

Securities and Exchange Commission
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) March 14, 1996

General Communication, Inc.
(Exact name of registrant as specified in its charter)

| | | |
|---|--|--|
| Alaska ----- (State or other jurisdiction of incorporation) | 0-15279 ----- (Commission File Number) | 92-0072737 ----- (I.R.S. Employer Identification No.) |
| 2550 Denali Street, Suite 1000, Anchorage Alaska ----- (Address of principal executive offices) | | 99503-2781 ----- (Zip Code) |

(907) 265-5600

(Registrant's telephone number, including area code.)

N/A
(Former name or former address, if changed since last report)

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Item 5. Other Events

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(a) General. On March 14, 1996 General Communication, Inc. ("Company") entered into four non-binding letters of intent to acquire several Alaskan cable companies that offer cable television service to more than 101,000 subscribers serving approximately 74 percent of households throughout the state. The Company proposes to raise a portion of the capital for these acquisitions through a sale of additional stock to MCI Telecommunications Corporation ("MCI"). The Company has entered into a non-binding letter of intent with MCI on that proposed sale. The Company has in addition amended two carrier agreements with MCI. All of these events are further described below.

(b) Company's Acquisition of Prime Cable of Alaska. On March 14, 1996, the Company entered into a non-binding (with two limited exceptions as described below) letter of intent ("Prime Letter") with Prime Venture I Holdings, L.P., Prime Cable Growth Partners, L.P., and Alaska Cable, Inc. outlining the principal terms and conditions of several proposed transactions ("Prime Proposed Transactions"). The Prime Proposed Transactions center on the Company's offer to acquire all of the partnership interests and participation interests ("Prime Securities") in Prime Cable of Alaska, L.P. ("Prime") from the present holders of those securities who are entities affiliated with a Prime management group ("Prime Sellers").

As a result of the Prime Proposed Transactions, the Company would become the owner, directly or indirectly through wholly-owned subsidiaries, of 100 percent of the limited partner and general partner interests of Prime. Prime owns and operates cable television businesses located in Anchorage, Eagle River, Chugiak, Kenai, Soldotna, Bethel, Fort Richardson, and Elmendorf Air Force Base, Alaska (these businesses collectively, "Prime Alaska System").

The Prime Letter states that the exact structure and specified terms and conditions of the Prime Proposed Transactions are to be set forth in definitive agreements including a Prime Securities purchase agreement ("Prime Purchase Agreement"). On the final closing date (not later than December 31, 1996) under the Prime Purchase Agreement, the Company is to deliver to Prime Sellers 11.8 million shares of Class A common stock ("Prime Company Shares") in payment and exchange for the Prime Securities owned by Prime Sellers.

The Prime Letter states that the Prime Sellers are to have the right to require registration of the Prime Company Shares under the federal Securities Act of 1933, as amended ("Securities Act"), for the initial distribution to them and, if required, subsequent resales by them in the open market. The letter

states that the Prime Sellers must agree not to sell any of the Prime Company Shares for a period of 90 days following the final closing date on the Prime Purchase Agreement and not to sell more than 20 percent of the Prime Company Shares during the 59 day period immediately following that 90 day

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period. Under the Prime Letter following those two periods, the Prime Sellers may sell any and all remaining Prime Company Shares.

The Prime Letter states that Prime II Management, L.P. ("PIIM") is to enter into a management agreement ("Prime Management Agreement") with the Company whereby PIIM would for a fee provide management services to Prime with respect to the Prime Alaska System. The agreement is to have a nine year term. PIIM is the present manager of Prime.

The Prime Letter states that one of the conditions precedent to the final closing on the Prime Purchase Agreement is to be the obtaining of consents of various persons including state and federal regulators, shareholders of the corporations involved in the Prime Proposed Transactions including the Company, as applicable, Prime's owners, lenders, and partners, and the Company's lenders.

The Prime Letter states that the letter has not been authorized by requisite corporate or partnership action by the Company and the Prime Sellers, that it is an expression of the intentions of the parties only, and that it is not a binding or enforceable obligation of the parties, except as to the payment by the parties of certain of their expenses with respect to the letter and the treatment by the parties of the terms of the letter as confidential.

Under the Prime Proposed Transactions, the Company is to take such actions as are necessary to cause its board of directors to expand to include two additional members. Furthermore, the Company is to cooperate with the parties to the Prime Proposed Transactions to amend the Voting Agreement among MCI, WestMarc Communications, Inc., Ronald A. Duncan (president and chief executive officer of the Company) and Robert M. Walp (vice-chairman of the board of the Company) in order that the Prime Sellers may become parties to the Voting Agreement and appoint two members to the Company's board of directors as of the final closing on the Prime Purchase Agreement. Such right to designate one of those members to be elected to that board is to continue until Prime Sellers cease to own in the aggregate at least 10 percent of the outstanding Class A common stock of the Company. The other one of such two members is to continue until the Prime Management Agreement terminates. At present, not counting the Prime Company Shares to be acquired by the Prime Sellers, in excess of a majority of the voting power of the outstanding shares of the Company are subject to the provisions of the Voting Agreement.

(c) MCI's Purchase of Company Shares. On March 14, 1996, the Company entered into a non-binding letter of intent ("MCI Letter") with MCI outlining the principal terms and conditions for a proposed purchase by MCI of 2 million shares of Class A common stock of the Company ("MCI Company Shares") for \$13 million ("MCI Proposed Stock Purchase").

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The MCI Letter states that the specific terms and conditions of the MCI Proposed Stock Purchase are to be set forth in a definitive Stock Purchase Agreement ("MCI Purchase Agreement"). The letter states that the MCI obligation to purchase the MCI Company Shares is contingent upon the consummation of the Prime Proposed Transactions. See Item 5(b) above. The MCI Letter also states that the MCI Purchase Agreement is to be subject to the approval of the boards of directors of MCI and the Company, the obtaining of all required federal, state, and local regulatory consents and approvals, as well as any consents and approvals required by the shareholders of the Company or any material agreement of the Company.

The MCI Letter states that MCI is to have the right to require registration under the Securities Act of a portion or all of the MCI Company Shares. The letter also states that the closing on the MCI Proposed Stock Purchase is to coincide with that for the Prime Proposed Transactions.

As of the date of this report, the price per share identified by the parties to the MCI Letter for the purchase of the MCI Company Shares, i.e., \$6.50 per share, was at a premium with respect to the price quoted on the Nasdaq Stock Market for the Company's Class A common stock.

As of the date of this report, MCI was an owner of approximately 30 percent of the outstanding Class A and approximately 30 percent of the outstanding Class B common stock of the Company. With the purchase of the MCI Company Shares and taking into consideration the issuance of the Prime Securities, the issuance of the Alaskan Cable Company Shares, and the shares issuable under the Alaska Cablevision Notes (see Items 5(b), 5(d), and 5(f) in this report), MCI's Class A common stock holdings in the Company as of that date would decrease to approximately 23 percent of the outstanding Class A common stock, and its holdings of Class B common stock as a percentage of the outstanding Class B common stock would be unchanged.

The MCI Company Shares when issued to MCI would become subject to the

Voting Agreement described elsewhere in this report. See Item 5(b) above.

(d) Company's Purchase of Alaska Cablevision Assets. On March 14, 1996, the Company entered into a non-binding (with two limited exceptions as described below) letter of intent ("Alaska Cablevision Letter") with Alaska Cablevision, Inc. ("Alaska Cablevision") outlining the principal terms and conditions pursuant to which the Company would offer to purchase all of the assets (excluding cash assets) of Alaska Cablevision ("Alaska Cablevision Assets").

Alaska Cablevision owns and operates cable television businesses and cable television systems located in Petersburg, Wrangel, Cordova, Valdez, Kodiak, Nome, and Kotzebue, Alaska. The Alaska Cablevision Letter states that Alaska Cablevision has two

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affiliated companies, McCaw/Rock Homer Cable System and McCaw/Rock Seward Cable System, and they are discussed elsewhere in this report. See, Item 5(e) below.

The Alaska Cablevision Letter states that, subject to the conditions set forth in the letter, the Company is to deliver to Alaska Cablevision on the final closing date (not later than December 31, 1996) as payment for the Alaska Cablevision Assets \$26,650,000 plus an amount equal to Alaska Cablevision's current assets as of the final closing date payable as follows: (1) \$16,650,000 plus an amount equal to Alaska Cablevision's current assets as of the final closing date, in cash; and (2) \$10,000,000 in subordinated notes of the Company ("Alaska Cablevision Notes") convertible into shares ("Cablevision Company Shares") of the Company's Class A common stock.

The Alaska Cablevision Letter states the exact structure and specified terms and conditions of the proposed transaction are to be set forth in definitive agreements including execution of an asset purchase agreement ("Cablevision Asset Purchase Agreement"). The letter states that one of the conditions precedent to the final closing on the Cablevision Asset Purchase Agreement is to be the obtaining of consents of various persons including state and federal regulators, shareholders of the Company and of Alaska Cablevision, and the Company's and Alaska Cablevision's lenders.

The Alaska Cablevision Letter states that the Alaska Cablevision Notes are to bear simple, noncompounding interest at the lowest rate allowable by the Internal Revenue Service under imputed interest rules in effect as of the closing on the Cablevision Asset Purchase Agreement. Any indebtedness on the Alaska Cablevision Notes not previously converted into Cablevision Company Shares are to be due and payable in full in a single, lump sum payment on the tenth anniversary of their initial date of issuance. The Alaska Cablevision Notes are to be subordinated to the Company's presently existing and later incurred senior indebtedness. The Alaska Cablevision Notes are to be convertible on an annual basis into Cablevision Company Shares during a 15 day period each year for 10 years.

The Alaska Cablevision Letter states that following the expiration of a 180 day period commencing with the final closing date of the Cablevision Asset Purchase Agreement the holders of the Cablevision Company Shares are to be entitled to one demand registration per year for 10 years. These holders are to also have other piggyback registration rights with respect to the Cablevision Company Shares.

The Alaska Cablevision Letter states that the letter has not been authorized by requisite corporate action on the part of the parties, that the letter is an expression of the parties' intentions only, and that it does not create a contractual obligation for the purchase and sale of the Alaska Cablevision Assets or a contractual obligation to reach agreement on the Cablevision Asset Purchase Agreement, except as to the payment by

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the parties of certain of their expenses with respect to the letter and the treatment by the parties of the terms of the letter as confidential.

(e) Company's Purchase of McCaw/Rock Assets. On March 14, 1996, the Company entered into a non-binding (with two limited exceptions as described below) letter of intent ("McCaw/Rock Letter") with McCaw/Rock Homer Cable System, a joint venture, and McCaw/Rock Seward Cable System, a joint venture ("McCaw/Rock Homer Cable System," "McCaw/Rock Seward Cable System," respectively, and collectively, "Joint Ventures") outlining the principal terms and conditions pursuant to which the Company would offer to purchase all of the assets (excluding cash assets) of the Joint Ventures ("Alaska Joint Venture Assets"). McCaw/Rock Homer Cable System owns and operates the cable television business and cable television systems located in Homer, Alaska. McCaw/Rock Seward Cable System owns and operates the cable television system located in Seward, Alaska.

The McCaw/Rock Letter states that, subject to the conditions set forth in the letter, the Company is to deliver to the Joint Ventures on the final closing date (not later than December 31, 1996) as payment for the Alaska Joint Venture Assets \$4,350,000 plus an amount equal to the Joint Ventures current assets as of the final closing date payable in cash.

The McCaw/Rock Letter states the exact structure and specified terms and conditions of the proposed transaction are to be set forth in definitive agreements including execution of an asset purchase agreement ("McCaw/Rock Asset Purchase Agreement"). The letter states that one of the conditions precedent to the final closing on the McCaw/Rock Asset Purchase Agreement is to be the obtaining of consents of various persons including state and federal regulators, shareholders of the Company and of the owners of the Joint Ventures, and the lenders of the Company and the Joint Ventures.

The McCaw/Rock Letter states that the letter has not been authorized by requisite corporate or joint venture action on the part of the parties, that the letter is an expression of the parties' intentions only, and that it does not create a contractual obligation for the purchase and sale of the Alaska Joint Venture Assets or a contractual obligation to reach agreement on the McCaw/Rock Asset Purchase Agreement, except as to the payment by the parties of certain of their expenses with respect to the letter and the treatment by the parties of the terms of the letter as confidential.

(f) Company's Purchase of Alaskan Cable Network Assets. On March 14, 1996, the Company entered into a non-binding (with two limited exceptions as described below) letter of intent ("Alaskan Cable Letter") with Alaskan Cable Network, Inc. ("Alaskan Cable") outlining the principal terms and conditions pursuant to which the Company would offer to purchase all of the assets of Alaskan Cable ("Alaskan Cable

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Assets"). Alaskan Cable owns and operates cable television businesses and cable television systems located in Fairbanks, Juneau, Sitka and Ketchikan, Alaska (collectively, "Alaskan Cable System").

The Alaskan Cable Letter states that, subject to the conditions as set forth in the Letter, the Company is to deliver to Alaskan Cable on the final closing date (not later than December 31, 1996) as payment for the Alaskan Cable Assets, \$70 million, payable as follows: (1) \$51 million in cash; and (2) 2,923,077 shares ("Alaskan Cable Company Shares") of the Company's Class A common stock.

The Alaskan Cable Letter states the exact structure and specified terms and conditions of the transaction are to be set forth in definitive agreements including, not later than April 15, 1996, execution of an asset purchase agreement ("Alaskan Cable Asset Purchase Agreement"). The letter states that one of the conditions precedent to the final closing on the Alaskan Cable Asset Purchase Agreement, is to be the obtaining of consents of various persons including state and federal regulators, shareholders of the Company and of Alaskan Cable, and the Company's and Alaskan Cable's lenders.

The Alaskan Cable Letter states that the present Alaskan Cable shareholder is to have the right to require registration of the Alaskan Cable Company Shares under the Securities Act for the initial distribution to and subsequent resales by that person. The letter states further that the owner of the Alaskan Cable Shares is to covenant not to sell any of those shares during the first 90 day period following the final closing date and not to sell more than 20 percent of those shares during the 59 day period following that 90 day period. Any and all remaining Alaskan Cable Shares may be sold following the 59 day period. The Alaskan Cable Letter states that the present Alaskan Cable shareholder is to enjoy other piggyback registration rights with respect to the Alaskan Cable Company Shares.

The Alaskan Cable Letter states that the intent as set forth in the letter has not been authorized by requisite corporate action on the part of the Company and Alaskan Cable, that the letter is an expression of the parties' intentions only, and that it does not create binding or enforceable obligations of the parties, except for provisions for the parties to pay their own expenses in conjunction with the letter and provisions of the letter pertaining to its confidential treatment.

(g) Amendment of MCI and Company Carrier Agreements. On March 21, 1996, the Company and MCI made the first amendment ("Access Amendment") to the GCI Contract for Alaska Access Services, which the parties had initially entered into effective January 1, 1993 ("Alaska Access Agreement"). That amendment is to take effect on April 1, 1996. On March 21, 1996 the Company and MCI also made the sixth amendment ("Carrier Amendment") to MCI Carrier Agreement, which the parties had

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initially entered into effective January 1, 1993 ("MCI Carrier Agreement"). That amendment took effect retroactively on March 1, 1996.

The Alaska Access Agreement addresses transmission services provided by the Company to MCI for its traffic and the charges for such services. The MCI Carrier Agreement addresses transmission services provided by MCI to the Company for its traffic and the charges for such services.

The Carrier Amendment extends the term of the MCI Carrier Agreement by

three years. All other terms and conditions of that agreement remain unchanged by the Carrier Amendment.

The Access Amendment extends the term of the Alaska Access Agreement by three years. The Access Amendment also reduces the rate in dollars to be charged by the Company for certain MCI traffic for the time period April 1, 1996 through July 1, 1999 and thereafter. The rate reduction, if applied to the number of minutes to be carried by the Company in 1996 and 1997, based upon minutes carried by the Company during 1995, would reduce the Company's 1996 and 1997 revenue by approximately \$322,000 and \$399,000, respectively. All other terms and conditions of that agreement remain unchanged by the Access Amendment.

The Company considered the amendments of both agreements together as in its best interests. With these amendments, the Company is assured that MCI, the Company's largest customer, will continue to make use of the Company's services during the extended term.

The MCI Carrier Agreement had been amended four times previous to the Carrier Amendment on April 20, 1994, July 26, 1994, October 1, 1994, and September 25, 1995 ("Prior Carrier Amendments"). The Prior Carrier Amendments provide for new, expanded, or revised services by MCI to the Company and adjustment of charges for those services. The basic structure and purpose of the MCI Carrier Agreement remains unchanged by these amendments.

Item 7. Financial Statements and Exhibits.

None thought to be appropriate, and none to be filed with this form, other than the following exhibits which have not previously been filed with the Commission:

(i) Company's press release on the letters of intent, dated March 15, 1996 (Exhibit A);

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(ii) Amendment to Contract for Alaska Access, effective April 1, 1996 (Exhibit B); and

(iii) Amendments to MCI Carrier Agreement--

(a) Sixth Amendment, effective April 1, 1996 (Exhibit C1), there was no fifth amendment as of the date of this report;

(b) Fourth Amendment, dated September 24, 1995 (Exhibit C2);

(c) Third Amendment, dated October 1, 1994 (Exhibit C3);

(d) Amendment No. 1 (Second Amendment), dated July 26, 1994 (Exhibit C4); and

(e) MCI Carrier Addendum MCI 800 DAL Service (First Amendment), dated April 20, 1994 (Exhibit C5).

The amendments to the Alaska Access and MCI Carrier Agreements have been included as exhibits to this Form 8-K. However, portions of them have been redacted in that they are considered confidential by the Company. The unredacted amendments have been separately filed with the Securities and Exchange Commission pursuant to Rule 101 (c) (1) (i) of Regulation S-T.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GENERAL COMMUNICATION, INC.
(Registrant)

By: /s/ G. Wilson Hughes

G. Wilson Hughes

Its: Executive Vice President and
General Manager

DATED: March 28, 1996

By: /s/ John M. Lowber

DATED: March 28, 1996

John M. Lowber
Its: Secretary and Chief Financial
Officer

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SIXTH AMENDMENT
TO MCI CARRIER AGREEMENT (2)

This Sixth amendment is made as of this first day of March, 1996 ("Effective Date") between GENERAL COMMUNICATIONS, INC. ("Customer") with offices at 2550 Denali Street, Suite 1000, Anchorage, Alaska 99503 and MCI TELECOMMUNICATIONS CORPORATION ("MCI") with offices at 1801 Pennsylvania Avenue, N.W., Washington, DC 20006.

WHEREAS, Customer and MCI entered into a MCI Carrier Agreement that was fully executed by the parties as of January 1, 1993, and amended on April 20, 1994, July 26, 1994, October 1, 1994, September 25, 1995 and April 1, 1996.

WHEREAS, Customer and MCI desire to enter into this amendment for the purpose of amending the Agreement,

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Customer and MCI agree as follows:

- 1. Paragraph 8 of the Agreement shall be deleted and the following inserted in its place:

8 Term.

The service term shall be for a term of five (5) years beginning on the first (1st) day of April, 1996 and ending March 31, 2001. The term shall be automatically extended for ten one (1) year periods through and including March 31, 2011 unless either party elects to cancel the renewal periods by giving written notice of non-renewal at least one year prior to the commencement of any renewal term. Nothing contained herein, however, shall modify or be deemed to modify MCI's right to terminate this Agreement either as provided herein, or as authorized in Section B-11.01, immediately upon notice to Customer if Customer fails or refuses to provide alternative or additional security requested pursuant to Section B-7.04 of the Tariff, or to terminate provision of service for any other cause as provided for in Section B-11.01 of the Tariff.

IN WITNESS WHEREOF, the parties hereto each acting with proper authority have executed this Amendment on the date indicated below.

MCI TELECOMMUNICATIONS
CORPORATION

GENERAL COMMUNICATION, INC.

/s/

Authorized Signature

/s/

Authorized Signature

2 In this document "*****" are used in place of redacted information.

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James M. Schneider
Senior Vice President

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William C. Behnke
Senior Vice President

Print Name and Title

Print Name and Title

Date

March 20, 1996

Date

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Exhibit C2

FOURTH AMENDMENT TO
MCI CARRIER AGREEMENT (3)

This FOURTH AMENDMENT is made as of this 25th day of September, 1995, between MCI TELECOMMUNICATIONS CORPORATION ("MCI") and GENERAL COMMUNICATIONS, INC. ("GCI"), with offices located at 1801 Pennsylvania Avenue, N.W., Washington, DC 20006.

WHEREAS, MCI and GCI entered into an MCI Carrier Agreement, effective as of January 1, 1993, which was subsequently amended by (i) an Amendment to the MCI

Carrier Agreement ("First Amendment"), executed April 20, 1994, (ii) an Amendment No. 1 ("Second Amendment"), executed July 26, 1994, and (iii) a Third Amendment ("Third Amendment"), dated as of October 1, 1994 (as so amended, the "Agreement"); and

WHEREAS, MCI and GCI desire to enter into this Fourth Amendment for the purpose of further amending the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, MCI and GCI agree as follows:

1. The first paragraph under Paragraph 2 of the Agreement ("Monthly Commitment") is hereby amended by:

(a) adding in clause (i) of said paragraph, after the words "MCI 800 DAL Service," the words "MCI Connections Card Service"; and

(b) adding in clause (ii) of said paragraph, after the words "International 800 DAL Service," the words "MCI International Connections Card Service".

2. Paragraph 3(a) of the Agreement is hereby amended by:

(a) replacing the PRISM I Rate of "*****" appearing in paragraph 3(a)(1) with the rate of "*****"; and

(b) adding the following as subparagraph (2) to paragraph 3(a):

"2) Customer agrees that, during each month, at least ***** of its domestic interstate PRISM I Service will be during the non-Business Day (off-peak) time period. If such level is not met during any month, the Prism I Rate referred to in paragraph (a)(1) above shall be \$***** for such month."

3. Paragraphs 3(c)(1)(A) and (B) of the Agreement are hereby deleted and the following inserted in their place:

"1. (A) Customer agrees that during each monthly billing period of the service term, Customer will purchase from MCI as a part of the overall Monthly Commitment contained

3 In this document "****" are used in place of redacted information.

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in Paragraph 2, at least ***** of domestic interstate MCI 800 DAL Service (net of taxes and tax-related surcharges) (hereinafter "800 DAL Subcommitment").

(B) For domestic interstate inbound 800 services terminating via dedicated access to an MCI point of presence, Customer will pay, in addition to all applicable taxes and tax-related surcharges, the ***** rate per minute of *****."

4. Paragraph 3 of the Agreement is hereby amended by adding the following as paragraph (3)(i) thereto:

(i) MCI Connections Card Service.

Customer will receive the rates, service terms and conditions for interstate and international MCI Connections Card Service set forth in Exhibit D.

5. Attachment 1 to this Fourth Amendment is hereby added as Exhibit D to the Agreement and is made a part thereof.

6. Attachment 2 to this Fourth Amendment is hereby added as Exhibit E to the Agreement and is made a part thereof.

7. This Fourth Amendment will, upon due execution by both, become effective as of the first day of July, 1995.

8. Except as expressly provided in this Fourth Amendment, all of the terms and conditions contained in the Agreement shall remain in full force and effect.

9. This Fourth Amendment, together with the Agreement, is the complete agreement of the parties and supersedes all other prior agreements and representations concerning its subject matter.

10. This offer will remain open and be capable of being accepted by GCI until July 31. Any and all prior offers made to GCI, whether written or oral, shall be superseded by this offer. Any further amendments must be in writing and signed by both parties.

GENERAL COMMUNICATIONS, INC.

MCI TELECOMMUNICATIONS CORPORATION

/s/

Authorized Signature

/s/

Authorized Signature

Wilson Hughes
Executive Vice President

Gordon T. Bouska
Director

Print Name and Title

Print Name and Title

7/31/95

Date

9/25/95

Date

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ATTACHMENT 1
TO
FOURTH AMENDMENT TO MCI CARRIER AGREEMENT

Exhibit D

MCI CONNECTIONS CARD SERVICE

A. MCI Connections Card Service Discounts.

1) Customer shall receive the following effective discounts on its usage of international MCI Connections Card Service (only accessed by dialing an MCI-provided 800 number other than (800) 950-1022 in accordance with Section C-A.05, Footnote 2, of the Tariff or any successor tariffed provision) as determined by Customer's overall Monthly Usage:

| Overall Monthly Usage | Discount |
|--------------------------|----------|
| ----- | ----- |
| \$10,000 to \$ 24,999 | *****% |
| \$25,000 to \$ 49,999 | *****% |
| \$50,000 to \$149,999 | *****% |
| \$150,000 to \$249,999 | *****% |
| \$250,000 to \$499,999 | *****% |
| \$500,000 and above | *****% |

2) The following international MCI Connections Card surcharges shall be charged on all direct dial MCI Connections Card calls.

| From | To | Direct Dial |
|---|---|-------------|
| ----- | -- | ----- |
| United States ("U.S.") | U.S., Puerto Rico and U.S. Virgin Islands | \$***** |
| Puerto Rico | U.S. | \$***** |
| U.S. Virgin Islands | U.S. | \$***** |
| U.S., Puerto Rico and U.S. Virgin Islands | Canada | \$***** |
| U.S. Puerto Rico and U.S. Virgin Islands | International Locations Other than Canada | \$***** |
| Canada | U.S., Puerto Rico and U.S. Virgin Islands | \$***** |
| Canada | International Locations | \$***** |

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3) The above discounts shall apply only to Customer's usage charges for international MCI Connections Card Service provided pursuant to the Tariff but not to charges for monthly recurring, MCI Connections Card surcharges,

installation, taxes or surcharges applicable to MCI Service(s), Directory Assistance, MCI intrastate charges and charges for local access/egress services or facilities associated with MCI Connections Card Service.

4) The above discounts for MCI Connections Card Service are in Lieu of any tariffed discounts including, without limitation, the discounts for MCI Connections Card Service available under MCI VIP, MCI VIP Plus, MCI MOD and MCI CAS Service.

5) For MCI Connections Card Service (only accessed by dialing an MCI-provided 800 number other than (800) 950-1022), Customer shall pay MCI for the fulfillment costs associated with Customer's usage of MCI Connections Card Service plus pay MCI an administrative charge for handling fulfillment in an amount equal to ***** of the fulfillment costs.

6) For MCI Connections Card Service (only accessed by dialing an MCI-provided 800 number other than (800) 950-1022), MCI shall provide the fraud detection procedures set forth in Exhibit E, attached hereto and incorporated herein by reference. Customer shall be responsible for all fraud associated with its usage of MCI Connections Card Service, except as set forth in Exhibit E.

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ATTACHMENT 2
TO
FOURTH AMENDMENT TO MCI CARRIER AGREEMENT
EXHIBIT E
MCI CONNECTIONS CARD FRAUD DETECTION PROCEDURES

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All calling card calls will be validated by MCI to permit only those calls authorized or facilitated by General Communications, Inc. or legitimate card holders. MCI will, at the direction of Customer, preclude all calls utilizing expired or terminated calling card numbers and will be responsible for all fraudulent use, unauthorized use, misuse, or abuse of calling cards occurring after MCI receives actual notice of the expiration or termination of a calling card or receives specifically detailed written notification concerning any card which has been lost, stolen, compromised or which Customer has reason to believe is or may be used fraudulently. MCI will deactivate a calling card within four (4) hours of receipt by MCI's Consumer Markets Fraud Detection of a request by Customer.

In addition, all calling card calls will be monitored by MCI for fraudulent use, unauthorized use, misuse or abuse on a twenty four (24) hour a day, seven (7) days a week basis. MCI shall establish fraud prevention, detection and minimization procedures so that fraudulent use arising from lost or stolen calling cards and potential disruption to authorized card holders will be minimized.

MCI will not hold the customer responsible for "service fraud" associated with the unauthorized use of an MCI calling card. "Service fraud" can best be described as unauthorized use of an MCI Connections Card following the involuntary theft or loss of a card which was not intentionally facilitated or impliedly authorized by an authorized user. "Service fraud" often follows the theft of a wallet, purse or briefcase, or sometimes is the result of "shoulder surfing" (thieves observing/recording authorization codes) which occurs at payphones located in airports, bus terminals, train stations and the like. MCI shall not be responsible for losses caused by fraudulent information submitted by a card holder in subscribing for calling card services or for usage which was intentionally facilitated or impliedly authorized by an authorized user.

In the event that MCI is unable to contact Customer of suspected abuse of the calling card, in order to minimize potential abuse, MCI will deactivate any calling card which has exceeded established fraud detection parameters or which MCI has reason to believe is or may be used fraudulently.

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Exhibit C3

THIRD AMENDMENT (4)

This Third Amendment is made as of this 1st day of October, 1994 ("Effective Date") between GENERAL COMMUNICATIONS, INC. ("Customer") with offices at 2550 Denali Street, Suite 1000, Anchorage, Alaska 99503 and MCI TELECOMMUNICATIONS CORPORATION ("MCI") with offices at 1801 Pennsylvania Avenue, N.W., Washington, DC 20006.

WHEREAS, Customer and MCI entered into an MCI Carrier Agreement that was fully executed by the parties as of January 1, 1993 and amended on April 20, 1994 and

July 26, 1994.

WHEREAS, Customer and MCI desire to enter into this Amendment for the purpose of amending the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which being hereby acknowledged, Customer and MCI agree as follows:

1. The first paragraph of Paragraph 3 of the Agreement shall be deleted and replaced with the following:

Subject to Paragraph 2 herein, Customer shall receive the following rates:

Rates set forth in this Paragraph 3 do not include charges for installation, taxes, tax-related surcharges, any other applicable surcharges, the Central Office Connection and Access Coordination charges specified in this Paragraph 3 and, without limitation, any other applicable access charges in the Tariff, which are addition. Rates are in lieu of any discounts and credits otherwise applicable pursuant to the Tariff.

For T-1 digital channelized access, Customer shall pay MCI a monthly recurring Central Office Connection charge of ***** per circuit and a monthly recurring Access Coordination charge of ***** per circuit for MCI network circuits installed prior to the Effective Date of this Third Amendment and currently utilized by Customer, and for MCI network circuits installed after the Effective Date of this Third Amendment; provided, however, Customer shall receive a monthly credit for its Central Office Connection charges, such total credit not to exceed ***** in a month. Such charges shall be in effect for the remaining service term of the Agreement, after which Customer shall pay standard Tariffed rates for all such circuits.

Except as expressly provided in this Third Amendment, all of the terms and conditions contained in the Agreement shall remain in full force and effect.

- -----
4 In this document "*****" are used in place of redacted information.

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MCI TELECOMMUNICATIONS CORPORATION

GENERAL COMMUNICATIONS, INC.

/s/

Authorized Signature

/s/

Authorized Signature

Gene R. Strid
Vice President Engineering

Print Name and Title

Print Name and Title

October 19, 1994

Date

Date

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Exhibit C4

AMENDMENT NO. 1 (5)
[Second Amendment]

WHEREAS, the Parties hereto, MCI TELECOMMUNICATIONS CORPORATION ("MCI") and GENERAL COMMUNICATIONS, INC. ("Customer"), entered into and MCI Carrier Agreement ("Agreement") with an effective date of January 1, 1993; and

WHEREAS, the Parties, for good and valuable consideration, now desire to amend said Agreement.

NOW, THEREFORE, the Parties agree that the Agreement shall be amended as follows:

1. In Paragraph 2 Monthly Commitment in line 7, after ". . . MCI 800 DAL

Service. . ." insert "MCI Carrier Operator Services, ".

2. In Paragraph 3 MCI VIP, MCI 800 MOD, and MCI CAS Service, after Paragraph 3(f) (2), insert a new Paragraph 3(g):

3(g) MCI Carrier Operator Services

1. Customer shall receive MCI Carrier Operator Services under the terms and conditions contained herein and the terms, conditions and pricing contained in Attachment A.

3. Add Attachment A to the Agreement as the last two pages.

Except as herein modified or amended, the provisions, conditions and terms of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties hereto, each acting with proper authority, have executed this Amendment.

GENERAL COMMUNICATIONS, INC.

MCI TELECOMMUNICATIONS CORPORATION

/s/

Authorized Signature

/s/

Authorized Signature

Emily Thatcher

Printed Name

Alan B. Catherall

Printed Name

Planning Manager

Title

V.P. Finance/Admin

Title

June 28, 1994

Date

July 26, 1994

Date

5 In this document "*****" are used in place of redacted information.

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ATTACHMENT A

MCI CARRIER OPERATOR SERVICES

Customer is interested in buying MCI Carrier Operator Services for resale and MCI is interested in providing such services to Customer. In order to accomplish those purposes the parties hereby agree as follows:

1. Operator Services.

(a) MCI shall provide Customer with MCI Carrier Operator Services as such service is delineated in applicable tariffs, including MCI Tariff FCC No. 1 (the "Tariff") and, except as provided herein, at the rates contained in the Tariff.

(b) "Operator Service Calls" mean long distance calls dialed with the 0+, 01+ or 00- dialing pattern (and excluding calls dialed with the 950-XXXX and 800 dialing patterns).

(c) Customer shall not use any service mark or trademark of MCI or refer to MCI in connection with any service provided hereunder without the prior written approval of MCI.

(d) Call Originating Identification Information. MCI must receive electronic call origination identification ANI information for each call carried hereunder. If the Originating Site uses Feature Group D local access service, the required call origination identification information is automatically supplied by the local exchange company. If the Originating Site uses a type of local access service other than Feature Group D local access service, the Originating Site shall cause electronic call origination identification information (in a form acceptable to MCI) to be supplied to MCI at the initiation of each call.

(e) Emergency Calls.

(1) Each Originating Site shall configure its system so that 911 emergency calls, where available, and similar emergency calls, will be

automatically routed to the appropriate party or clearing house without the intervention of MCI. Emergency calls which do reach a MCI operator shall be handled in accordance with MCI standard operating procedures.

(2) If Customer or MCI provides an emergency number database, Customer agrees to indemnify and hold MCI harmless from any and all claims, damages, fines, penalties and any other liabilities (including attorney fees) arising out of the inaccuracy of any information or the inadequacy of any procedure or personnel.

(f) Private Payphones.

- (1) Private payphone lines must be classed as "07" COCOT.
- (2) All payphones must have Billed Number Screening ("BNS"), if available. If BNS is not available, the Customer will be responsible for calls billed to any lines without BNS.
- (3) Unless otherwise permitted by law, all 0- calls must be passed to the Local Exchange Carrier ("LEC").
- (4) Payphones must not block 950-XXXX or 1-800-XXX-XXXX calls.

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- (5) All payphones must have "011" blocking at the central office, if available. If international blocking is not available, or if Customer chooses not to block "011" calls, then Customer assumes responsibility for any international fraud.
- (6) For Premises Telephones located in condominiums, Customer shall be liable for all charges attributable to the failure of Customer to secure screening which prevents 1-10XXX domestic and international dialing and which indicates to operators that the telephone is restricted to prohibit billing of the original ANI.
- (7) Customer shall be responsible for any fraud resulting from its purchase and use of MCI Carrier Operator Services.

(g) Compliance. Customer will comply with applicable federal, state and local laws and regulations, including without limitation, laws and regulations relating to operator service during the term of this Agreement. Examples of laws relating to operator service are described in Exhibit A, "Compliance with Federal and State Operator Service Law". MCI takes no responsibility for any omissions or misstatements contained in Exhibit A.

(h) Authority.

(1) Customer warrants that it is authorized to select the operator services carrier for the telephones served by Customer pursuant to this Agreement. Customer agrees that if any other party makes any claims against MCI for commissions from such telephones, Customer will be responsible for any such claim. Customer shall indemnify MCI and hold MCI harmless from any loss, cost or expense resulting from such claim and will pay MCI's reasonable attorney's fees resulting from any such claim.

(2) If Customer is an agent of the premises owner or telephone owner for the Premises Telephones, Customer shall obtain the written agreement of each premises owner and telephone owner for each Premises Telephone authorizing Customer to select the operator service carrier for the Premises Telephones and Customer will submit a copy of such authorization to MCI upon request. MCI may take steps to confirm compliance with this provision, including, without limitation, contacting premises owners and telephone owners whose telephones are submitted by Customer.

(i) Liability.

Except in cases involving proved willful or wanton misconduct, MCI's liability to Customer is limited to its obligation to provide service as described herein. MCI SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE LOSS OR DAMAGE OF ANY KIND, INCLUDING LOST PROFITS (WHETHER OR NOT MCI WAS AWARE OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE), BY REASON OF ANY ACT OF OMISSION IN ITS PERFORMANCE UNDER THIS AGREEMENT. Customer shall indemnify and hold MCI harmless against any and all claims, losses, liabilities, damages, costs or expenses arising out of or related to this Agreement and shall pay MCI's reasonable attorney's fees resulting from any such claim.

2. Rates. The rates in the following schedule shall be charged on Customer's usage of MCI Carrier Operator Services. The automated rate will be charged from

the time a call reaches a node until the call is terminated. The live rate will be charged in addition to automated rates for the portion of each call that is handled by a live operator.

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| Monthly Attempts | Automated Rate/Sec. | Live Rate/Sec. |
|-----------------------|---------------------|----------------|
| 0 - 50,000 | \$***** | \$***** |
| 50,001 - 100,000 | \$***** | \$***** |
| 100,001 - 200,000 | \$***** | \$***** |
| 200,001 - 500,000 | \$***** | \$***** |
| 500,001 - 1,000,000 | \$***** | \$***** |
| 1,000,001 - 1,500,000 | \$***** | \$***** |
| 1,500,000+ | \$***** | \$***** |

3. Rate Quotes. If Customer has provided the appropriate rate information, MCI will provide real-time rate quotes to callers. However, Customer shall indemnify MCI and hold MCI harmless from any and all claims, damages, fines, penalties or other liabilities (including attorney fees) arising from the inaccuracy of any information of the inadequacy of any procedures or personnel.
4. Customer Service. Customer agrees that all customer service calls (i.e., billing disputes, troubles, general inquiries) shall be routed to Customer's customer service via a Customer-provided 800 number.
5. Language Assistance. Customer agrees that if, on a monthly basis, calls utilizing MCI Carrier Operator Services language assistance exceed ***** Customer shall pay ***** the Tariff rate for all calls exceeding *****.
6. Brand. Customer agrees that it will resell MCI Carrier Operator Services in its own name only.
7. Service Delivery. Customer agrees that it will receive and deliver all MCI Carrier Operator Services calls from/to one of the three (3) MCI automated nodes via an MCI TDS-1.5 or TDS-45 circuit.
8. Billing. Customer agrees to be responsible for all end-user billing for operator services and further agrees that if MCI provides rating and/or recording services for billing, Customer shall indemnify and hold MCI harmless from any and all claims, damages, fines, penalties or other liabilities (including attorney fees) arising from the inaccuracy of any information of the inadequacy of any procedures or personnel.
9. Forecasting. Customer agrees to provide a written monthly forecast for automated and live MCI Carrier Operator Services to be received by MCI no later than ten (10) days prior to the beginning of each month.
10. Average Speed of Answer. If Customer's actual use of automated and live MCI carrier services is less than ***** above Customer's monthly forecast as required in Paragraph 9 above, MCI agrees to provide an Average Speed of Answer ("ASA") of ***** or less.
11. Force Majeure. If because of force majeure, MCI is unable wholly or in part to carry out any of its obligations under this Agreement, such obligations shall be suspended for the duration of the event of force majeure. During the continuance of such force majeure, MCI shall incur no liability by reason of its failure to perform the obligation so suspended, provided, however, that the disabling effect of such force majeure shall be eliminated as soon as and to the extent reasonable possible. The term "force majeure" as used herein shall include switch, radio or cable failure, cable cut, acts of God, riots, insurrection, war, labor dispute, fire, flood, explosion, orders or acts of military or civil authority, and any other cause beyond MCI's reasonable control.

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12. Complete Agreement. This Agreement is the entire agreement of the parties with respect to its subject matter and supersedes all prior agreements and understandings, whether written or oral, concerning the subject matter. This Attachment cannot be amended, or assigned by Customer, except by a written agreement signed by both parties.

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Exhibit C5

This MCI Carrier Addendum ("Addendum") between MCI TELECOMMUNICATIONS CORPORATION ("MCI") and GENERAL COMMUNICATIONS, INC. ("Customer") is subject to the Communications Act of 1934, as amended.

MCI will provide to Customer, and Customer will receive from MCI, interstate and international telecommunications services provided pursuant to this Addendum, and intrastate service pursuant to MCI's tariffs governing such service. This Addendum incorporates by reference the terms of MCI Tariff FCC No. 1 ("Tariff"), which Tariff may be modified from time to time by MCI in accordance with law and thereby affect the services furnished Customer, except that the following terms and conditions shall supplement or, to the extent inconsistent, supersede Tariff terms and conditions and shall remain in effect throughout the service term.

1. Customer agrees that in each consecutive twelve (12) month period of the term of this Agreement ("Annual Period") its invoiced domestic usage of MCI 800 DAL Service, pursuant to the MCI Carrier Agreement between the parties dated January 1, 1993 and amended on February 1, 1994 ("Agreement"), shall equal or exceed ***** before application of any credits received hereunder ("Annual 800 DAL Subminimum").

2. The term of this Addendum may not exceed the term of the Agreement and shall be for three (3) years.

3. In exchange for the Annual 800 DAL Subminimum commitment, Customer shall receive the following in lieu of Tariffed or other promotions or credits applicable to MCI 800 DAL Service for which Customer might otherwise be eligible:

A. Signing Bonus: Customer shall receive a one-time credit equal to ***** of Customer's Annual 800 DAL Subminimum. The on-time credit shall appear on Customer's fourth (4th) monthly invoice and shall be applied to Customer's total monthly interstate usage under the Agreement, provided, however, that in no event shall the credit exceed *****.

B. Annual 800 Credit(s): At the conclusion of each Annual Period of the term of this Addendum in which Customer's annual invoiced domestic usage of MIC 800 DAL Service equals or exceeds the Annual 800 DAL Subminimum, Customer shall receive a credit equal to ***** of Customer's invoiced domestic MIC 800 DAL usage for the preceding Annual Period. The credit shall be applied to Customer's combined interstate monthly usage under the Agreement invoiced in the month following the conclusion of the appropriate Annual Period and shall not exceed ***** provided, however, that Customer shall not receive any credit pursuant to this subparagraph B unless and until Customer has fully complied with the requirements of Paragraph 2 of the Agreement.

4. If Customer fails to attain the Annual 800 DAL Subminimum in any Annual Period, for that Annual Period: (a) Customer shall repay a prorata portion of the 800 Bonus described in Paragraph 3A based

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6 In this document "****" are used in place of redacted information.

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upon the difference between Customer's actual annual domestic 800 usage hereunder and Customer's Annual 800 Subminimum; (b) Customer shall not receive an Annual 800 Credit as described in Paragraph 3B for that Annual Period; and (c) Customer shall pay an underutilization charge (which Customer agrees is reasonable) equal to ***** of the difference between the Annual 800 Subminimum and Customer's actual invoiced annual domestic 800 usage.

5. If Customer terminates this Addendum or the Agreement during the term of this Addendum for reasons other than for cause or to take service under another arrangement with MCI having equal or greater term and volume requirements or if MCI terminates the Agreement or this Addendum for cause, then Customer will pay MCI within thirty (30) days of the effective date of such termination an amount equal to ***** of the difference between Customer's actual annual domestic 800 usage hereunder and Customer's Annual 800 Subminimum, or a pro rata portion thereof for any partial year, for each Annual Period remaining in the term after termination, plus repay all credits previously received hereunder.

6. Customer shall not disclose to any third party any of the terms and conditions set forth herein unless such disclosure is lawfully required by any federal governmental agency, is otherwise required to be disclosed by law, or is necessary in any legal proceeding establishing rights and obligations under the Agreement or this Addendum. In the event of any unpermitted third party disclosure hereunder, MCI's remedy shall be pursuant to Paragraph 12 of the Agreement. This Addendum may not be assigned by Customer.

7. Except as expressly provided in this Addendum, all of the terms and conditions contained in the Agreement shall remain in full force and effect. Notwithstanding the foregoing, MCI may, if required by applicable law, file appropriate tariff provisions governing the offering under this Addendum. When effective, such provisions shall be controlling, notwithstanding anything to the contrary in this Addendum. In the event that regulatory authority does not permit required tariff provisions to become effective, either party may, upon written notice to the other, terminate this Addendum without termination liability.

In order to be eligible for this offer, an authorized officer of Customer must confirm Customer's acceptance of the above terms and conditions by executing this Promotion where indicated below no later than March 7, 1994. If signed by Customer and returned to MCI on or before March 7, 1994, this Amendment will be effective on February 1, 1994. If this Amendment is not signed by Customer and received by MCI on or before March 7, 1994, this Amendment will be effective on the first day of the first full month following execution of this Amendment by both parties.

ACCEPTED AND AGREED TO:

GENERAL COMMUNICATIONS, INC.

MCI TELECOMMUNICATIONS
CORPORATION

/s/

/s/

Authorized Signature

Authorized Signature

Wilson Hughes
Executive Vice President

Vice President

Title

Title

3/7/94

4/20/94

Date

Date

SIXTH AMENDMENT
TO MCI CARRIER AGREEMENT (2)

This Sixth amendment is made as of this first day of March, 1996 ("Effective Date") between GENERAL COMMUNICATIONS, INC. ("Customer") with offices at 2550 Denali Street, Suite 1000, Anchorage, Alaska 99503 and MCI TELECOMMUNICATIONS CORPORATION ("MCI") with offices at 1801 Pennsylvania Avenue, N.W., Washington, DC 20006.

WHEREAS, Customer and MCI entered into a MCI Carrier Agreement that was fully executed by the parties as of January 1, 1993, and amended on April 20, 1994, July 26, 1994, October 1, 1994, September 25, 1995 and April 1, 1996.

WHEREAS, Customer and MCI desire to enter into this amendment for the purpose of amending the Agreement,

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Customer and MCI agree as follows:

- 1. Paragraph 8 of the Agreement shall be deleted and the following inserted in its place:

8 Term.

The service term shall be for a term of five (5) years beginning on the first (1st) day of April, 1996 and ending March 31, 2001. The term shall be automatically extended for ten one (1) year periods through and including March 31, 2011 unless either party elects to cancel the renewal periods by giving written notice of non-renewal at least one year prior to the commencement of any renewal term. Nothing contained herein, however, shall modify or be deemed to modify MCI's right to terminate this Agreement either as provided herein, or as authorized in Section B-11.01, immediately upon notice to Customer if Customer fails or refuses to provide alternative or additional security requested pursuant to Section B-7.04 of the Tariff, or to terminate provision of service for any other cause as provided for in Section B-11.01 of the Tariff.

IN WITNESS WHEREOF, the parties hereto each acting with proper authority have executed this Amendment on the date indicated below.

MCI TELECOMMUNICATIONS
CORPORATION

GENERAL COMMUNICATION, INC.

/s/

Authorized Signature

/s/

Authorized Signature

2 In this document "*****" are used in place of redacted information.

ASS00891.WP5
James M. Schneider
Senior Vice President

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William C. Behnke
Senior Vice President

Print Name and Title

Print Name and Title

Date

March 20, 1996

Date

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Exhibit C2

FOURTH AMENDMENT TO
MCI CARRIER AGREEMENT (3)

This FOURTH AMENDMENT is made as of this 25th day of September, 1995, between MCI TELECOMMUNICATIONS CORPORATION ("MCI") and GENERAL COMMUNICATIONS, INC. ("GCI"), with offices located at 1801 Pennsylvania Avenue, N.W., Washington, DC 20006.

WHEREAS, MCI and GCI entered into an MCI Carrier Agreement, effective as of January 1, 1993, which was subsequently amended by (i) an Amendment to the MCI

Carrier Agreement ("First Amendment"), executed April 20, 1994, (ii) an Amendment No. 1 ("Second Amendment"), executed July 26, 1994, and (iii) a Third Amendment ("Third Amendment"), dated as of October 1, 1994 (as so amended, the "Agreement"); and

WHEREAS, MCI and GCI desire to enter into this Fourth Amendment for the purpose of further amending the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, MCI and GCI agree as follows:

1. The first paragraph under Paragraph 2 of the Agreement ("Monthly Commitment") is hereby amended by:

(a) adding in clause (i) of said paragraph, after the words "MCI 800 DAL Service," the words "MCI Connections Card Service"; and

(b) adding in clause (ii) of said paragraph, after the words "International 800 DAL Service," the words "MCI International Connections Card Service".

2. Paragraph 3(a) of the Agreement is hereby amended by:

(a) replacing the PRISM I Rate of "*****" appearing in paragraph 3(a)(1) with the rate of "*****"; and

(b) adding the following as subparagraph (2) to paragraph 3(a):

"2) Customer agrees that, during each month, at least ***** of its domestic interstate PRISM I Service will be during the non-Business Day (off-peak) time period. If such level is not met during any month, the Prism I Rate referred to in paragraph (a)(1) above shall be \$***** for such month."

3. Paragraphs 3(c)(1)(A) and (B) of the Agreement are hereby deleted and the following inserted in their place:

"1. (A) Customer agrees that during each monthly billing period of the service term, Customer will purchase from MCI as a part of the overall Monthly Commitment contained

3 In this document "****" are used in place of redacted information.

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in Paragraph 2, at least ***** of domestic interstate MCI 800 DAL Service (net of taxes and tax-related surcharges) (hereinafter "800 DAL Subcommitment").

(B) For domestic interstate inbound 800 services terminating via dedicated access to an MCI point of presence, Customer will pay, in addition to all applicable taxes and tax-related surcharges, the ***** rate per minute of *****."

4. Paragraph 3 of the Agreement is hereby amended by adding the following as paragraph (3)(i) thereto:

(i) MCI Connections Card Service.

Customer will receive the rates, service terms and conditions for interstate and international MCI Connections Card Service set forth in Exhibit D.

5. Attachment 1 to this Fourth Amendment is hereby added as Exhibit D to the Agreement and is made a part thereof.

6. Attachment 2 to this Fourth Amendment is hereby added as Exhibit E to the Agreement and is made a part thereof.

7. This Fourth Amendment will, upon due execution by both, become effective as of the first day of July, 1995.

8. Except as expressly provided in this Fourth Amendment, all of the terms and conditions contained in the Agreement shall remain in full force and effect.

9. This Fourth Amendment, together with the Agreement, is the complete agreement of the parties and supersedes all other prior agreements and representations concerning its subject matter.

10. This offer will remain open and be capable of being accepted by GCI until July 31. Any and all prior offers made to GCI, whether written or oral, shall be superseded by this offer. Any further amendments must be in writing and signed by both parties.

GENERAL COMMUNICATIONS, INC.

MCI TELECOMMUNICATIONS CORPORATION

/s/

Authorized Signature

/s/

Authorized Signature

Wilson Hughes
Executive Vice President

Gordon T. Bouska
Director

Print Name and Title

Print Name and Title

7/31/95

Date

9/25/95

Date

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ATTACHMENT 1
TO
FOURTH AMENDMENT TO MCI CARRIER AGREEMENT

Exhibit D

MCI CONNECTIONS CARD SERVICE

A. MCI Connections Card Service Discounts.

1) Customer shall receive the following effective discounts on its usage of international MCI Connections Card Service (only accessed by dialing an MCI-provided 800 number other than (800) 950-1022 in accordance with Section C-A.05, Footnote 2, of the Tariff or any successor tariffed provision) as determined by Customer's overall Monthly Usage:

| Overall Monthly Usage | Discount |
|--------------------------|----------|
| ----- | ----- |
| \$10,000 to \$ 24,999 | *****% |
| \$25,000 to \$ 49,999 | *****% |
| \$50,000 to \$149,999 | *****% |
| \$150,000 to \$249,999 | *****% |
| \$250,000 to \$499,999 | *****% |
| \$500,000 and above | *****% |

2) The following international MCI Connections Card surcharges shall be charged on all direct dial MCI Connections Card calls.

| From | To | Direct Dial |
|---|---|-------------|
| ----- | -- | ----- |
| United States ("U.S.") | U.S., Puerto Rico and U.S. Virgin Islands | \$***** |
| Puerto Rico | U.S. | \$***** |
| U.S. Virgin Islands | U.S. | \$***** |
| U.S., Puerto Rico and U.S. Virgin Islands | Canada | \$***** |
| U.S. Puerto Rico and U.S. Virgin Islands | International Locations Other than Canada | \$***** |
| Canada | U.S., Puerto Rico and U.S. Virgin Islands | \$***** |
| Canada | International Locations | \$***** |

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3) The above discounts shall apply only to Customer's usage charges for international MCI Connections Card Service provided pursuant to the Tariff but not to charges for monthly recurring, MCI Connections Card surcharges,

installation, taxes or surcharges applicable to MCI Service(s), Directory Assistance, MCI intrastate charges and charges for local access/egress services or facilities associated with MCI Connections Card Service.

4) The above discounts for MCI Connections Card Service are in Lieu of any tariffed discounts including, without limitation, the discounts for MCI Connections Card Service available under MCI VIP, MCI VIP Plus, MCI MOD and MCI CAS Service.

5) For MCI Connections Card Service (only accessed by dialing an MCI-provided 800 number other than (800) 950-1022), Customer shall pay MCI for the fulfillment costs associated with Customer's usage of MCI Connections Card Service plus pay MCI an administrative charge for handling fulfillment in an amount equal to ***** of the fulfillment costs.

6) For MCI Connections Card Service (only accessed by dialing an MCI-provided 800 number other than (800) 950-1022), MCI shall provide the fraud detection procedures set forth in Exhibit E, attached hereto and incorporated herein by reference. Customer shall be responsible for all fraud associated with its usage of MCI Connections Card Service, except as set forth in Exhibit E.

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ATTACHMENT 2
TO
FOURTH AMENDMENT TO MCI CARRIER AGREEMENT
EXHIBIT E
MCI CONNECTIONS CARD FRAUD DETECTION PROCEDURES

=====

All calling card calls will be validated by MCI to permit only those calls authorized or facilitated by General Communications, Inc. or legitimate card holders. MCI will, at the direction of Customer, preclude all calls utilizing expired or terminated calling card numbers and will be responsible for all fraudulent use, unauthorized use, misuse, or abuse of calling cards occurring after MCI receives actual notice of the expiration or termination of a calling card or receives specifically detailed written notification concerning any card which has been lost, stolen, compromised or which Customer has reason to believe is or may be used fraudulently. MCI will deactivate a calling card within four (4) hours of receipt by MCI's Consumer Markets Fraud Detection of a request by Customer.

In addition, all calling card calls will be monitored by MCI for fraudulent use, unauthorized use, misuse or abuse on a twenty four (24) hour a day, seven (7) days a week basis. MCI shall establish fraud prevention, detection and minimization procedures so that fraudulent use arising from lost or stolen calling cards and potential disruption to authorized card holders will be minimized.

MCI will not hold the customer responsible for "service fraud" associated with the unauthorized use of an MCI calling card. "Service fraud" can best be described as unauthorized use of an MCI Connections Card following the involuntary theft or loss of a card which was not intentionally facilitated or impliedly authorized by an authorized user. "Service fraud" often follows the theft of a wallet, purse or briefcase, or sometimes is the result of "shoulder surfing" (thieves observing/recording authorization codes) which occurs at payphones located in airports, bus terminals, train stations and the like. MCI shall not be responsible for losses caused by fraudulent information submitted by a card holder in subscribing for calling card services or for usage which was intentionally facilitated or impliedly authorized by an authorized user.

In the event that MCI is unable to contact Customer of suspected abuse of the calling card, in order to minimize potential abuse, MCI will deactivate any calling card which has exceeded established fraud detection parameters or which MCI has reason to believe is or may be used fraudulently.

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Exhibit C3

THIRD AMENDMENT (4)

This Third Amendment is made as of this 1st day of October, 1994 ("Effective Date") between GENERAL COMMUNICATIONS, INC. ("Customer") with offices at 2550 Denali Street, Suite 1000, Anchorage, Alaska 99503 and MCI TELECOMMUNICATIONS CORPORATION ("MCI") with offices at 1801 Pennsylvania Avenue, N.W., Washington, DC 20006.

WHEREAS, Customer and MCI entered into an MCI Carrier Agreement that was fully executed by the parties as of January 1, 1993 and amended on April 20, 1994 and

July 26, 1994.

WHEREAS, Customer and MCI desire to enter into this Amendment for the purpose of amending the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which being hereby acknowledged, Customer and MCI agree as follows:

1. The first paragraph of Paragraph 3 of the Agreement shall be deleted and replaced with the following:

Subject to Paragraph 2 herein, Customer shall receive the following rates:

Rates set forth in this Paragraph 3 do not include charges for installation, taxes, tax-related surcharges, any other applicable surcharges, the Central Office Connection and Access Coordination charges specified in this Paragraph 3 and, without limitation, any other applicable access charges in the Tariff, which are addition. Rates are in lieu of any discounts and credits otherwise applicable pursuant to the Tariff.

For T-1 digital channelized access, Customer shall pay MCI a monthly recurring Central Office Connection charge of ***** per circuit and a monthly recurring Access Coordination charge of ***** per circuit for MCI network circuits installed prior to the Effective Date of this Third Amendment and currently utilized by Customer, and for MCI network circuits installed after the Effective Date of this Third Amendment; provided, however, Customer shall receive a monthly credit for its Central Office Connection charges, such total credit not to exceed ***** in a month. Such charges shall be in effect for the remaining service term of the Agreement, after which Customer shall pay standard Tariffed rates for all such circuits.

Except as expressly provided in this Third Amendment, all of the terms and conditions contained in the Agreement shall remain in full force and effect.

- -----
4 In this document "*****" are used in place of redacted information.

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MCI TELECOMMUNICATIONS CORPORATION

GENERAL COMMUNICATIONS, INC.

/s/

/s/

Authorized Signature

Authorized Signature

Gene R. Strid
Vice President Engineering

Print Name and Title

Print Name and Title

October 19, 1994

Date

Date

ASS00891.WP5

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Exhibit C4

AMENDMENT NO. 1 (5)
[Second Amendment]

WHEREAS, the Parties hereto, MCI TELECOMMUNICATIONS CORPORATION ("MCI") and GENERAL COMMUNICATIONS, INC. ("Customer"), entered into and MCI Carrier Agreement ("Agreement") with an effective date of January 1, 1993; and

WHEREAS, the Parties, for good and valuable consideration, now desire to amend said Agreement.

NOW, THEREFORE, the Parties agree that the Agreement shall be amended as follows:

1. In Paragraph 2 Monthly Commitment in line 7, after ". . . MCI 800 DAL

Service. . ." insert "MCI Carrier Operator Services, ".

2. In Paragraph 3 MCI VIP, MCI 800 MOD, and MCI CAS Service, after Paragraph 3(f) (2), insert a new Paragraph 3(g):

3(g) MCI Carrier Operator Services

1. Customer shall receive MCI Carrier Operator Services under the terms and conditions contained herein and the terms, conditions and pricing contained in Attachment A.

3. Add Attachment A to the Agreement as the last two pages.

Except as herein modified or amended, the provisions, conditions and terms of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties hereto, each acting with proper authority, have executed this Amendment.

GENERAL COMMUNICATIONS, INC.

MCI TELECOMMUNICATIONS CORPORATION

/s/

Authorized Signature

/s/

Authorized Signature

Emily Thatcher

Printed Name

Alan B. Catherall

Printed Name

Planning Manager

Title

V.P. Finance/Admin

Title

June 28, 1994

Date

July 26, 1994

Date

5 In this document "*****" are used in place of redacted information.

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ATTACHMENT A

MCI CARRIER OPERATOR SERVICES

Customer is interested in buying MCI Carrier Operator Services for resale and MCI is interested in providing such services to Customer. In order to accomplish those purposes the parties hereby agree as follows:

1. Operator Services.

(a) MCI shall provide Customer with MCI Carrier Operator Services as such service is delineated in applicable tariffs, including MCI Tariff FCC No. 1 (the "Tariff") and, except as provided herein, at the rates contained in the Tariff.

(b) "Operator Service Calls" mean long distance calls dialed with the 0+, 01+ or 00- dialing pattern (and excluding calls dialed with the 950-XXXX and 800 dialing patterns).

(c) Customer shall not use any service mark or trademark of MCI or refer to MCI in connection with any service provided hereunder without the prior written approval of MCI.

(d) Call Originating Identification Information. MCI must receive electronic call origination identification ANI information for each call carried hereunder. If the Originating Site uses Feature Group D local access service, the required call origination identification information is automatically supplied by the local exchange company. If the Originating Site uses a type of local access service other than Feature Group D local access service, the Originating Site shall cause electronic call origination identification information (in a form acceptable to MCI) to be supplied to MCI at the initiation of each call.

(e) Emergency Calls.

(1) Each Originating Site shall configure its system so that 911 emergency calls, where available, and similar emergency calls, will be

automatically routed to the appropriate party or clearing house without the intervention of MCI. Emergency calls which do reach a MCI operator shall be handled in accordance with MCI standard operating procedures.

(2) If Customer or MCI provides an emergency number database, Customer agrees to indemnify and hold MCI harmless from any and all claims, damages, fines, penalties and any other liabilities (including attorney fees) arising out of the inaccuracy of any information or the inadequacy of any procedure or personnel.

(f) Private Payphones.

- (1) Private payphone lines must be classed as "07" COCOT.
- (2) All payphones must have Billed Number Screening ("BNS"), if available. If BNS is not available, the Customer will be responsible for calls billed to any lines without BNS.
- (3) Unless otherwise permitted by law, all 0- calls must be passed to the Local Exchange Carrier ("LEC").
- (4) Payphones must not block 950-XXXX or 1-800-XXX-XXXX calls.

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- (5) All payphones must have "011" blocking at the central office, if available. If international blocking is not available, or if Customer chooses not to block "011" calls, then Customer assumes responsibility for any international fraud.
- (6) For Premises Telephones located in condominiums, Customer shall be liable for all charges attributable to the failure of Customer to secure screening which prevents 1-10XXX domestic and international dialing and which indicates to operators that the telephone is restricted to prohibit billing of the original ANI.
- (7) Customer shall be responsible for any fraud resulting from its purchase and use of MCI Carrier Operator Services.

(g) Compliance. Customer will comply with applicable federal, state and local laws and regulations, including without limitation, laws and regulations relating to operator service during the term of this Agreement. Examples of laws relating to operator service are described in Exhibit A, "Compliance with Federal and State Operator Service Law". MCI takes no responsibility for any omissions or misstatements contained in Exhibit A.

(h) Authority.

(1) Customer warrants that it is authorized to select the operator services carrier for the telephones served by Customer pursuant to this Agreement. Customer agrees that if any other party makes any claims against MCI for commissions from such telephones, Customer will be responsible for any such claim. Customer shall indemnify MCI and hold MCI harmless from any loss, cost or expense resulting from such claim and will pay MCI's reasonable attorney's fees resulting from any such claim.

(2) If Customer is an agent of the premises owner or telephone owner for the Premises Telephones, Customer shall obtain the written agreement of each premises owner and telephone owner for each Premises Telephone authorizing Customer to select the operator service carrier for the Premises Telephones and Customer will submit a copy of such authorization to MCI upon request. MCI may take steps to confirm compliance with this provision, including, without limitation, contacting premises owners and telephone owners whose telephones are submitted by Customer.

(i) Liability.

Except in cases involving proved willful or wanton misconduct, MCI's liability to Customer is limited to its obligation to provide service as described herein. MCI SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE LOSS OR DAMAGE OF ANY KIND, INCLUDING LOST PROFITS (WHETHER OR NOT MCI WAS AWARE OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE), BY REASON OF ANY ACT OF OMISSION IN ITS PERFORMANCE UNDER THIS AGREEMENT. Customer shall indemnify and hold MCI harmless against any and all claims, losses, liabilities, damages, costs or expenses arising out of or related to this Agreement and shall pay MCI's reasonable attorney's fees resulting from any such claim.

2. Rates. The rates in the following schedule shall be charged on Customer's usage of MCI Carrier Operator Services. The automated rate will be charged from

the time a call reaches a node until the call is terminated. The live rate will be charged in addition to automated rates for the portion of each call that is handled by a live operator.

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| Monthly Attempts | Automated Rate/Sec. | Live Rate/Sec. |
|-----------------------|---------------------|----------------|
| 0 - 50,000 | \$***** | \$***** |
| 50,001 - 100,000 | \$***** | \$***** |
| 100,001 - 200,000 | \$***** | \$***** |
| 200,001 - 500,000 | \$***** | \$***** |
| 500,001 - 1,000,000 | \$***** | \$***** |
| 1,000,001 - 1,500,000 | \$***** | \$***** |
| 1,500,000+ | \$***** | \$***** |

3. Rate Quotes. If Customer has provided the appropriate rate information, MCI will provide real-time rate quotes to callers. However, Customer shall indemnify MCI and hold MCI harmless from any and all claims, damages, fines, penalties or other liabilities (including attorney fees) arising from the inaccuracy of any information of the inadequacy of any procedures or personnel.
4. Customer Service. Customer agrees that all customer service calls (i.e., billing disputes, troubles, general inquiries) shall be routed to Customer's customer service via a Customer-provided 800 number.
5. Language Assistance. Customer agrees that if, on a monthly basis, calls utilizing MCI Carrier Operator Services language assistance exceed ***** Customer shall pay ***** the Tariff rate for all calls exceeding *****.
6. Brand. Customer agrees that it will resell MCI Carrier Operator Services in its own name only.
7. Service Delivery. Customer agrees that it will receive and deliver all MCI Carrier Operator Services calls from/to one of the three (3) MCI automated nodes via an MCI TDS-1.5 or TDS-45 circuit.
8. Billing. Customer agrees to be responsible for all end-user billing for operator services and further agrees that if MCI provides rating and/or recording services for billing, Customer shall indemnify and hold MCI harmless from any and all claims, damages, fines, penalties or other liabilities (including attorney fees) arising from the inaccuracy of any information of the inadequacy of any procedures or personnel.
9. Forecasting. Customer agrees to provide a written monthly forecast for automated and live MCI Carrier Operator Services to be received by MCI no later than ten (10) days prior to the beginning of each month.
10. Average Speed of Answer. If Customer's actual use of automated and live MCI carrier services is less than ***** above Customer's monthly forecast as required in Paragraph 9 above, MCI agrees to provide an Average Speed of Answer ("ASA") of ***** or less.
11. Force Majeure. If because of force majeure, MCI is unable wholly or in part to carry out any of its obligations under this Agreement, such obligations shall be suspended for the duration of the event of force majeure. During the continuance of such force majeure, MCI shall incur no liability by reason of its failure to perform the obligation so suspended, provided, however, that the disabling effect of such force majeure shall be eliminated as soon as and to the extent reasonable possible. The term "force majeure" as used herein shall include switch, radio or cable failure, cable cut, acts of God, riots, insurrection, war, labor dispute, fire, flood, explosion, orders or acts of military or civil authority, and any other cause beyond MCI's reasonable control.

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12. Complete Agreement. This Agreement is the entire agreement of the parties with respect to its subject matter and supersedes all prior agreements and understandings, whether written or oral, concerning the subject matter. This Attachment cannot be amended, or assigned by Customer, except by a written agreement signed by both parties.

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Exhibit C5

This MCI Carrier Addendum ("Addendum") between MCI TELECOMMUNICATIONS CORPORATION ("MCI") and GENERAL COMMUNICATIONS, INC. ("Customer") is subject to the Communications Act of 1934, as amended.

MCI will provide to Customer, and Customer will receive from MCI, interstate and international telecommunications services provided pursuant to this Addendum, and intrastate service pursuant to MCI's tariffs governing such service. This Addendum incorporates by reference the terms of MCI Tariff FCC No. 1 ("Tariff"), which Tariff may be modified from time to time by MCI in accordance with law and thereby affect the services furnished Customer, except that the following terms and conditions shall supplement or, to the extent inconsistent, supersede Tariff terms and conditions and shall remain in effect throughout the service term.

1. Customer agrees that in each consecutive twelve (12) month period of the term of this Agreement ("Annual Period") its invoiced domestic usage of MCI 800 DAL Service, pursuant to the MCI Carrier Agreement between the parties dated January 1, 1993 and amended on February 1, 1994 ("Agreement"), shall equal or exceed ***** before application of any credits received hereunder ("Annual 800 DAL Subminimum").

2. The term of this Addendum may not exceed the term of the Agreement and shall be for three (3) years.

3. In exchange for the Annual 800 DAL Subminimum commitment, Customer shall receive the following in lieu of Tariffed or other promotions or credits applicable to MCI 800 DAL Service for which Customer might otherwise be eligible:

A. Signing Bonus: Customer shall receive a one-time credit equal to ***** of Customer's Annual 800 DAL Subminimum. The on-time credit shall appear on Customer's fourth (4th) monthly invoice and shall be applied to Customer's total monthly interstate usage under the Agreement, provided, however, that in no event shall the credit exceed *****.

B. Annual 800 Credit(s): At the conclusion of each Annual Period of the term of this Addendum in which Customer's annual invoiced domestic usage of MIC 800 DAL Service equals or exceeds the Annual 800 DAL Subminimum, Customer shall receive a credit equal to ***** of Customer's invoiced domestic MIC 800 DAL usage for the preceding Annual Period. The credit shall be applied to Customer's combined interstate monthly usage under the Agreement invoiced in the month following the conclusion of the appropriate Annual Period and shall not exceed ***** provided, however, that Customer shall not receive any credit pursuant to this subparagraph B unless and until Customer has fully complied with the requirements of Paragraph 2 of the Agreement.

4. If Customer fails to attain the Annual 800 DAL Subminimum in any Annual Period, for that Annual Period: (a) Customer shall repay a prorata portion of the 800 Bonus described in Paragraph 3A based

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6 In this document "****" are used in place of redacted information.

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upon the difference between Customer's actual annual domestic 800 usage hereunder and Customer's Annual 800 Subminimum; (b) Customer shall not receive an Annual 800 Credit as described in Paragraph 3B for that Annual Period; and (c) Customer shall pay an underutilization charge (which Customer agrees is reasonable) equal to ***** of the difference between the Annual 800 Subminimum and Customer's actual invoiced annual domestic 800 usage.

5. If Customer terminates this Addendum or the Agreement during the term of this Addendum for reasons other than for cause or to take service under another arrangement with MCI having equal or greater term and volume requirements or if MCI terminates the Agreement or this Addendum for cause, then Customer will pay MCI within thirty (30) days of the effective date of such termination an amount equal to ***** of the difference between Customer's actual annual domestic 800 usage hereunder and Customer's Annual 800 Subminimum, or a pro rata portion thereof for any partial year, for each Annual Period remaining in the term after termination, plus repay all credits previously received hereunder.

6. Customer shall not disclose to any third party any of the terms and conditions set forth herein unless such disclosure is lawfully required by any federal governmental agency, is otherwise required to be disclosed by law, or is necessary in any legal proceeding establishing rights and obligations under the Agreement or this Addendum. In the event of any unpermitted third party disclosure hereunder, MCI's remedy shall be pursuant to Paragraph 12 of the Agreement. This Addendum may not be assigned by Customer.

7. Except as expressly provided in this Addendum, all of the terms and conditions contained in the Agreement shall remain in full force and effect. Notwithstanding the foregoing, MCI may, if required by applicable law, file appropriate tariff provisions governing the offering under this Addendum. When effective, such provisions shall be controlling, notwithstanding anything to the contrary in this Addendum. In the event that regulatory authority does not permit required tariff provisions to become effective, either party may, upon written notice to the other, terminate this Addendum without termination liability.

In order to be eligible for this offer, an authorized officer of Customer must confirm Customer's acceptance of the above terms and conditions by executing this Promotion where indicated below no later than March 7, 1994. If signed by Customer and returned to MCI on or before March 7, 1994, this Amendment will be effective on February 1, 1994. If this Amendment is not signed by Customer and received by MCI on or before March 7, 1994, this Amendment will be effective on the first day of the first full month following execution of this Amendment by both parties.

ACCEPTED AND AGREED TO:

GENERAL COMMUNICATIONS, INC.

MCI TELECOMMUNICATIONS
CORPORATION

/s/

/s/

Authorized Signature

Authorized Signature

Wilson Hughes
Executive Vice President

Vice President

Title

Title

3/7/94

4/20/94

Date

Date

SIXTH AMENDMENT
TO MCI CARRIER AGREEMENT (2)

This Sixth amendment is made as of this first day of March, 1996 ("Effective Date") between GENERAL COMMUNICATIONS, INC. ("Customer") with offices at 2550 Denali Street, Suite 1000, Anchorage, Alaska 99503 and MCI TELECOMMUNICATIONS CORPORATION ("MCI") with offices at 1801 Pennsylvania Avenue, N.W., Washington, DC 20006.

WHEREAS, Customer and MCI entered into a MCI Carrier Agreement that was fully executed by the parties as of January 1, 1993, and amended on April 20, 1994, July 26, 1994, October 1, 1994, September 25, 1995 and April 1, 1996.

WHEREAS, Customer and MCI desire to enter into this amendment for the purpose of amending the Agreement,

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Customer and MCI agree as follows:

1. Paragraph 8 of the Agreement shall be deleted and the following inserted in its place:

8 Term.

The service term shall be for a term of five (5) years beginning on the first (1st) day of April, 1996 and ending March 31, 2001. The term shall be automatically extended for ten one (1) year periods through and including March 31, 2011 unless either party elects to cancel the renewal periods by giving written notice of non-renewal at least one year prior to the commencement of any renewal term. Nothing contained herein, however, shall modify or be deemed to modify MCI's right to terminate this Agreement either as provided herein, or as authorized in Section B-11.01, immediately upon notice to Customer if Customer fails or refuses to provide alternative or additional security requested pursuant to Section B-7.04 of the Tariff, or to terminate provision of service for any other cause as provided for in Section B-11.01 of the Tariff.

IN WITNESS WHEREOF, the parties hereto each acting with proper authority have executed this Amendment on the date indicated below.

MCI TELECOMMUNICATIONS
CORPORATION

GENERAL COMMUNICATION, INC.

/s/

Authorized Signature

/s/

Authorized Signature

2 In this document "*****" are used in place of redacted information.

ASS00891.WP5
James M. Schneider
Senior Vice President

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William C. Behnke
Senior Vice President

Print Name and Title

Print Name and Title

Date

March 20, 1996

Date

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Exhibit C2

FOURTH AMENDMENT TO
MCI CARRIER AGREEMENT (3)

This FOURTH AMENDMENT is made as of this 25th day of September, 1995, between MCI TELECOMMUNICATIONS CORPORATION ("MCI") and GENERAL COMMUNICATIONS, INC. ("GCI"), with offices located at 1801 Pennsylvania Avenue, N.W., Washington, DC 20006.

WHEREAS, MCI and GCI entered into an MCI Carrier Agreement, effective as of January 1, 1993, which was subsequently amended by (i) an Amendment to the MCI

Carrier Agreement ("First Amendment"), executed April 20, 1994, (ii) an Amendment No. 1 ("Second Amendment"), executed July 26, 1994, and (iii) a Third Amendment ("Third Amendment"), dated as of October 1, 1994 (as so amended, the "Agreement"); and

WHEREAS, MCI and GCI desire to enter into this Fourth Amendment for the purpose of further amending the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, MCI and GCI agree as follows:

1. The first paragraph under Paragraph 2 of the Agreement ("Monthly Commitment") is hereby amended by:

(a) adding in clause (i) of said paragraph, after the words "MCI 800 DAL Service," the words "MCI Connections Card Service"; and

(b) adding in clause (ii) of said paragraph, after the words "International 800 DAL Service," the words "MCI International Connections Card Service".

2. Paragraph 3(a) of the Agreement is hereby amended by:

(a) replacing the PRISM I Rate of "*****" appearing in paragraph 3(a)(1) with the rate of "*****"; and

(b) adding the following as subparagraph (2) to paragraph 3(a):

"2) Customer agrees that, during each month, at least ***** of its domestic interstate PRISM I Service will be during the non-Business Day (off-peak) time period. If such level is not met during any month, the Prism I Rate referred to in paragraph (a)(1) above shall be \$***** for such month."

3. Paragraphs 3(c)(1)(A) and (B) of the Agreement are hereby deleted and the following inserted in their place:

"1. (A) Customer agrees that during each monthly billing period of the service term, Customer will purchase from MCI as a part of the overall Monthly Commitment contained

3 In this document "****" are used in place of redacted information.

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in Paragraph 2, at least ***** of domestic interstate MCI 800 DAL Service (net of taxes and tax-related surcharges) (hereinafter "800 DAL Subcommitment").

(B) For domestic interstate inbound 800 services terminating via dedicated access to an MCI point of presence, Customer will pay, in addition to all applicable taxes and tax-related surcharges, the ***** rate per minute of *****."

4. Paragraph 3 of the Agreement is hereby amended by adding the following as paragraph (3)(i) thereto:

(i) MCI Connections Card Service.

Customer will receive the rates, service terms and conditions for interstate and international MCI Connections Card Service set forth in Exhibit D.

5. Attachment 1 to this Fourth Amendment is hereby added as Exhibit D to the Agreement and is made a part thereof.

6. Attachment 2 to this Fourth Amendment is hereby added as Exhibit E to the Agreement and is made a part thereof.

7. This Fourth Amendment will, upon due execution by both, become effective as of the first day of July, 1995.

8. Except as expressly provided in this Fourth Amendment, all of the terms and conditions contained in the Agreement shall remain in full force and effect.

9. This Fourth Amendment, together with the Agreement, is the complete agreement of the parties and supersedes all other prior agreements and representations concerning its subject matter.

10. This offer will remain open and be capable of being accepted by GCI until July 31. Any and all prior offers made to GCI, whether written or oral, shall be superseded by this offer. Any further amendments must be in writing and signed by both parties.

GENERAL COMMUNICATIONS, INC.

MCI TELECOMMUNICATIONS CORPORATION

/s/

Authorized Signature

/s/

Authorized Signature

Wilson Hughes
Executive Vice President

Gordon T. Bouska
Director

Print Name and Title

Print Name and Title

7/31/95

Date

9/25/95

Date

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ATTACHMENT 1
TO
FOURTH AMENDMENT TO MCI CARRIER AGREEMENT

Exhibit D

MCI CONNECTIONS CARD SERVICE

A. MCI Connections Card Service Discounts.

1) Customer shall receive the following effective discounts on its usage of international MCI Connections Card Service (only accessed by dialing an MCI-provided 800 number other than (800) 950-1022 in accordance with Section C-A.05, Footnote 2, of the Tariff or any successor tariffed provision) as determined by Customer's overall Monthly Usage:

| Overall Monthly Usage | Discount |
|--------------------------|----------|
| ----- | ----- |
| \$10,000 to \$ 24,999 | *****% |
| \$25,000 to \$ 49,999 | *****% |
| \$50,000 to \$149,999 | *****% |
| \$150,000 to \$249,999 | *****% |
| \$250,000 to \$499,999 | *****% |
| \$500,000 and above | *****% |

2) The following international MCI Connections Card surcharges shall be charged on all direct dial MCI Connections Card calls.

| From | To | Direct Dial |
|---|---|-------------|
| ----- | -- | ----- |
| United States ("U.S.") | U.S., Puerto Rico and U.S. Virgin Islands | \$***** |
| Puerto Rico | U.S. | \$***** |
| U.S. Virgin Islands | U.S. | \$***** |
| U.S., Puerto Rico and U.S. Virgin Islands | Canada | \$***** |
| U.S. Puerto Rico and U.S. Virgin Islands | International Locations Other than Canada | \$***** |
| Canada | U.S., Puerto Rico and U.S. Virgin Islands | \$***** |
| Canada | International Locations | \$***** |

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3) The above discounts shall apply only to Customer's usage charges for international MCI Connections Card Service provided pursuant to the Tariff but not to charges for monthly recurring, MCI Connections Card surcharges,

installation, taxes or surcharges applicable to MCI Service(s), Directory Assistance, MCI intrastate charges and charges for local access/egress services or facilities associated with MCI Connections Card Service.

4) The above discounts for MCI Connections Card Service are in Lieu of any tariffed discounts including, without limitation, the discounts for MCI Connections Card Service available under MCI VIP, MCI VIP Plus, MCI MOD and MCI CAS Service.

5) For MCI Connections Card Service (only accessed by dialing an MCI-provided 800 number other than (800) 950-1022), Customer shall pay MCI for the fulfillment costs associated with Customer's usage of MCI Connections Card Service plus pay MCI an administrative charge for handling fulfillment in an amount equal to ***** of the fulfillment costs.

6) For MCI Connections Card Service (only accessed by dialing an MCI-provided 800 number other than (800) 950-1022), MCI shall provide the fraud detection procedures set forth in Exhibit E, attached hereto and incorporated herein by reference. Customer shall be responsible for all fraud associated with its usage of MCI Connections Card Service, except as set forth in Exhibit E.

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ATTACHMENT 2
TO
FOURTH AMENDMENT TO MCI CARRIER AGREEMENT
EXHIBIT E
MCI CONNECTIONS CARD FRAUD DETECTION PROCEDURES

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All calling card calls will be validated by MCI to permit only those calls authorized or facilitated by General Communications, Inc. or legitimate card holders. MCI will, at the direction of Customer, preclude all calls utilizing expired or terminated calling card numbers and will be responsible for all fraudulent use, unauthorized use, misuse, or abuse of calling cards occurring after MCI receives actual notice of the expiration or termination of a calling card or receives specifically detailed written notification concerning any card which has been lost, stolen, compromised or which Customer has reason to believe is or may be used fraudulently. MCI will deactivate a calling card within four (4) hours of receipt by MCI's Consumer Markets Fraud Detection of a request by Customer.

In addition, all calling card calls will be monitored by MCI for fraudulent use, unauthorized use, misuse or abuse on a twenty four (24) hour a day, seven (7) days a week basis. MCI shall establish fraud prevention, detection and minimization procedures so that fraudulent use arising from lost or stolen calling cards and potential disruption to authorized card holders will be minimized.

MCI will not hold the customer responsible for "service fraud" associated with the unauthorized use of an MCI calling card. "Service fraud" can best be described as unauthorized use of an MCI Connections Card following the involuntary theft or loss of a card which was not intentionally facilitated or impliedly authorized by an authorized user. "Service fraud" often follows the theft of a wallet, purse or briefcase, or sometimes is the result of "shoulder surfing" (thieves observing/recording authorization codes) which occurs at payphones located in airports, bus terminals, train stations and the like. MCI shall not be responsible for losses caused by fraudulent information submitted by a card holder in subscribing for calling card services or for usage which was intentionally facilitated or impliedly authorized by an authorized user.

In the event that MCI is unable to contact Customer of suspected abuse of the calling card, in order to minimize potential abuse, MCI will deactivate any calling card which has exceeded established fraud detection parameters or which MCI has reason to believe is or may be used fraudulently.

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Exhibit C3

THIRD AMENDMENT (4)

This Third Amendment is made as of this 1st day of October, 1994 ("Effective Date") between GENERAL COMMUNICATIONS, INC. ("Customer") with offices at 2550 Denali Street, Suite 1000, Anchorage, Alaska 99503 and MCI TELECOMMUNICATIONS CORPORATION ("MCI") with offices at 1801 Pennsylvania Avenue, N.W., Washington, DC 20006.

WHEREAS, Customer and MCI entered into an MCI Carrier Agreement that was fully executed by the parties as of January 1, 1993 and amended on April 20, 1994 and

July 26, 1994.

WHEREAS, Customer and MCI desire to enter into this Amendment for the purpose of amending the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which being hereby acknowledged, Customer and MCI agree as follows:

1. The first paragraph of Paragraph 3 of the Agreement shall be deleted and replaced with the following:

Subject to Paragraph 2 herein, Customer shall receive the following rates:

Rates set forth in this Paragraph 3 do not include charges for installation, taxes, tax-related surcharges, any other applicable surcharges, the Central Office Connection and Access Coordination charges specified in this Paragraph 3 and, without limitation, any other applicable access charges in the Tariff, which are addition. Rates are in lieu of any discounts and credits otherwise applicable pursuant to the Tariff.

For T-1 digital channelized access, Customer shall pay MCI a monthly recurring Central Office Connection charge of ***** per circuit and a monthly recurring Access Coordination charge of ***** per circuit for MCI network circuits installed prior to the Effective Date of this Third Amendment and currently utilized by Customer, and for MCI network circuits installed after the Effective Date of this Third Amendment; provided, however, Customer shall receive a monthly credit for its Central Office Connection charges, such total credit not to exceed ***** in a month. Such charges shall be in effect for the remaining service term of the Agreement, after which Customer shall pay standard Tariffed rates for all such circuits.

Except as expressly provided in this Third Amendment, all of the terms and conditions contained in the Agreement shall remain in full force and effect.

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4 In this document "*****" are used in place of redacted information.

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MCI TELECOMMUNICATIONS CORPORATION

GENERAL COMMUNICATIONS, INC.

/s/

Authorized Signature

/s/

Authorized Signature

Gene R. Strid
Vice President Engineering

Print Name and Title

Print Name and Title

Date

October 19, 1994

Date

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Exhibit C4

AMENDMENT NO. 1 (5)
[Second Amendment]

WHEREAS, the Parties hereto, MCI TELECOMMUNICATIONS CORPORATION ("MCI") and GENERAL COMMUNICATIONS, INC. ("Customer"), entered into and MCI Carrier Agreement ("Agreement") with an effective date of January 1, 1993; and

WHEREAS, the Parties, for good and valuable consideration, now desire to amend said Agreement.

NOW, THEREFORE, the Parties agree that the Agreement shall be amended as follows:

1. In Paragraph 2 Monthly Commitment in line 7, after ". . . MCI 800 DAL

Service. . ." insert "MCI Carrier Operator Services, ".

2. In Paragraph 3 MCI VIP, MCI 800 MOD, and MCI CAS Service, after Paragraph 3(f) (2), insert a new Paragraph 3(g):

3(g) MCI Carrier Operator Services

1. Customer shall receive MCI Carrier Operator Services under the terms and conditions contained herein and the terms, conditions and pricing contained in Attachment A.

3. Add Attachment A to the Agreement as the last two pages.

Except as herein modified or amended, the provisions, conditions and terms of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties hereto, each acting with proper authority, have executed this Amendment.

GENERAL COMMUNICATIONS, INC.

MCI TELECOMMUNICATIONS CORPORATION

/s/

Authorized Signature

/s/

Authorized Signature

Emily Thatcher

Printed Name

Alan B. Catherall

Printed Name

Planning Manager

Title

V.P. Finance/Admin

Title

June 28, 1994

Date

July 26, 1994

Date

5 In this document "*****" are used in place of redacted information.

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ATTACHMENT A

MCI CARRIER OPERATOR SERVICES

Customer is interested in buying MCI Carrier Operator Services for resale and MCI is interested in providing such services to Customer. In order to accomplish those purposes the parties hereby agree as follows:

1. Operator Services.

(a) MCI shall provide Customer with MCI Carrier Operator Services as such service is delineated in applicable tariffs, including MCI Tariff FCC No. 1 (the "Tariff") and, except as provided herein, at the rates contained in the Tariff.

(b) "Operator Service Calls" mean long distance calls dialed with the 0+, 01+ or 00- dialing pattern (and excluding calls dialed with the 950-XXXX and 800 dialing patterns).

(c) Customer shall not use any service mark or trademark of MCI or refer to MCI in connection with any service provided hereunder without the prior written approval of MCI.

(d) Call Originating Identification Information. MCI must receive electronic call origination identification ANI information for each call carried hereunder. If the Originating Site uses Feature Group D local access service, the required call origination identification information is automatically supplied by the local exchange company. If the Originating Site uses a type of local access service other than Feature Group D local access service, the Originating Site shall cause electronic call origination identification information (in a form acceptable to MCI) to be supplied to MCI at the initiation of each call.

(e) Emergency Calls.

(1) Each Originating Site shall configure its system so that 911 emergency calls, where available, and similar emergency calls, will be

automatically routed to the appropriate party or clearing house without the intervention of MCI. Emergency calls which do reach a MCI operator shall be handled in accordance with MCI standard operating procedures.

(2) If Customer or MCI provides an emergency number database, Customer agrees to indemnify and hold MCI harmless from any and all claims, damages, fines, penalties and any other liabilities (including attorney fees) arising out of the inaccuracy of any information or the inadequacy of any procedure or personnel.

(f) Private Payphones.

- (1) Private payphone lines must be classed as "07" COCOT.
- (2) All payphones must have Billed Number Screening ("BNS"), if available. If BNS is not available, the Customer will be responsible for calls billed to any lines without BNS.
- (3) Unless otherwise permitted by law, all 0- calls must be passed to the Local Exchange Carrier ("LEC").
- (4) Payphones must not block 950-XXXX or 1-800-XXX-XXXX calls.

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- (5) All payphones must have "011" blocking at the central office, if available. If international blocking is not available, or if Customer chooses not to block "011" calls, then Customer assumes responsibility for any international fraud.
- (6) For Premises Telephones located in condominiums, Customer shall be liable for all charges attributable to the failure of Customer to secure screening which prevents 1-10XXX domestic and international dialing and which indicates to operators that the telephone is restricted to prohibit billing of the original ANI.
- (7) Customer shall be responsible for any fraud resulting from its purchase and use of MCI Carrier Operator Services.

(g) Compliance. Customer will comply with applicable federal, state and local laws and regulations, including without limitation, laws and regulations relating to operator service during the term of this Agreement. Examples of laws relating to operator service are described in Exhibit A, "Compliance with Federal and State Operator Service Law". MCI takes no responsibility for any omissions or misstatements contained in Exhibit A.

(h) Authority.

(1) Customer warrants that it is authorized to select the operator services carrier for the telephones served by Customer pursuant to this Agreement. Customer agrees that if any other party makes any claims against MCI for commissions from such telephones, Customer will be responsible for any such claim. Customer shall indemnify MCI and hold MCI harmless from any loss, cost or expense resulting from such claim and will pay MCI's reasonable attorney's fees resulting from any such claim.

(2) If Customer is an agent of the premises owner or telephone owner for the Premises Telephones, Customer shall obtain the written agreement of each premises owner and telephone owner for each Premises Telephone authorizing Customer to select the operator service carrier for the Premises Telephones and Customer will submit a copy of such authorization to MCI upon request. MCI may take steps to confirm compliance with this provision, including, without limitation, contacting premises owners and telephone owners whose telephones are submitted by Customer.

(i) Liability.

Except in cases involving proved willful or wanton misconduct, MCI's liability to Customer is limited to its obligation to provide service as described herein. MCI SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE LOSS OR DAMAGE OF ANY KIND, INCLUDING LOST PROFITS (WHETHER OR NOT MCI WAS AWARE OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE), BY REASON OF ANY ACT OF OMISSION IN ITS PERFORMANCE UNDER THIS AGREEMENT. Customer shall indemnify and hold MCI harmless against any and all claims, losses, liabilities, damages, costs or expenses arising out of or related to this Agreement and shall pay MCI's reasonable attorney's fees resulting from any such claim.

2. Rates. The rates in the following schedule shall be charged on Customer's usage of MCI Carrier Operator Services. The automated rate will be charged from

the time a call reaches a node until the call is terminated. The live rate will be charged in addition to automated rates for the portion of each call that is handled by a live operator.

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| Monthly Attempts | Automated Rate/Sec. | Live Rate/Sec. |
|-----------------------|---------------------|----------------|
| 0 - 50,000 | \$***** | \$***** |
| 50,001 - 100,000 | \$***** | \$***** |
| 100,001 - 200,000 | \$***** | \$***** |
| 200,001 - 500,000 | \$***** | \$***** |
| 500,001 - 1,000,000 | \$***** | \$***** |
| 1,000,001 - 1,500,000 | \$***** | \$***** |
| 1,500,000+ | \$***** | \$***** |

3. Rate Quotes. If Customer has provided the appropriate rate information, MCI will provide real-time rate quotes to callers. However, Customer shall indemnify MCI and hold MCI harmless from any and all claims, damages, fines, penalties or other liabilities (including attorney fees) arising from the inaccuracy of any information of the inadequacy of any procedures or personnel.
4. Customer Service. Customer agrees that all customer service calls (i.e., billing disputes, troubles, general inquiries) shall be routed to Customer's customer service via a Customer-provided 800 number.
5. Language Assistance. Customer agrees that if, on a monthly basis, calls utilizing MCI Carrier Operator Services language assistance exceed ***** Customer shall pay ***** the Tariff rate for all calls exceeding *****.
6. Brand. Customer agrees that it will resell MCI Carrier Operator Services in its own name only.
7. Service Delivery. Customer agrees that it will receive and deliver all MCI Carrier Operator Services calls from/to one of the three (3) MCI automated nodes via an MCI TDS-1.5 or TDS-45 circuit.
8. Billing. Customer agrees to be responsible for all end-user billing for operator services and further agrees that if MCI provides rating and/or recording services for billing, Customer shall indemnify and hold MCI harmless from any and all claims, damages, fines, penalties or other liabilities (including attorney fees) arising from the inaccuracy of any information of the inadequacy of any procedures or personnel.
9. Forecasting. Customer agrees to provide a written monthly forecast for automated and live MCI Carrier Operator Services to be received by MCI no later than ten (10) days prior to the beginning of each month.
10. Average Speed of Answer. If Customer's actual use of automated and live MCI carrier services is less than ***** above Customer's monthly forecast as required in Paragraph 9 above, MCI agrees to provide an Average Speed of Answer ("ASA") of ***** or less.
11. Force Majeure. If because of force majeure, MCI is unable wholly or in part to carry out any of its obligations under this Agreement, such obligations shall be suspended for the duration of the event of force majeure. During the continuance of such force majeure, MCI shall incur no liability by reason of its failure to perform the obligation so suspended, provided, however, that the disabling effect of such force majeure shall be eliminated as soon as and to the extent reasonable possible. The term "force majeure" as used herein shall include switch, radio or cable failure, cable cut, acts of God, riots, insurrection, war, labor dispute, fire, flood, explosion, orders or acts of military or civil authority, and any other cause beyond MCI's reasonable control.

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12. Complete Agreement. This Agreement is the entire agreement of the parties with respect to its subject matter and supersedes all prior agreements and understandings, whether written or oral, concerning the subject matter. This Attachment cannot be amended, or assigned by Customer, except by a written agreement signed by both parties.

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Exhibit C5

This MCI Carrier Addendum ("Addendum") between MCI TELECOMMUNICATIONS CORPORATION ("MCI") and GENERAL COMMUNICATIONS, INC. ("Customer") is subject to the Communications Act of 1934, as amended.

MCI will provide to Customer, and Customer will receive from MCI, interstate and international telecommunications services provided pursuant to this Addendum, and intrastate service pursuant to MCI's tariffs governing such service. This Addendum incorporates by reference the terms of MCI Tariff FCC No. 1 ("Tariff"), which Tariff may be modified from time to time by MCI in accordance with law and thereby affect the services furnished Customer, except that the following terms and conditions shall supplement or, to the extent inconsistent, supersede Tariff terms and conditions and shall remain in effect throughout the service term.

1. Customer agrees that in each consecutive twelve (12) month period of the term of this Agreement ("Annual Period") its invoiced domestic usage of MCI 800 DAL Service, pursuant to the MCI Carrier Agreement between the parties dated January 1, 1993 and amended on February 1, 1994 ("Agreement"), shall equal or exceed ***** before application of any credits received hereunder ("Annual 800 DAL Subminimum").

2. The term of this Addendum may not exceed the term of the Agreement and shall be for three (3) years.

3. In exchange for the Annual 800 DAL Subminimum commitment, Customer shall receive the following in lieu of Tariffed or other promotions or credits applicable to MCI 800 DAL Service for which Customer might otherwise be eligible:

A. Signing Bonus: Customer shall receive a one-time credit equal to ***** of Customer's Annual 800 DAL Subminimum. The on-time credit shall appear on Customer's fourth (4th) monthly invoice and shall be applied to Customer's total monthly interstate usage under the Agreement, provided, however, that in no event shall the credit exceed *****.

B. Annual 800 Credit(s): At the conclusion of each Annual Period of the term of this Addendum in which Customer's annual invoiced domestic usage of MIC 800 DAL Service equals or exceeds the Annual 800 DAL Subminimum, Customer shall receive a credit equal to ***** of Customer's invoiced domestic MIC 800 DAL usage for the preceding Annual Period. The credit shall be applied to Customer's combined interstate monthly usage under the Agreement invoiced in the month following the conclusion of the appropriate Annual Period and shall not exceed ***** provided, however, that Customer shall not receive any credit pursuant to this subparagraph B unless and until Customer has fully complied with the requirements of Paragraph 2 of the Agreement.

4. If Customer fails to attain the Annual 800 DAL Subminimum in any Annual Period, for that Annual Period: (a) Customer shall repay a prorata portion of the 800 Bonus described in Paragraph 3A based

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6 In this document "****" are used in place of redacted information.

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upon the difference between Customer's actual annual domestic 800 usage hereunder and Customer's Annual 800 Subminimum; (b) Customer shall not receive an Annual 800 Credit as described in Paragraph 3B for that Annual Period; and (c) Customer shall pay an underutilization charge (which Customer agrees is reasonable) equal to ***** of the difference between the Annual 800 Subminimum and Customer's actual invoiced annual domestic 800 usage.

5. If Customer terminates this Addendum or the Agreement during the term of this Addendum for reasons other than for cause or to take service under another arrangement with MCI having equal or greater term and volume requirements or if MCI terminates the Agreement or this Addendum for cause, then Customer will pay MCI within thirty (30) days of the effective date of such termination an amount equal to ***** of the difference between Customer's actual annual domestic 800 usage hereunder and Customer's Annual 800 Subminimum, or a pro rata portion thereof for any partial year, for each Annual Period remaining in the term after termination, plus repay all credits previously received hereunder.

6. Customer shall not disclose to any third party any of the terms and conditions set forth herein unless such disclosure is lawfully required by any federal governmental agency, is otherwise required to be disclosed by law, or is necessary in any legal proceeding establishing rights and obligations under the Agreement or this Addendum. In the event of any unpermitted third party disclosure hereunder, MCI's remedy shall be pursuant to Paragraph 12 of the Agreement. This Addendum may not be assigned by Customer.

7. Except as expressly provided in this Addendum, all of the terms and conditions contained in the Agreement shall remain in full force and effect. Notwithstanding the foregoing, MCI may, if required by applicable law, file appropriate tariff provisions governing the offering under this Addendum. When effective, such provisions shall be controlling, notwithstanding anything to the contrary in this Addendum. In the event that regulatory authority does not permit required tariff provisions to become effective, either party may, upon written notice to the other, terminate this Addendum without termination liability.

In order to be eligible for this offer, an authorized officer of Customer must confirm Customer's acceptance of the above terms and conditions by executing this Promotion where indicated below no later than March 7, 1994. If signed by Customer and returned to MCI on or before March 7, 1994, this Amendment will be effective on February 1, 1994. If this Amendment is not signed by Customer and received by MCI on or before March 7, 1994, this Amendment will be effective on the first day of the first full month following execution of this Amendment by both parties.

ACCEPTED AND AGREED TO:

GENERAL COMMUNICATIONS, INC.

MCI TELECOMMUNICATIONS
CORPORATION

/s/

/s/

Authorized Signature

Authorized Signature

Wilson Hughes
Executive Vice President

Vice President

Title

Title

3/7/94

4/20/94

Date

Date