

APPENDIX A
Settlement Agreement

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

PACIFIC BELL TELEPHONE COMPANY d/b/a)	
AT&T CALIFORNIA (U-1001-C),)	
)	
Complainant,)	
)	
v.)	Case 12-02-007
)	
HALO WIRELESS, INC. (U-3088-C),)	
)	
Defendant.)	

SETTLEMENT AGREEMENT

Pacific Bell Telephone Company d/b/a AT&T California ("AT&T California" or "AT&T") and the Chapter 7 bankruptcy trustee ("Trustee") for Halo Wireless, Inc. ("Halo") have agreed to resolve this complaint case by adopting this Settlement Agreement in light of the facts set forth in the Joint Motion to Approve Settlement Agreement. AT&T and Halo hereby jointly stipulate to the following findings of fact and conclusions of law as the basis for entering the Settlement Agreement:

- (a) Halo has materially breached the ICA by: (1) sending landline-originated traffic to AT&T California, (2) inserting incorrect charge number ("CN") information on calls; and (3) failing to pay for facilities it has ordered pursuant to the ICA;
- (b) As a result of these breaches, AT&T California is excused from further performance under the ICA;
- (c) Without this Commission quantifying any specific amount due, Halo is liable to AT&T California for access charges on the non-local landline-originated traffic Halo has sent to AT&T California for termination to AT&T California's end user customers;¹ and

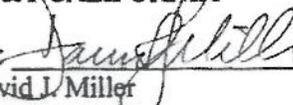
¹ For the avoidance of doubt, we note that Halo's liability for access charges on non-local traffic that Halo sent to AT&T California for delivery to third party carriers for termination to their end user customers runs to those third party carriers, rather than to AT&T California.

- (d) Without this Commission quantifying any specific amount due, Halo is liable to AT&T California for interconnection facilities charges that it has refused to pay to AT&T California.

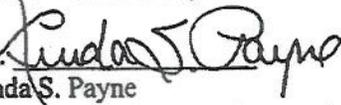
Subject to the Commission's approval, AT&T California and Halo agree that this Settlement Agreement shall be effective as of the date hereof.

DATED this the 25th day of September, 2012.

AT&T CALIFORNIA

By: 
David J. Miller
AT&T California
525 Market Street, Suite 2018
San Francisco, CA 94105
(415) 778-1393
davidjmiller@att.com

HALO WIRELESS, INC.

By: 
Linda S. Payne
Chapter 7 Bankruptcy Trustee for Halo
12770 Coit Road, Suite 541
Dallas, TX 75251
972 628 3695
linda@paynetrustee.com

(END OF APPENDIX A)