhibit J to the Participation Agreement and in Section 1 of the Tax Indemnification Agreement.

"1954 Code" shall have the meaning set forth above in the definition of "Code".

"Non-Removable Improvement" shall have the meaning set forth in Section 9(b) of the Lease.

"Note" shall mean a promissory note of the Guarantor to be delivered pursuant to Section 6.16 of the Participation Agreement, substantially in the form of Exhibit M to the Participation Agreement.

"Officer's Certificate" shall mean, with respect to any corporation or national banking association, a certificate signed by the President, any Vice President, the Secretary or any Assistant Secretary, and the Treasurer, any Assistant Treasurer, the Cashier, or any Assistant Cashier of such corporation or national banking association or by any other officer authorized to execute and deliver contracts on behalf of such corporation and any financial officer of such corporation and, with respect to any other entity, a certificate signed by any two individuals generally authorized to execute and deliver contracts on behalf of such entity.

"Other Services" shall mean Support Services other than Contract Services or Special Services.

"Overall Transaction" shall mean all the transactions and activities referred to in or contemplated by the Basic Agreements.

"Owner Participant" shall mean Ford Motor Credit Company, a Delaware corporation, and also shall include any Person to which such corporation (or any successor) shall transfer its right, title and interest in and to the Trust Estate and the Basic Agreements in accordance with Section 12 of the Participation Agreement.

"Owner Trustee" shall mean, collectively, Wilmington Trust Company, a Delaware banking corporation, and William J. Wade, an individual, in their capacities as trustees under the Trust Agreement, and their respective successors

as trustees and where expressly provided, in their individual capacities.

"Participants" shall mean the Owner Participant and the Loan Participants.

"Participation Agreement" shall mean the Participation Agreement dated as of April 15, 1987 among Lessee, the Owner Participant, the institutions identified therein as the Loan Participants, the Owner Trustee (not in its individual capacity except as expressly provided therein, but solely as Owner Trustee) and the Indenture Trustee (in its individual capacity and as Indenture Trustee), as the same may from time to time be amended, modified or supplemented in accordance with the terms thereof.

"Past Due Rate" shall mean the lesser of (a) the Highest Lawful Rate and (b) a rate per annum equal to 2% plus the higher of (x) the weighted average interest rate at the time payable on the Loan Certificates then outstanding or (y) the Base Rate.

"Percentages" shall have the meaning set forth in Section 10.01(a) of the Participation Agreement.

"Permitted Liens" shall have the meaning set forth in Section 14(d) of the Lease.

"Person" shall mean any individual, corporation, partnership, joint venture, association, joint-stock company, trust, non-incorporated organization, or government, or any agency or political subdivision thereof.

"Primary Term" shall mean the period beginning on the Commencement Date and ending on (and including) July 14, 2007.

"Property Rights" shall mean the rights conferred or intended to be conferred upon Lessor in the Right of Way pursuant to the Property Rights Agreement and the services, undertakings and obligations to be provided to or performed for the Lessor under the Support Agreement.

"Property Rights Agreement" shall mean the Property Rights Agreement dated as of April 27, 1987 between the Lessee and the Owner Trustee, substantially in the form of Exhibit F to the Participation Agreement, as the same may be amended, modified or supplemented from time to time in accordance with the provisions thereof and of the Indenture and the Participation Agreement.

"Regulations" shall mean the Treasury Regulations, as amended from time to time, promulgated under the Code by the Treasury Department of the United States.

"Related Person" shall mean a successor, assign, officer, director, servant, agent or Affiliate of the specified Person.

"Renewal Term" shall mean each of the periods after the end of the Primary Term with respect to which the Lessee shall exercise its option to renew the Lease pursuant to Section 13 of the Lease, or such shorter period as may result from the termination of the Lease as provided in the Lease.

"Rent" shall mean, collectively, Interim Rent, Basic Rent and Supplemental Rent.

"Rent Payment Date" shall mean (i) with respect to the Interim Term, July 15, 1987, (ii) with respect to the Primary Term, each January 15 and July 15 in each year, commencing January 15, 1988 and ending on and including July 15, 2007; and (iii) with respect to any Renewal Term, each semiannual anniversary of the date immediately preceding the first day of such Renewal Term, including the last day of such Renewal Term.

"Rental Period" shall mean (i) the period commencing on the Closing Date and ending on (but not including) the Commencement Date and (ii) the period commencing on (and including) the Commencement Date and ending on (and including) January 14, 1988, and each of the subsequent six-month periods throughout the Term, such subsequent periods commencing on (and including) July 15 or January 15, as the case may be, and ending on (and including) the next succeeding July 14 or January 14, as the case may be.

"Responsible Officer" shall mean, with respect to the subject matter of any covenant, agreement or obligation of the Lessee or of the Owner Participant contained in any Basic Agreement, an Assistant Treasurer, Assistant Secretary, Treasurer, Secretary, Vice President, President, Chairman or other officer performing similar functions of the Lessee or of the Owner Participant, as the case may be, who in the normal performance of his operational responsibility would have knowledge of such matter and the requirements with respect thereto.

"Return Value" shall mean, with respect to the Facility, the excess of (i) the amount that would be obtained by dismantling, removing and selling the Facility, following such commercially feasible procedures as an owner of a similar facility would follow in order to achieve the highest Resale Value, taking into account only such components of the Facility as it is commercially feasible to dismantle, remove and resell, over (ii) the cost of dismantling, removing and delivering the Facility (or such

components of the Facility as can be commercially resold as aforesaid) for the purposes of such sale. Resale value, for purposes of determining Return Value, shall be equal to the sale value of the Facility (or such components) that would be obtained in an arm's-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer, which determination shall be made on the assumption that the Facility (or such components) is free and clear of all Liens (other than Lessor Liens). Return Value shall be determined by agreement between Lessor or Lessee or, if requested by either of such parties, by the Appraisal Procedure.

"Right of Way" shall mean the interests of the Lessee in or with respect to real property described in Annex B to the Property Rights Agreement.

"Series A-1 Loan" shall mean the secured loan made by the Loan Participants to the Owner Trustee pursuant to Section 3.01(a)(i) of the Participation Agreement.

"Series A-1 Loan Certificate" shall mean a Senior Secured Loan Certificate substantially in the form of Appendix B-1 to the Indenture.

"Series B-1 Loan" shall mean the secured loan made by the Loan Participants to the Owner Trustee pursuant to Section 3.01(a)(ii) of the Participation Agreement.

"Series B-1 Loan Certificate" shall mean a Senior Secured Loan Certificate substantially in the form of Appendix B-2 to the Indenture.

"Services Commencement Date" shall mean the first to occur of the date on which the Term of the Lease expires, the date on which the Lease is terminated pursuant to the terms of the Lease, the date on which an Event of Default described in Section 17(vi) or 17(vii) of the Lease occurs and the date on which the Lessor begins to exercise remedies under Section 18 of the Lease.

"Shirt-Tail Period" shall mean the period commencing on Services Commencement Date and ending on the date on which the Property Rights Agreement shall terminate pursuant to Section 5 thereof.

"Special Event of Termination" shall mean the delivery of notice to Lessee from the Owner Participant to the effect that Lessor or the Owner Participant (or any Affiliate of either), solely by reason of (i) the legal or beneficial ownership of the Facility or any part thereof by Lessor or the Owner Participant, or (ii) the lease of the Facility to Lessee under the Lease or (iii) any of the other

transactions contemplated by the other Basic Agreements, is deemed by any Governmental Authority having jurisdiction to be subject to regulation as a "public utility" or "carrier" under Applicable Laws, in a manner and to an extent determined in good faith by the Executive Vice President - Diversified Operations, the Vice President and General Counsel and a Vice President of the Owner Participant to be materially burdensome to the Owner Participant (it being understood that routine reporting requirements and the possible exercise by a Governmental Authority of emergency powers and the like shall not constitute a materially burdensome event), except that if Lessee, at its sole cost and expense, is contesting diligently and in good faith any action by any Governmental Authority that would otherwise constitute a Special Event of Termination under this definition, such Special Event of Termination shall be deemed not to have occurred so long as (a) such contest does not involve any danger of the foreclosure, sale, forfeiture or loss of, or the creation of any Lien on, the Facility or any part of any thereof or any interest in any thereof, (b) such contest does not adversely affect the Facility, the Right of Way or the Property Rights or any part thereof or any other property, assets or rights of Lessor or the Owner Participant (or any Affiliate of either) or the Lien of the Indenture thereon, (c) Lessee shall, if requested, have furnished Lessor, the Owner Participant, the Indenture Trustee and each holder of a Loan Certificate with an opinion of independent counsel satisfactory to each such Person to the effect that there exists a reasonable basis for contesting such determination, (d) such determination shall be effectively stayed or withdrawn during such contest (and shall not be subject to retroactive application at the conclusion of such contest) in a manner satisfactory to Lessor and the Owner Participant and (e) Guarantor shall have provided Lessor and the Owner Participant indemnity satisfactory to each such Person for any liability or loss that either such Person may incur as a result of Lessee's contest.

"Special Services" shall mean, at any time during the Shirt-Tail Period, materials, supplies or services that Lessee can provide, and that are impossible or not commercially feasible for other Persons to provide, to Lessor at such time, including (but not limited to) (i) providing (or sharing) interconnection and similar services between the Facility and other telecommunications facilities (whether or not based on fiber optics) owned by Persons other than Lessor or its Affiliates and (ii) making available to Lessor, for emergency or replacement use, any alternative innerduct or similar conduit facilities within the Right of Way.

"Stipulated Loss Value" shall mean, as of any particular Rent Payment Date, the amount determined by multiplying Lessor's Cost by the Stipulated Loss Value percentage specified in Schedule III to the Lease opposite such Rent Payment Date, subject to adjustment in accordance with Section 3(c) of the Lease and Section 8 of the Tax Indemnification Agreement; provided, however, that Stipulated Loss Value shall be, under any circumstances and in any event, in an amount which, together with any Basic Rent payable on such date, is at least sufficient to pay in full as of the day of payment thereof the aggregate unpaid principal amount of and premium, if any, on all Loan Certificates outstanding as of such day of payment, together with accrued interest thereon to such day of payment.

"Supplemental Rent" shall mean any and all amounts, liabilities and obligations, other than Interim Rent and Basic Rent, that Lessee assumes or agrees to pay hereunder or under the Participation Agreement, the Lease or the Tax Indemnification Agreement to Lessor or others, including (without limitation) (i) payments of Stipulated Loss Value and Termination Value, (ii) all amounts required to be paid by Lessee under the agreements, covenants and indemnities contained in the Participation Agreement and the Tax Indemnification Agreement, (iii) any interest payable with respect to overdue payments of Basic Rent or Supplemental Rent, and (iv) any premium payable in connection with the prepayment of the Loan Certificates.

"Support Agreement" shall mean the Support Agreement dated as of April 15, 1987 between the Owner Trustee and the Lessee, substantially in the form of Exhibit G to the Participation Agreement, as the same may be amended, modified or supplemented from time to time in accordance with the provisions thereof and of the Indenture and the Participation Agreement.

"Support Services" shall mean the services, undertakings and obligations to provide services to be provided or performed by Lessee under the Support Agreement, including Contract Services, Special Services and Other Services.

"Tax Indemnification Agreement" shall mean the Tax Indemnification Agreement dated as of April 15, 1987 between Lessee and the Owner Participant, substantially in the form of Exhibit K to the Participation Agreement, as the same may be amended, modified or supplemented from time to time in accordance with the provisions thereof and of the Indenture and the Participation Agreement.

"Taxes" shall have the meaning set forth in Section 8.01 of the Participation Agreement.

"Term" shall mean the Interim Term, the Primary Term and, if the Lease is renewed pursuant to Section 13 of the Lease, the Renewal Term.

"Termination Date" shall have the meaning set forth in Section 11(a) of the Lease.

"Termination Value" shall mean, as of any particular Rent Payment Date, the amount determined by multiplying Lessor's Cost by the Termination Value percentage specified in Schedule II to the Lease opposite such Rent Payment Date, subject to adjustment in accordance with Section 3(c) of the Lease and Section 8 of the Tax Indemnification Agreement; provided, however, that Termination Value shall be, under any circumstances and in any event, in an amount which, together with any Basic Rent payable on such date, is at least sufficient to pay in full as of the day of payment thereof the aggregate unpaid principal amount of, and premium, if any, on, all Loan Certificates outstanding as of such day of payment, together with accrued interest thereon to such day of payment.

"Transaction Expenses" shall mean the fees, expenses, disbursements and costs incurred in connection with the preparation, execution and delivery of the Basic Agreements, the purchasing and leasing of the Facility by Lessor and including, without limitation:

(a) the reasonable fees, expenses and disbursements of the counsel referred to in Section 4.02 of the Participation Agreement, and any other counsel or special counsel for any of the parties thereto for services rendered in connection with any such transactions by any of such counsel;

(b) the fees, expenses and disbursements of the Owner Trustee and the Indenture Trustee incurred on or prior to the Closing Date in connection with such transactions;

(c) the fees of the appraisers referred to in Section 4.02(y) of the Participation Agreement; and

(d) all other expenses in connection with such transactions including any placement fees, commitment fees of Participants, printing, word processing and other document reproduction and distribution expenses and all fees, taxes and other charges payable in connection with the sale of the Facility and recording or filing of instruments and financing statements described in the Participation Agreement or required pursuant to the provisions of the Indenture; and

(e) the fee of Salomon Brothers Inc for services rendered in connection with the Overall Transaction.

"Trust Agreement" shall mean the Trust Agreement dated as of April 15, 1987 between the Owner Participant and the Owner Trustee, substantially in the form of Exhibit H to the Participation Agreement, as the same may be amended, modified or supplemented from time to time in accordance with the provisions thereof and of the Indenture and the Participation Agreement.

"Trust Estate" shall have the meaning set forth in Section 2.02 of the Trust Agreement.

"Wilmington Trust Company" shall mean Wilmington Trust Company, a Delaware banking corporation.

"William J. Wade" shall mean William J. Wade, an individual.