

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Release") is dated, made, and entered into by and between the City of Durham (the "City") and Frontier Communications of the Carolinas LLC ("Frontier"), effective as of the date last written below. Frontier and the City are collectively the "Parties," and each individually is a "Party."

RECITALS

WHEREAS, Frontier and the City have made certain claims against each other regarding provision and billing of 911 Emergency Telephone Service by Frontier to the City; and

WHEREAS, the Parties agree that it is in their mutual interests to settle all claims against each other, without any admission of law or fact;

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties covenant and agree as follows:

TERMS AND RELEASES

1. SETTLEMENT PROVISIONS

A. **Payment.** In full and complete settlement of claims, demands, rates, bills and charges of Frontier for its 911 Emergency Telephone Services provided to the City through November 19, 2014, including 911 Emergency Telephone Services as shown on Frontier's bills dated through the three November 19, 2014 bills to the City, the City shall pay Frontier the sum of six hundred thirty thousand dollars (\$630,000) (the "Payment") on or before December 31, 2014.

B. **Future E-911 Service.** (i) Beginning with Frontier's December 19, 2014 bill to the City and ending twenty-four (24) months thereafter, Frontier shall provide all of its 911 Emergency Telephone Service to the City (which are specified in Section 2 of the 23-page document titled "General Customer Services Tariff No. 3," a copy of which is attached hereto as Exhibit A) at a flat monthly rate of thirteen thousand dollars (\$13,000). The types of services to which that flat monthly rate shall apply shall not exceed the types of services that Frontier currently provides to the City. For purposes of this section B, Frontier's 911 Emergency Telephone Service includes but is not limited to Subscriber Line Records; 911 Database Management and Processing; and 911 Selective Routing. Except for the price to be paid for such services, the tariff terms and conditions governing Frontier's provision of 911 Emergency Telephone Service to the City shall continue to apply. (ii) If any approvals of the North Carolina Utilities Commission are required in order to make any clauses, provisions, sections, or other parts of this instrument valid and enforceable, it shall be the responsibility of Frontier to obtain them, and Frontier

shall indemnify and hold the City harmless for any liability to Frontier or any other person for failure to obtain any required approvals.

C. Release. In consideration of the Payment and other covenants contained herein, the receipt and sufficiency of which are hereby expressly acknowledged, Frontier, for itself and each of its parents, predecessors, successors, assigns, assignees, affiliates, divisions, departments, subdivisions, owners, partners, principals, trustees, creditors, shareholders, joint ventures, co-venturers, principals, officers, directors, attorneys, vendors, accountants, nominees, agents (alleged, apparent or actual), representatives, employees, managers, administrators, insurers, representatives, and/or each person or entity acting or purporting to act for them or on their behalf, as well as any past, present or future person or any entity and all those who claim through them or could claim through them, whether acting in such capacity or individually (collectively "Releasors") UNCONDITIONALLY AND IRREVOCABLY REMISE, WAIVE, SATISFY, RELEASE, ACQUIT AND FOREVER DISCHARGE the City and each of its parents, predecessors, successors, assigns, assignees, affiliates, divisions, departments, subdivisions, owners, partners, principals, trustees, creditors, shareholders, joint ventures, co-venturers, principals, officers, directors, attorneys, vendors, accountants, nominees, agents (alleged, apparent or actual), representatives, employees, managers, administrators, insurers, representatives, and/or each person or entity acting or purporting to act for them or on their behalf, as well as any past, present or future person or any entity whatsoever (collectively the "Releasees"), and each of them respectively, whether acting in such capacity or individually, from and against any and all past and present claims, counterclaims, actions, suits, rights, causes of action, lawsuits, set-offs, costs, losses, controversies, agreements, promises and demands, or liabilities, of whatever kind or character, direct or indirect, whether known or unknown or capable of being known, arising at law or in equity, by right of action or otherwise, including, but not limited to, suits, debts, accounts, bills, damages, judgments, executions, warranties, attorneys' fees, costs of litigation, expenses, claims and demands whatsoever that the Releasors, or their attorneys, agents, representatives, predecessors, successors and assigns, have or may have against the Releasees, for, upon, or by reason of any matter, cause, or thing, whatsoever, in law or equity, including, without limitation, the claims made or which could have been made by the Releasors relating to 911 Emergency Telephone Service rates and charges, up to and including Frontier's November 19, 2014 bills to the City. This Release does not apply to non-911 Emergency Telephone Service rates, charges or claims of any kind, including but not limited to such relating to regular telephone service rates and charges.

D. Denial. Neither Party admits any liability to the other Party, which liability is hereby denied, and makes the settlement hereunder to avoid further dispute and to buy its peace.

2. ADDITIONAL TERMS

A. **Adequate Consideration.** The consideration received in connection with this Release is fair, adequate and substantial and consists only of that provided for in the terms set forth in this Release.

B. **Further Assurances.** Each Party agrees to take all reasonable steps necessary to effectuate the terms of this Release.

C. **No Admission of Liability.** Each of the Parties understands and agrees that this Release and the settlement provided for herein are intended to compromise disputed claims and defenses, to avoid litigation and to buy peace, and that this Release and the settlement provided for herein shall not be construed or viewed as an admission by any Party of liability or wrongdoing, such liability being expressly denied.

D. **Choice of Law.** This Release shall be construed in accordance with and all disputes hereunder shall be controlled by the laws of the State of North Carolina without regard to its choice of law rules.

E. **No Interpretation of Captions or Headings.** The captions and headings within this Release are for ease of reference only and are not intended to create any substantive meaning or to modify the terms and clauses either following them or contained in any other provision of this Release.

F. **Severability.** If any provision of this Release or the application thereof is held invalid by a court, arbitrator or government agency of competent jurisdiction, the Parties agree that such a determination or invalidity shall not affect other provisions or applications of this Release which can be given effect without the invalid provisions and thus shall remain in full force and effect or application. By way of example and not limitation, if subsection (i) of section 1.B (Future E-911 Service) is held to be invalid, the remainder of this Release intended to be in full force and effect and application.

G. **Natural Interpretation and Counterparts.** The Parties shall be deemed to have cooperated in the drafting and preparation of this Release. Hence, any construction to be made of this Release shall not be construed against any Party. This Release may be executed in counterparts and each executed counterpart shall be effective as the original. All faxed, emailed, or electronic signatures affirming this Release constitute an original signature.

H. **Entire Agreement.** This Release constitutes a single, integrated, written contract expressing the entire understanding and agreement between the Parties, and the terms of this Release are contractual and not merely recitals. There is no other agreement, written or oral, expressed or implied between the Parties with respect to the subject matter of this Release and the Parties declare and represent that no promise, inducement or other agreement not expressly contained in this Release has been made conferring any benefit upon them or upon which they have relied in any way.

I. **Amendments to this Release.** All amendments or changes of any kind to this Release must be in writing, executed by both Parties.

J. **Advice of Counsel.** Each Party to this Release acknowledges that it has had the benefit of advice of competent legal counsel with respect to its decision to enter into this Release. The individuals whose signatures are affixed to this Release in a personal or representative capacity represent that they are competent to enter into this Release and are doing so freely and without coercion by any other Party or non-party hereto.

K. **Successors.** This Release shall insure to the benefit of the respective successors, and assigns of the Parties, and each and every one of the Releasees shall be deemed to be intended third-party beneficiaries of this Release.

L. **Authorized Signatories.** The respective signatories of the Parties hereby represent and affirm that they have the authority of their respective principals and that no further votes, approvals or other actions are necessary to enter into this Release.

M. **Attorneys' Fees.** Each of the Parties shall bear its own attorney's fees, costs, and expenses in connection with the matters set forth in this Release, including, but not limited to, the negotiation and preparation of this Release.

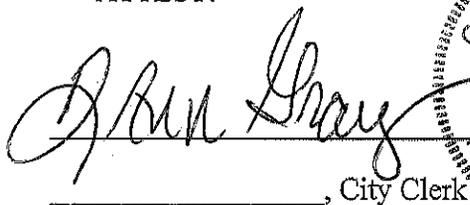
N. **No Waiver.** The waiver of any breach of any term of this Release by any Party shall not be deemed a waiver of any subsequent or prior breach.

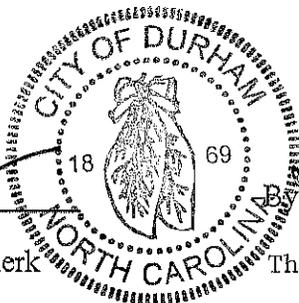
O. **Notice of City Policy.** THE CITY OPPOSES DISCRIMINATION ON THE BASIS OF RACE AND SEX AND URGES ALL OF ITS CONTRACTORS TO PROVIDE A FAIR OPPORTUNITY FOR MINORITIES AND WOMEN TO PARTICIPATE IN THEIR WORK FORCE AND AS SUBCONTRACTORS AND VENDORS UNDER CITY CONTRACTS.

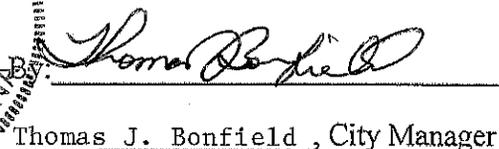
IN WITNESS WHEREOF, the Parties hereto evidence their agreement as a sealed instrument and have executed this Release as of the day and year last below written ("the Effective Date").

CITY OF DURHAM

ATTEST:


_____, City Clerk




_____, Thomas J. Bonfield, City Manager

SETTLEMENT AGREEMENT AND RELEASE between the City of Durham and Frontier Communications of the Carolinas LLC

Date Executed by City:

Dec. 23, 2014

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Susan M Sandhoff 12/22/14
(signature of finance officer)

FRONTIER COMMUNICATIONS OF THE CAROLINAS LLC

Authorized Representative:

Rhonda M. Juff

Title:

Region President

Date Executed by Frontier:

12/22/14