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ORIGINAL
FILE COPY

January 24, 1997

Ms. Blanca Bayo, Director
Division of Records and Reporting
Room 110, Easley Building
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

BY HAND DELIVERY

970114-TP

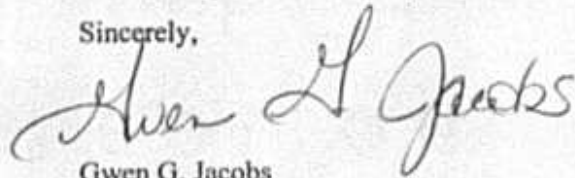
Dear Ms. Bayo:

An original and fifteen copies each of Vanguard Cellular Systems, Inc.'s Petition for Arbitration is enclosed for filing.

Please indicate receipt of these documents by stamping **both** enclosed extra copies of this letter.

Thank you for your assistance in this matter.

Sincerely,



Gwen G. Jacobs

ACK _____

AFA _____

APP _____ GGJ:dle

CAF _____ Enclosures

CMU _____

CTR _____ H:\USERS\GGJ\VANGUARD\BAYA.A24

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OTH _____

DOCUMENT NUMBER-DATE

00945 JAN 24 97

FPSC-RECORDS/REPORTING

Before the
Public Service Commission
of Florida

In the Matter of:

Petition of Vanguard Cellular
Systems, Inc. for Arbitration
Pursuant to Section 252(b) of
the Communications Act of 1934,
as amended, to Establish an
Interconnection Agreement with
Sprint-Florida, Inc.

Docket No. *970114-TP*
Filed: January 24, 1997

**PETITION FOR ARBITRATION TO
ESTABLISH INTERCONNECTION AGREEMENT**

Pursuant to Section 252(b) of the Communications Act of 1934 (the "Act"), as amended by the Telecommunications Act of 1996, Vanguard Cellular Systems, Inc. and its affiliate Western Florida Cellular Telephone Corp. (collectively, "Vanguard"), hereby petition the Public Service Commission of Florida ("Commission") for arbitration to resolve certain open issues in the ongoing negotiations between Vanguard and Sprint-Florida, Inc. ("Sprint") to establish an agreement on terms and conditions for interconnection between them ("Interconnection Agreement").

I. INTRODUCTION

1. Vanguard has been engaged in negotiations with Sprint in a good faith attempt to enter into an Interconnection Agreement as required by the Act. Vanguard initiated the process on August 8, 1996, by requesting an Interconnection Agreement pursuant to Sections 251 and 252 of the Act (Exhibit 1). However, as of this date the parties have not been able to reach an agreement.

DOCUMENT NUMBER-DATE
00945 JAN 24 97
FPSC-RECORDS/REPORTING

2. The contact counsel for this matter are:

- a. Floyd R. Self
Messer, Caparello & Self, P.A.
215 South Monroe Street
Suite 701
P.O. Box 1876
Tallahassee, Florida 32302-1876
(904) 222-0720

- b. Richard C. Rowleson
Executive Vice President and General Counsel
Vanguard Cellular Systems, Inc.
2002 Pisgah Church Road
Suite 300
Greensboro, North Carolina 27455
(910) 545-2242

3. On Exhibit 2, Vanguard identifies the issues it believes are unresolved at the time of filing. Vanguard requests arbitration on these issues for the reasons set forth below.

II. FACTUAL BACKGROUND, HISTORY OF NEGOTIATIONS AND ISSUES

A. Background

4. Vanguard is a State of North Carolina corporation which is headquartered at 2002 Pisgah Church Road, Greensboro, North Carolina 27455. Vanguard is also a telecommunications carrier within the meaning of Sections 3(49) and 252(a) of the Act. Vanguard and its affiliates are licensed by the FCC to provide CMRS to customers in certain FCC-defined Metropolitan Statistical Areas ("MSAs") and Rural Service Areas ("RSAs") throughout the Eastern United States (from Maine to Florida). In Florida, Vanguard's service area consists of the Pensacola and Fort Walton Beach MSAs, which are comprised of Escambia and Santa Rosa Counties (Pensacola) and Okaloosa County (Fort Walton Beach), respectively. The Pensacola and Fort Walton Beach MSAs fall entirely within the New Orleans MTA (MTA No. 17). A map showing Vanguard's Pensacola and Fort Walton Beach MSAs and the MTA is attached as Exhibit 3.

5. Sprint is an incumbent local exchange carrier ("ILEC") in Florida as defined by Sections 3(44) and 251(h) of the Act. As such, Sprint is obligated to negotiate with and make interconnection available to Vanguard pursuant to Sections 251(b), 251(c) and 252 of the Act. Duties include obligations to negotiate in good faith, provide interconnection and provide unbundled access, among others. See also *First Report and Order*, FCC 96-235 (rel. Aug. 8, 1996) (the "Interconnection Order") at ¶¶ 138 *et seq.*

6. Vanguard currently has Type I and Type II interconnection with Sprint and receives services from Sprint. In other words, there is an existing interconnection arrangement with established technological and other procedures between Vanguard and Sprint. This request for arbitration deals with modifications to the existing arrangement pursuant to the Act.

B. History of Negotiations

7. On August 8, Vanguard sent a request for negotiation of interconnection arrangements to Sprint. A copy of the request is attached as Exhibit 1. The request was received by the responsible Sprint personnel on August 19, as acknowledged in a letter to Vanguard earlier this month. The Sprint letter is attached as Exhibit 4.

8. In October and then in December, 1996, Sprint provided Vanguard with draft interconnection agreements. (These drafts were dated October 21 and November 21, respectively, and will be referred to as the October and November drafts.) The November draft was substantially changed from the October draft, and is attached as Exhibit 5. Neither the October draft nor the November draft contained pricing information for Florida. Vanguard made repeated requests for that information, including information on how the charges would be structured, which also had not been provided. On January 9, 1997, a Sprint representative indicated that Sprint still had not

determined what prices it would propose for transport and termination, or the pricing structure for that arrangement.

9. On January 16, 1997, Sprint provided its first price list for Florida, and the parties held their first conference call to discuss the proposed agreement. The parties agreed to hold another conference call on January 22. Prior to the January 22 conference call, Vanguard provided a memorandum detailing proposed changes in the November draft. On the morning of January 22, Sprint provided a revision to its proposed pricing structure to Vanguard. This revision added a new rate element to the original pricing structure. During the January 22 conference call, the parties discussed issues raised by the new pricing structure in Vanguard's memorandum.

10. The parties have reached agreement on a substantial number of the issues raised by the November draft and Vanguard's memorandum, but were unable to reach a final agreement in the short time between Sprint's provision of pricing information and the end of the statutory period for requesting arbitration. Therefore, to protect its rights under the Act, Vanguard is seeking arbitration of the open issues identified herein and others that may be identified as negotiations continue.

11. Vanguard expects and hopes that this arbitration results in a complete and final Interconnection Agreement. However, if for some reason it does not and issues arise after this arbitration which the parties are unable to resolve among themselves, then Vanguard reserves its right to return to this forum.

12. Concurrent with this arbitration, Vanguard will continue its negotiations with Sprint in an attempt to reach resolution on all interconnection issues. Vanguard would welcome the Commission working with the parties to facilitate negotiations prior to formal arbitration and would gladly provide the appropriate personnel and resources to negotiate an Interconnection Agreement to conclusion, if that were to become a likely possibility.

III. ARBITRATION PROCEDURES

13. Vanguard recognizes that it may be necessary to obtain and provide more information regarding the issues to be arbitrated. For example, Vanguard anticipates that Sprint may raise new matters in its reply. Accordingly, Vanguard hereby reserves its right to submit additional information during the course of this proceeding.

IV. UNRESOLVED ISSUES AND THE PARTIES' POSITIONS

14. Arbitration by the Commission is requested with respect to the following issues:
- a. True-ups to interim rates:
 - (1) Sprint has proposed true-up provisions that would permit recalculating rates from the time of a rate change to the effective date of the initial agreement. Vanguard proposes limiting the time period for true-ups to the initiation of a proceeding to establish rates or six months prior to the date on which the permanent rates are set, whichever is less. Sprint has neither agreed to nor disagreed with this proposal.
 - (2) Sprint proposes to require true-ups to rates determined in arbitrations between Sprint and third parties. Vanguard proposes limiting true-ups to rates determined in proceedings that are intended to determine generally applicable rates, terms and conditions.
 - b. Rates for services provided under the interconnection agreement: Sprint initially proposed rates on January 16 and modified its proposal on January 22. Vanguard has not had the opportunity to analyze the modified proposed rates sufficiently to determine whether they are acceptable.
 - c. Treatment of cellular switches as end offices or tandems: Sprint proposes to treat cellular switches as end offices for purposes of the interconnection agreement. Vanguard proposes to treat cellular switches as tandems because they cover areas comparable to or larger than those covered by tandems.
 - d. Availability of bill and keep compensation: Sprint proposes to limit the availability of bill and keep compensation to end office interconnection. Vanguard proposes to make bill and keep compensation available for tandem interconnection as well.

- e. Definition of central office switch: Sprint has proposed to exclude cellular switches from the definition of central office switch. Vanguard proposes to include cellular switches within this definition. Sprint has neither agreed to nor disagreed with this proposal.
- f. Treatment of Vanguard compared to other carriers: In parts of the November draft, Sprint has proposed to limit Vanguard's right to obtain service at parity with other carriers. Vanguard proposes returning to the terms of the October draft, which did not limit Vanguard's rights in this way. Sprint has agreed to address this issue, but has not proposed specific language at this time, so this remains an open issue.
- g. Definition of "TELRIC" for purposes of rate determinations: Sprint proposes a definition of TELRIC that differs from the FCC definition. Vanguard proposes to adopt the FCC definition.
- h. Conflicts between agreement and tariff terms: Sprint has proposed to permit tariffs to override the agreement. Vanguard has proposed to rely on tariff terms only for matters that are not specified in the agreement and to require the parties to use their best efforts to modify tariffs to conform to the agreement. Sprint has neither agreed to nor disagreed with this proposal.
- i. Notice of relevant activities: Vanguard has proposed that Sprint provide it with notice of other agreements and of proceedings that could affect rates under the Vanguard-Sprint agreement. Sprint does not wish to provide such notice.
- j. Changes in customer telephone numbers: Sprint has proposed some limitations on the ability of resale customers to retain their telephone numbers. Vanguard has requested an explanation of the reasons for these limitations, but has not yet received an answer.
- k. Requirements for notification of network changes: Sprint proposes a notification requirement that does not conform to the FCC's rules. Vanguard proposes to conform the terms of the agreement to FCC requirements.
- l. Availability of unbundled elements to Vanguard: Vanguard has proposed language to clarify that it may obtain all unbundled elements available to other carriers. Sprint has not responded to this proposal.
- m. Vanguard's 911 obligations under the agreement: Vanguard has proposed language to conform the agreement to Vanguard's obligations to provide 911 connectivity and information under federal law. Sprint has not responded to this proposal.

- n. Blocking of access to operator services: Vanguard has proposed language to permit blocking of Vanguard's customers' access to certain operator services. Sprint has not responded to this proposal.
- o. Busy line verification and interrupt services: Vanguard has proposed language to recognize that Vanguard does not have the capability of providing these services at this time. Sprint has not responded to this proposal.
- p. Access to rights of way and related facilities: Vanguard has proposed language to conform this provision to federal requirements. Sprint has not responded to this proposal.
- q. Compensation for use of rights of way and related facilities: Vanguard has requested an explanation of the cost allocations under this provision. Sprint has not responded to this request.
- r. Response to law enforcement agencies: Vanguard has proposed language to clarify that the agreement will not modify either party's obligations under the Federal Electronic Communications Privacy Act and equivalent state provisions. Sprint has not responded to this proposal.
- s. Choice of law provisions: Vanguard has proposed language to clarify that the agreement will be interpreted under the substantive law of the state in which it is performed. Sprint has not responded to this proposal.

15. Also as noted above, Vanguard would hope that the parties would be able to resolve among themselves any issues identified during or after this proceeding, but recognizes it may need to return to the Commission for assistance.

V. CONCLUSION AND PRAYER

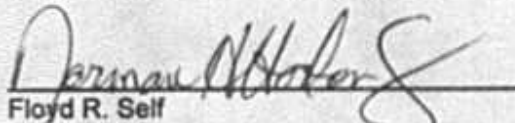
16. Vanguard respectfully requests that the Commission arbitrate and resolve the issues set forth in this Petition to result in an Interconnection Agreement between the parties. Specifically, Vanguard prays that the Commission find, conclude and order that an agreement should be concluded on the terms proposed herein.

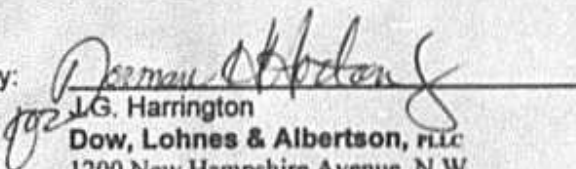
17. Vanguard also prays for such other relief and remedies as may be reasonable and in conformity with the Act in order that Vanguard may have quality interconnection services from

Sprint at standards equal to those standards Sprint uses for itself, its affiliates and other telecommunications carriers at prices that are cost-based and on terms that are just, fair, reasonable and non-discriminatory.

Respectfully submitted,

VANGUARD CELLULAR SYSTEMS, INC.

By: 
Floyd R. Self
Norman H. Horton, Jr.
Gwen G. Jacobs
Messer, Caparello & Self, P.A.
215 South Monroe Street, Suite 701
P.O. Box 1876
Tallahassee, FL 32302-1876
(904) 222-0720

By: 
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Dow, Lohnes & Albertson, PLLC
1200 New Hampshire Avenue, N.W.
Suite 800
Washington, DC 20036
(202) 776-2818

Tallahassee, Florida
January 24, 1997

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Vanguard Cellular Systems, Inc.'s Petition for Arbitration has been sent by Overnight mail (*) and by Hand Delivery on this 24th day of January, 1997 to the following parties of record:

Alan Berg*
Sprint-Florida, Inc.
555 Lake Border Drive
Apopka, FL 32703

Mr. Pat Jennings
Sprint-Florida, Inc.
315 S. Calhoun Street, Ste. 740
Tallahassee, FL 32301



Gwen G. Jacobs

Exhibit 1



(910) 282-3690
FAX (910) 545-2500

2002 PISGAH CHURCH ROAD • SUITE 200 • GREENSBORO, NC 27485

August 8, 1996

VIA AIRBORNE EXPRESS

Sprint/Central Florida
425 North 3rd Street
Leesburg, FL 34748

Attention: Mr. Bill Lightfoot

Re: **Request to Negotiate Agreement for Interconnection to Sprint/Central Florida Facilities and Services**

Ladies and Gentlemen:

Pursuant to Sections 251(c) and 252 of the Telecommunications Act of 1996, 47 U.S.C. §§ 251(c) and 252, and existing and future Federal Communications Commission ("FCC") and state rules and regulations thereto, Vanguard Cellular Systems, Inc. on behalf of its subsidiary cellular telephone operating companies ("Vanguard") hereby submits its request to commence negotiations to reach an agreement with Sprint/Central Florida for the provision to Vanguard of interconnection to Sprint/Central Florida's network services, elements and facilities for the purposes of providing cellular telephone and other commercial mobile radio services. Accordingly, Vanguard requests that Sprint/Central Florida commence negotiations in good faith to reach an interconnection agreement including, but not limited to, the following terms and conditions:

Reciprocal compensation. Pursuant to Section 251(a)(5) and 252(d)(2) and existing and future FCC and state rules and regulations thereto, Vanguard requests that Sprint/Central Florida negotiate in good faith an interconnection agreement that specifically recognizes the peer network relationship between Vanguard and Sprint/Central Florida and provides for reciprocal compensation for the transport and termination of telecommunications between Sprint/Central Florida's and Vanguard's networks.

Unbundled network elements. Pursuant to 47 U.S.C. § 251(c)(3) and existing and future FCC and state rules and regulations thereto, Vanguard requests that Sprint/Central Florida negotiate in good faith an interconnection agreement that provides nondiscriminatory access to network elements on an unbundled basis at any technically feasible point for the provision by Vanguard of cellular telephone and commercial mobile radio services. The elements requested are as follows: (i) local switching; (ii) local transport; and (iii) local loops.

Point of interconnection. Vanguard requests that Sprint/Central Florida negotiate in good faith the provision of interconnection to Sprint/Central Florida's local exchange network consistent with Sprint/Central Florida's obligation to provide such interconnection at any technically feasible point in Sprint/Central Florida's network for the transmission and routing of Vanguard's cellular telephone and commercial mobile radio services. Initially, Vanguard requests interconnection at the following points: (i) physical collocation at Sprint/Central Florida's premises or end office pursuant to 47 U.S.C. § Section 251(o)(6); (ii) interconnection at a Sprint/Central Florida tandem switch, including necessary transport facilities; (iii) interconnection at a Sprint/Central Florida end office; (iv) meet-point interconnection at specific locations to be determined between Sprint/Central Florida's and Vanguard's networks; and (v) any other point of interconnection mutually agreed upon by the Parties. Vanguard may request interconnection at other or additional points in the future.

Vanguard submits this request without prejudice to any rights, privileges or claims it may have, or obligations and duties that may be imposed upon Sprint/Central Florida, by (1) the Omnibus Budget Reconciliation Act of 1993, 47 U.S.C. § 332(c) et seq., (2) the Telecommunications Act of 1996, (3) present and future state laws and regulations and (4) present and future FCC regulations and policies.

Please respond to this request within ten days from the date of this letter. For Please submit Sprint/Central Florida's response to the undersigned. We look forward to your timely reply.

Very truly yours,

Richard C. Rowlerson

Richard C. Rowlerson
Senior Vice President
and General Counsel

[Handwritten mark]

RCR/mc

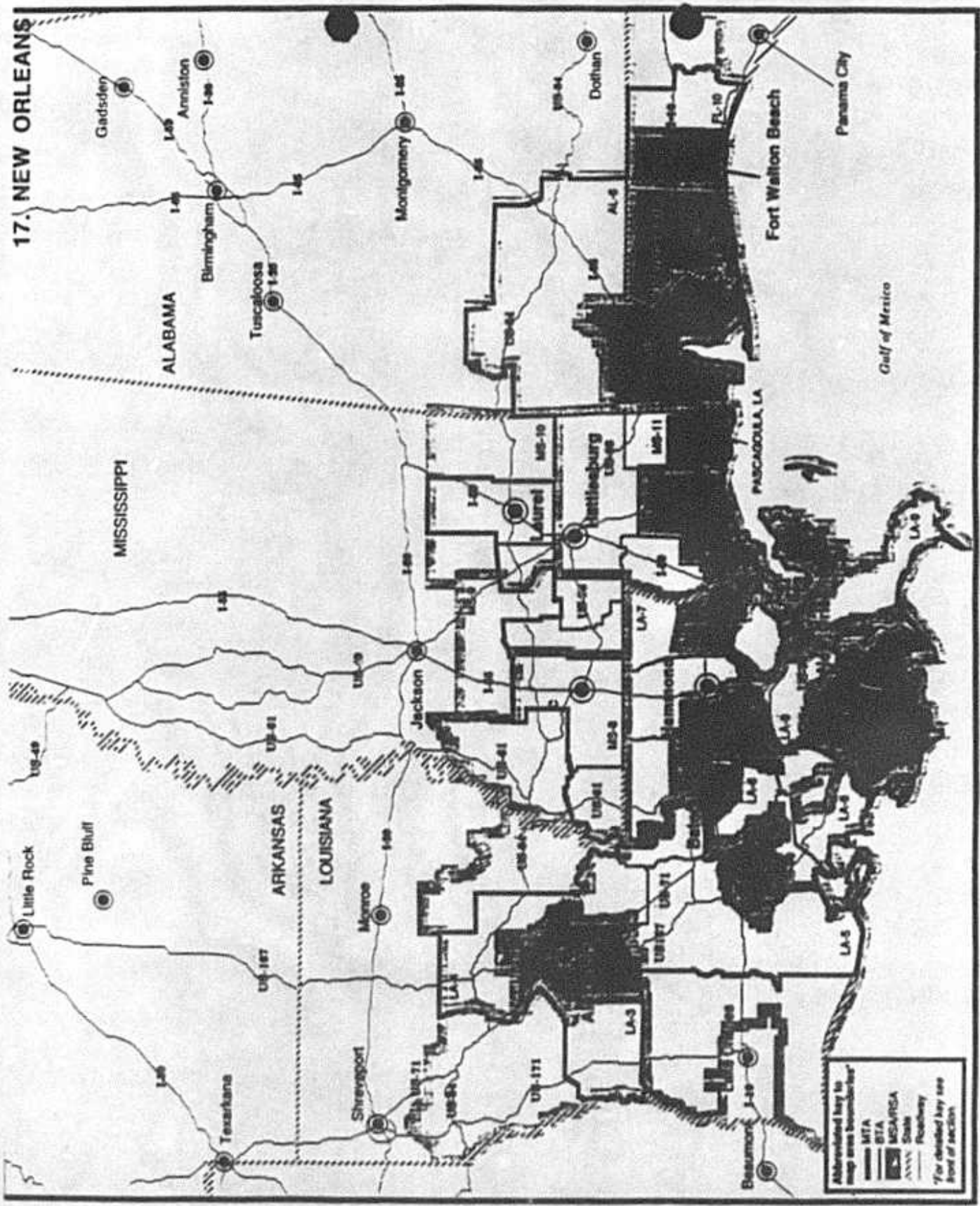
Exhibit 2

OPEN ISSUES IN VANGUARD-SPRINT INTERCONNECTION NEGOTIATIONS

1. True-ups to interim rates
2. Rates for services provided under the interconnection agreement
3. Treatment of cellular switches in networks
4. Availability of bill and keep compensation
5. Definition of Central Office Switch
6. Treatment of Vanguard compared to other carriers
7. Definition of "TELRIC" for purposes of rate determinations
8. Conflicts between agreement and tariff terms
9. Notice of relevant activities
10. Changes in customer telephone numbers
11. Requirements for notification of network changes
12. Availability of unbundled elements to Vanguard
13. Vanguard's 911 obligations under the agreement
14. Blocking of access to operator services
15. Busy line verification and interrupt services
16. Access to rights of way and related facilities
17. Compensation for use of rights of way and related facilities
18. Response to law enforcement agencies
19. Choice of law provisions

Exhibit 3

17. NEW ORLEANS



Abbreviated key to map area boundaries:

- MTA
- BTA
- MCA/PGA
- State
- County
- Front of section

*For detailed key see front of section.

Exhibit 4



John W. Clayton
Director - Local Carrier Markets

Local Telecommunications Division
2530 Nancy Mission Parkway
Westwood, KS 66205
Mailstop KSRWA0301
Telephone (913) 261-2825
Fax (913) 261-2820

VIA FAX AND OVERNIGHT DELIVERY

January 16, 1997

Mr. Richard C. Rowlenson
Vanguard Cellular Systems, Inc.
2002 Church Road
Suite 300
Greensboro, NC 27455

Dear Mr. Rowlenson:

This letter will confirm our verbal agreement that Vanguard's August 8, 1996 request for interconnection to facilities in our Florida and Pennsylvania operating areas was officially received in my office on August 19, 1996. That date is day 1 of the negotiating period specified in the Telecommunications Act of 1996. Day 135 was January 1, 1997; Day 160 will be January 26, 1997.

If you have questions or comments please let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "John W. Clayton".

John W. Clayton

cc: J. G. Harrington
Joe Cowin
Jamie Logan

Exhibit 5



**RESALE AND
INTERCONNECTION
AGREEMENT**

NOVEMBER 21, 1996

This Agreement represents the positions of the Sprint operating telephone companies with respect to interconnection. Sprint reserves the right to modify these positions based upon further review of existing orders from or the issuance of additional orders by the Federal Communications Commission, the appropriate state public service or public utilities commission or a court of competent jurisdiction.

**MASTER NETWORK
INTERCONNECTION AND RESALE AGREEMENT**

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EXHIBIT 1 - Rates and Pricing

EXHIBIT 2 - Interim Standards for Access to Systems

EXHIBIT 3 - Points of Interconnection

**MASTER NETWORK
INTERCONNECTION AND RESALE AGREEMENT**

This Agreement is between _____ ("Carrier") and _____ ("Company") hereinafter collectively, "the Parties", entered into this _____ day of _____, 1996, for the State of _____.

WHEREAS, the Parties wish to establish terms and conditions for the purposes of fulfilling Company's obligations established by 251(b) and (c) of the Act, as defined herein;

THEREFORE, the Parties hereby agree as follows:

I. DEFINITIONS

Definitions of the terms used in this Agreement shall have the meanings set forth below.

1. **Access Service Request ("ASR")** - means an industry standard form used by the Parties to add, establish, change or disconnect trunks for the purposes of Interconnection.
2. **Act** - means the Communications Act of 1934, as amended by the Telecommunications Act of 1996, Public Law 104-104 of the 104th United States Congress effective February 8, 1996.
3. **Affiliate** - means any person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this Agreement, the term "own" means to own an equity interest (or the equivalent thereof) of more than fifty percent (50%). "Person" shall mean any individual, partnership, corporation, company, limited liability company, association, or any other legal entity authorized to transact business in any State.
4. **Bell Communications Research ("Bellcore")** - means an organization owned jointly by the Bell regional holding companies, or their successors, that conducts research and/or development projects for its owners, including development of new telecommunications services. Bellcore also provides certain centralized technical and management services for the regional holding companies and also provides generic requirements for the telecommunications industry for products, services and technologies.
5. **Bill and Keep** - means an interim form of mutual reciprocal compensation for the End Office Switching function with respect to the termination of Local Traffic, however, said function does not include the transport or tandem switching functions, unless otherwise agreed to by the Parties. Under Bill and Keep a LEC or CLEC terminates the local exchange traffic originating from end-users served by the networks of other LECs or CLECs without explicit charging among or between said carriers for the End Office switching function associated with such traffic exchange.

6. **Central Office Switch, End Office or Tandem (hereinafter "Central Office" or "CO")** - means a switching facility within the public switched telecommunications network, including but not limited to:

End Office Switches which are switches from which end-user Telephone Exchange Services are directly connected and offered.

Tandem Switches are switches which are used to connect and switch trunk circuits between and among Central Office Switches.
7. **Centralized Message Distribution System ("CMDS")** - means the billing record and clearing house transport system that the Regional Bell Operating Companies ("RBOCs") and other incumbent LECs use to exchange out collects and in collects as well as Carrier Access Billing System ("CABS") records.
8. **Commercial Mobile Radio Services ("CMRS")** - means a radio communication service between mobile stations or receivers and land stations, or by mobile stations communicating among themselves that is provided for profit and that makes interconnected service available to the public or to such classes of eligible users as to be effectively available to a substantial portion of the public as set forth in 47 Code of Federal Regulations § 20.3.
9. **Commission** - means the commission, board, or official (by whatever name designated) which under the laws of any State has regulatory jurisdiction with respect to intrastate operations of carriers. As referenced in this part, this term may include the Federal Communications Commission if it assumes the responsibility of the state commission, pursuant to section 252(e)(5) of the Act. This term shall also include any person or persons to whom the state commission has delegated its authority under section 251 and 252 of the Act.
10. **Competitive Local Exchange Carrier ("CLEC") or Alternative Local Exchange Carrier ("ALEC")** - means any company or person authorized to provide local exchange services in competition with an ILEC.
11. **Control Office** - is an exchange carrier center or office designated as its company's single point of contact for the provisioning and maintenance of its portion of interconnection arrangements.
12. **Customer Proprietary Network Information ("CPNI")** - shall have the meaning set forth in 47 USC §222 (f)(1) and FCC regulations issued pursuant thereto.
13. **Electronic Interfaces** - means access to operations support systems consisting of pre-ordering, ordering, provisioning, maintenance and repair and billing functions. For the purposes of this Agreement, Company shall provide such Electronic Interfaces pursuant

to industry standards within twelve months after such standards have been established to allow information, operational and timeliness Parity.

14. **FCC** - means Federal Communications Commission.
15. **Incumbent Local Exchange Carrier ("ILEC")** - is any local exchange carrier that was as of February 8, 1996, deemed to be a member of the Exchange Carrier Association as set forth in 47 C.F.R. §69.601(b) of the FCC's regulations.
16. **Integrated Services Digital Network ("ISDN")** - means a switched network service providing end-to-end digital connectivity for the simultaneous transmission of voice and data.
17. **Interconnection** - means the connection of separate pieces of equipment, transmission facilities, etc., within, between or among networks for the transmission and routing of exchange service and exchange access. The architecture of interconnection may include collocation and/or mid-span meet arrangements.
18. **Interexchange Carrier ("IXC")** - means a telecommunications service provider offering interexchange telecommunications services (e.g., inter- and/or intra-LATA toll).
19. **Local Traffic** - means traffic that is originated by an end user of one Party and terminates to the end user of the other Party within the service territory of the Company as defined in its then current Local Exchange Tariff. Local Traffic shall also include mandatory Extended Area Calling, as that term is commonly used in the telecommunications industry, and any other traffic for which there is no additional charge for termination.
20. **Meet Point Billing** - means an arrangement whereby two local service providers (including an ILEC and a CLEC) jointly provide exchange access to an IXC for purposes of originating or terminating toll services and each such provider receives its share of the tariffed charges associated with its proportionate share of such service. A "meet point" is a point of interconnection between two networks, designated by two telecommunications carriers, at which one carrier's responsibility for service begins and the other carrier's responsibility ends. A "meet point interconnection arrangement" is an arrangement by which each telecommunications carrier builds and maintains its network to a meet point.
21. **Most Favored Nations ("MFN")** - shall have the meaning set forth in Section II, A, 2.
22. **Multiple Exchange Carrier Access Billing ("MECAB")** - means the document prepared by the Billing Committee under the auspices of the Ordering and Billing Forum ("OBF"), which functions under the auspices of the Carrier Liaison Committee of the Alliance for Telecommunications Industry Solutions ("ATIS") and is published by Bellcore as Special Report SR-BDS-000983, containing the recommended guidelines for

the billing of exchange service access provided by two or more LECs and/or CLECs, or by one ILEC in two or more states within a single LATA.

23. **Multiple Exchange Carriers Ordering and Design Guidelines for Access Services - Industry Support Interface Multiple Exchange Carriers Ordering and Design Guidelines for Access Services - Industry Support Interface ("MECOD")** - means the document developed by the Ordering/Provisioning Committee under the auspices of the OBF, which functions under the auspices of the Carrier Liaison Committee of the ATIS and is published by Bellcore as Special Report SR STS-002643 to establish methods for processing orders for exchange service access which is to be provided by two or more ILECs and/or CLECs.
24. **Numbering Plan Area ("NPA")** - means an area code assigned pursuant to the North America Numbering Plan which is the three digit indicator defined by the "A", "B" and "C" digits of each 10-digit telephone number within the NANP containing 800 possible NXX Codes each. There are two general categories of NPA. "Geographic NPA" is associated with a defined geographic area, and all telephone numbers bearing such NPA are associated with services provided within that Geographic area. A "Non-Geographic NPA", also known as a "Service Access Code" ("SAC Code") means specialized telecommunications service which may be provided across multiple geographic NPA areas such as 500, Toll Free Service NPAs, 900 and 700.
25. **Parity** - means nondiscriminatory access to telephone numbers, operator services, directory assistance and directory listings with no unreasonable dialing delays between functions the Company performs for itself and functions it performs for/or makes available to Carrier.
26. **Physical Collocation** - shall have the meaning set forth in 47 C.F.R. § 51.5. Physical collocation does not include switching equipment.
27. **Rebranding** - occurs when Carrier purchases a wholesale service from Company when the Carrier brand is substituted for the Company brand.
28. **Telecommunications Services** - shall have the meaning set forth in 47 USC §153(6). Said services do not include Voice Mail/MessageLine, Inside Wire Maintenance, CMRS, Lifeline (and similar government programs), COCOT lines and Employee Concessions.
29. **Total Element Long Run Incremental Cost ("TELRIC")** - shall have the meaning set forth in Implementation of Local Competition Provisions of the Telecommunications Act of 1996, CC Docket No. 96-98, First Report and Order, FCC 96-325 (rel. August 8, 1996), 61 Fed. Reg. 45476 (Aug. 29, 1996) (Report and Order), as subsequently modified or amended by action of the FCC. It is expressly understood, however, that pricing under this Agreement shall include, in addition to the TELRIC determined cost, a reasonable amount of joint and common costs. Provided, however, should the stay currently in

effect with respect to the Report and Order continue, TELRIC shall be as determined by a Commission of appropriate jurisdiction for the same or substitute costing methodology with the appropriate treatment of joint and common costs to be determined by said Commission. Provided further, until such time as said Commission shall make such determination, the pricing under this agreement shall be as set forth in the existing contract between the parties.

30. **Trunk-Side** - refers to a Central Office Switch connection that is capable of, and has been programmed to treat the circuit as, connecting to another switching entity or another central office switch. Trunk side connections offer those transmission and signaling features appropriate for the connection of switching entities, and cannot be used for the direct connection of ordinary telephone station sets.
31. **Undefined Terms** - The Parties acknowledge that terms may appear in this Agreement which are not defined and agree that any such terms shall be construed in accordance with their customary usage in the telecommunications industry as of the effective date of this Agreement.
32. **Virtual Collocation** - shall have the meaning as set forth in 47 C.F.R. § 51.5. Virtual collocation does not include switching equipment.
33. **Wholesale Service** - means any regulated Telecommunication Services that Company provides at retail to subscribers who are not telecommunications carriers as set forth in 47 USC §251(c)(4).
34. **Wire Center** - means a building or space within a building which serves as an aggregation point on a network, where transmission facilities and circuits are connected or switched. Wire center can also denote a building in which one or more Central Offices, used for the provision of exchange services and access services, are located.

II. SCOPE, TERM AND TERMINATION

A. Scope

1. The services and facilities to be provided to Carrier by Company in satisfaction of this Agreement may be provided pursuant to Company tariffs and then current practices. Should there be a conflict between the terms of this Agreement and any such tariffs or practices, the terms of the tariff shall control to the extent allowed by law or Commission Order.
2. If, at any time while this Agreement is in effect, Company provides any individual interconnection, service, or network element arrangement contained in this agreement for the provision of a telecommunications service, as used herein, to a telecommunications carrier, as defined in 47 Code of Federal Regulations Part 51.5, on terms different from those available under this Agreement, then Carrier may opt to adopt such individual

interconnection, service, or network element arrangement upon the same rates, terms, and conditions as those provided to said telecommunications carrier in place of the specific individual interconnection, service, or network element arrangement otherwise applicable under this Agreement for its own arrangements with Company. This obligation shall not apply where Company proves to the Commission that the costs of providing a particular interconnection, service, or element to Carrier are greater than the costs of providing it to the telecommunications carrier that originally negotiated the agreement, or the provision of a particular interconnection, service, or element to the requesting carrier is not technically feasible. Individual interconnection, service, or network element arrangements shall remain available for use by telecommunications carriers pursuant to this section for a reasonable period of time after the approved agreement is available for public inspection.

3. Notwithstanding the above provisions, or any other provision in this Agreement, this Agreement is subject to such changes or modifications with respect to the rates, terms or conditions contained herein as may be ordered or directed by the Commission or the FCC, or as may be required to implement the result of an order or direction of a court of competent jurisdiction with respect to its review of an appeal of the decision of a Commission or the FCC, in the exercise of their respective jurisdictions (whether said changes or modifications result from an order issued on an appeal of the decision of a Commission or the FCC, a rulemaking proceeding, a generic investigation or an arbitration proceeding conducted by a Commission or FCC which applies to the Company or in which the Commission or FCC makes a generic determination) to the extent that said changes apply to all similar Company agreements or interconnection requirements in general. Any rates, terms or conditions thus developed or modified shall be substituted in place of those previously in effect and shall be deemed to have been effective under this Agreement as of the effective date of the order by the court, Commission or the FCC, whether such action was commenced before or after the effective date of this Agreement. If any such modification renders the Agreement inoperable or creates any ambiguity or requirement for further amendment to the Agreement, the Parties will negotiate in good faith to agree upon any necessary amendments to the Agreement. Should the Parties be unable to reach agreement with respect to the applicability of such order or the resulting appropriate modifications to this Agreement, the parties agree to petition such Commission to establish appropriate interconnection arrangements under sections 251 and 252 of the Act in light of said order or decision.

B. Term

1. This Agreement shall be deemed effective upon approval by a Commission of appropriate jurisdiction. No order or request for services under this Agreement shall be processed until this Agreement is so approved.

2. Except as provided herein, Company and Carrier agree to provide service to each other on the terms defined in this Agreement for a period of two years, and thereafter the Agreement shall continue in force and effect unless and until terminated as provided herein.

C. Termination

1. Either party may terminate this Agreement by providing written notice of termination to the other party, such written notice to be provided at least 180 days in advance of the date of termination. In the event of such termination for service arrangements made available under this Agreement and existing at the time of termination, those arrangements shall continue without interruption under either (a) a new agreement is executed by the Parties, or (b) standard interconnection terms and conditions contained in Company's tariff or other substitute document that are approved and made generally effective by the Commission or the FCC.
2. In the event of default, either Party may terminate this Agreement in whole or in part provided that the non-defaulting Party so advises the defaulting Party in writing of the event of the alleged default and the defaulting Party does not remedy the alleged default within 60 days after written notice thereof. Default is defined to include:
 - a. Either Party's insolvency or initiation of bankruptcy or receivership proceedings by or against the Party; or
 - b. Either Party's material breach of any of the terms or conditions hereof, including the failure to make any undisputed payment when due.
3. Termination of this Agreement for any cause shall not release either Party from any liability which at the time of termination has already accrued to the other Party or which thereafter may accrue in respect to any act or omission prior to termination or from any obligation which is expressly stated herein to survive termination.

III. RESALE OF LOCAL SERVICES

A. Scope

1. Company retail Telecommunications Services shall be available for resale at wholesale prices pursuant to 47 USC §251(c)(4). Services that are not retail Telecommunications Services and, thus, not covered by this Agreement and not available for resale at wholesale prices include, but are not limited to, Voice Mail/MessageLine, Inside Wire Maintenance, CMRS services, Lifeline services and similar government programs (underlying access service will be resold but Carrier must qualify its offering for these programs), promotions of less than ninety (90) days and Employee Concessions.

2. Until such time as additional clarification of Sprint's obligations with respect to the resale of COCOT lines has been provided by the FCC or Commission, COCOT lines will not be resold.
3. Except as set forth above, Company shall not place unreasonable conditions or restrictions on Carrier's resale of wholesale regulated Telecommunications Services, except for restrictions on the resale of residential service to other classifications (e.g., residential service to business customers). Every regulated retail service rate, including promotions over 90-days in length, discounts, and option plans will have a corresponding wholesale rate. Company will make wholesale telecommunications service offerings available for all new regulated services at the same time the retail service becomes available.
4. Company will continue to provide existing databases and signaling support for wholesale services at no additional cost.
5. Company will make any service grandfathered to an end-user or any Individual Case Basis ("ICB") service available to Carrier for resale to that same end-user at the same location(s) and will provide any legally required notice or a 30-days notice, whichever is less, to Carrier prior to the effective date of changes in or discontinuation of any product or service that is available for resale hereunder.
6. Company will continue to provide Primary Interexchange Carrier ("PIC") processing for those end-users obtaining resold service from Carrier. Company will bill and Carrier will pay any PIC change charges. Company will only accept said requests for PIC changes from Carrier and not from Carrier's end users.
7. Company shall allow Carrier customers to retain their current telephone number when technically feasible within the same Company Wire Center and shall install Carrier customers as quickly as it installs its own end-users.

B. Charges and Billing

1. Access services, including revenues associated therewith, provided in connection with the resale of services hereunder shall be the responsibility of Company and Company shall directly bill and receive payment on its own behalf from an IXC for access related to interexchange calls generated by resold or rebranded customers.
2. Company will be responsible for returning EMI/EMR records to IXCs with the Carrier disconnect rejection code along with the Operating Company Number ("OCN") of the associated Automatic Number Identification ("ANI"). (i.e., Billing Number).
3. Company will deliver a monthly statement for wholesale services based upon a mutually agreed upon schedule as follows:

- a. Invoices will be provided in a standard carrier access billing format or other such format as Company may determine;
- b. Where local usage charges apply and message detail is created to support available services, the originating local usage at the call detail level in standard EMR industry format will be exchanged daily or at other mutually agreed upon intervals;
- c. The Parties will work cooperatively to exchange information to facilitate the billing of in and out collect and inter/intra region alternately billed messages;
- d. Company agrees to provide information on the end-user's selection of special features where Company maintains such information (e.g., billing method, special language) when Carrier places the order for service; and

C. Pricing

Pricing shall be developed based on 47 USC §252(d)(3) where wholesale prices are retail prices less avoided costs, net of any additional costs imposed by wholesale operations. The wholesale rate shall be, until such time as avoided cost studies in compliance applicable Commission requirements have been approved, shall be as set forth on Exhibit 1. In the event the Commission does establish rates that differ from the rates established pursuant to this agreement, the rates established by the Commission shall be implemented and adjustments to past compensation shall be made to allow each party to receive the level of compensation it would have received had the rates in this agreement equaled the rates later established by the Commission

D. Provisioning and Installation

1. All ordering processes and systems utilized by the Company for the provision of services to Carrier shall be provided at Parity with the services Company provides to itself and its affiliates. Electronic Interfaces for the exchange of ordering information will be adopted and made available pursuant to and within twelve (12) months of the establishment of industry standards. In the absence of industry standards, interim electronic access to Company systems will be established as indicated on Exhibit 2.
2. Carrier and Company may order Primary Local Carrier ("PLC") and Primary Interexchange Carrier ("PIC") record changes using the same order process and on a unified order.
3. A general Letter of Agency ("LOA") initiated by Carrier or Company will be required to process a PLC or PIC change order. No LOA signed by the end-user will be required to process a PLC or PIC change ordered by Carrier or Company. Carrier and Company

agree that PLC and PIC change orders will be supported with appropriate documentation and verification as required by FCC and Commission rules.

4. Each Party will provide the other, if requested, as agent of the end-user customer, at the time of the PLC order, current "As Is" pre-ordering/ordering information relative to the end-user consisting of local features, products, services, elements, combinations, and any customer status qualifying the customer for a special service (e.g., DA exempt, lifeline, etc.) provided by the Party to that end-user.
5. Until such time as numbering is administered by a third party, Company shall provide Carrier the ability to obtain telephone numbers from the Company, and to assign these numbers with the Carrier customer. This includes vanity numbers. Reservation and aging of numbers remain the responsibility of the Company. Carrier shall pay Company the reasonable administrative costs of this function.
6. Company shall provide Carrier the ability to order all available features on its switches (e.g., call blocking of 900 and 976 calls by line or trunk).
7. The Company will direct customer to Carrier for requests changing their Carrier service. The Company shall process all PIC changes provided by Carrier on behalf of IXCs. If PIC changes are received by Company directly from IXCs, Company shall reject the PIC change back to the IXC with the OCN of Carrier in the appropriate field of the industry standard CARE record.
8. Company shall cooperate with Carrier, before Carrier offers commercial service, in testing all electronic ordering, provisioning, maintenance, billing and other Electronic Interfaces, when available, and internal systems to insure accurate and timely installation and billing occurs. Carrier shall pay Company the reasonable administrative costs of this function.

IV. NETWORK INTERCONNECTION

- A. Scope - All interconnection arrangements offered by Company to Carrier shall provide Carrier with network Parity compared to that offered by Company to itself. Carrier shall interconnect with Company's facilities as follows for the purpose of routing or terminating of traffic:
 1. In each Company local calling area in which Carrier chooses to offer local exchange service, Carrier may interconnect its network facilities at any one or more technically feasible point(s) of interface within Company's network including, at Company access tandem(s), end office switch(es), or other wire centers) collectively referred to as "POI"). The POIs are the point(s) of physical interconnection as identified in Exhibit 3 attached hereto and incorporated herein by reference. As Carrier initiates exchange service operations in additional Company areas, additional POIs in each local calling area will be established by Carrier and Exhibit 3 will be amended and updated to reflect the additional

POIs, as necessary. If requested by Carrier, Company will, subject to technical feasibility, establish additional POI arrangements.

2. Interconnection to a Company end office(s) will provide Carrier access only to the NXX's served by that individual end office(s) to which Carrier interconnects.
 3. Interconnection to a Company tandem(s) will provide Carrier local interconnection for local and toll access service purposes to the Company end offices and NXX's which interconnect with that tandem(s) either directly or through other Company facilities for local and toll service purposes, and to other companies which are likewise connected to that tandem(s). Interconnection to a Company tandem for transit purposes will provide Carrier interexchange access to Company, Interexchange Carriers ("IXCs"), CLECs, ILECs, and CMRS providers which are connected to that tandem. Where a Tandem Switch also provides End-Office Switch functions, interconnection to a Company tandem serving that exchange will also provide Carrier access to Company's end offices with the same functionality described in (2) above.
 4. Where Carrier requires ancillary services (e.g., Directory Assistance, Operator Assistance, 911/E911), additional or special trunking will be provided at Carrier's expense as required for interconnection and routing to such ancillary services.
 5. Company agrees to provide floor space and such other space in its facilities reasonably necessary to accommodate Carrier's terminating, transmission, and concentrating equipment, subject to physical space limitations. Company agrees to use its best efforts to provide new collocation arrangements no later than 90 days after Carrier's written request.
 6. The provisions of this Section shall apply to Company's interconnection to Carrier's network for the purpose of routing all the types of traffic.
- B. Exchange of Traffic -** Where the Parties interconnect, for the purpose of exchanging traffic between networks, the following will apply:
1. The Parties agree to establish trunk groups from the interconnecting facilities such that trunking is available to any switching center designated by either Party, including end offices, tandems, 911 routing switches, and directory assistance/operator service switches.
 2. When traffic is not segregated according to traffic types, the Parties will provide percentage of jurisdictional use factors (e.g., CMRS, local, interstate access), either from the originating end, terminating end or both, or actual measurement of jurisdictional traffic, as may be required to properly bill traffic.
 3. The Parties agree to offer and provide to each other B8ZS Extended Superframe Format ("ESF") facilities, where available, capable of voice and data traffic transmission.

4. Where available, Company will provide and implement all defined and industry supported SS7 mandatory parameters as well as procedures in accordance with ANSI standards to support SS7 signaling for call setup for the interconnection trunks. To the extent Company provides ANSI optional parameters for its own use, Company shall provide the same to Carrier.
5. In the event SS7 facilities are not available from Company, Carrier may, at its option, obtain multi-frequency signaling.
6. Where available, Company agrees to provide CIP (carrier identification code within Carrier's SS7 call set-up signaling protocol) at no charge.
7. Company shall support intercompany 64 KBPS clear channel where it provides such capability to its end-users.
8. The Parties will cooperate in the exchange of TCAP messages to facilitate full interoperability of SS7-based features between their networks, including all CLASS features and functions, to the extent each Party offers such features and functions to its own end-users. Either Party is responsible for ordering facilities to terminate traffic to the other Party. When two-way trunking is employed, the Parties will select a mutually agreeable automated ordering process.

C. Types of Traffic and Services - The types of traffic to be exchanged under this Agreement include:

1. Local traffic. This is traffic that is originated by an end-user of one carrier and terminates to an end-user of the another carrier as defined in accordance with Company's then current local serving areas (or the MTA for CMRS traffic) including mandatory EAS and any other any traffic for which there is no additional charge for termination.
2. IntraLATA toll traffic, as defined in accordance with Company's then current intraLATA toll serving areas (which will be considered local traffic for CMRS intra MTA usage).
3. Switched access traffic as specifically defined in Company's state and interstate switched access tariffs, and generally identified as that traffic that originates at one of the Party's end-users and is delivered to an IXC point of presence, or comes from an IXC point of presence and terminates at one of the Party's end-users, whether or not the traffic transits the other Party's network.
4. Transit traffic. This is any traffic (e.g., EAS/Local, intraLATA toll, switched access and CMRS) which originates from one provider's network, "transits" another provider's network substantially unchanged, and terminates to yet another provider's network.

5. Ancillary traffic. This includes all traffic destined for ancillary services, or that may have special billing requirements, including, but not limited to the following:
 - a. Directory Assistance;
 - b. 911/E911;
 - c. Operator call termination (busy line interrupt and verify);
 - d. LIDB; and
 - e. Information services requiring special billing. (e.g., 900 and 950)
6. To the extent network and contractual arrangements exist throughout the term of this Agreement, Company will provide intermediary tandem switching and transport services for Carrier's connection of its end-user to a local end-user of: (a) other CLECs; (b) another incumbent local exchange telecommunications Carrier other than Company; (c) IXCs, and (d) CMRS carriers.
7. Company agrees not to impose restrictions on traffic types delivered to/from the Point of Interconnection ("POIs") but reserves the right to require development and reporting of a jurisdictional usage factor indicating local/EAS, intrastate toll (access/toll), interstate access usage and CMRS, if applicable or Carrier's actual usage reporting. Company and Carrier reserve the right to measure and audit all traffic to ensure that proper rates are being applied. Carrier agrees to provide the necessary traffic data or permit Company recording equipment to be installed for sampling purposes in conjunction with such audit. Company may contract directly with CMRS carriers using Carrier's network for transit functions, and in such case, Company shall directly bill termination charges to the CMRS carrier.

D. Compensation

1. Local Traffic.

- a. Termination (End Office Switching). The rates set forth on the rates Exhibit 1 shall be used as interim rates. Bill and Keep compensation arrangements may be implemented for Termination if usage is presumed to be balanced either because of actual experience or because measurement cannot be presently performed. Company expressly reserves the right to seek approval of rates, terms and conditions for transport and termination of local telecommunications traffic to be established by the Commission, whether the result of an arbitration proceeding for Company, a generic proceeding or otherwise. In the event, the Commission does establish rates, terms and conditions for transport and termination of local telecommunications traffic, or for specific components included therein, that differ from the rates, terms and conditions established pursuant to this Agreement, the rates, terms and conditions established by the Commission shall be implemented in this agreement and adjustments to past compensation shall be made to allow each Party to receive the level of

compensation it would have received had the rates, terms and conditions in this agreement equaled the rates later established by the Commission ("True-up"). Notwithstanding the above, no True-up will be implemented if the past traffic was not recorded and records do not exist to establish a basis for the True-up due to the inability of the parties to measure service.

- b. **Transport.** Transport shall be a separately chargeable element. Permanent charges for transport between Company tandems and/or end offices shall be based upon TELRIC plus a reasonable allocation of joint and common costs. Until such time as a permanent rate is developed and approved, the interim rate that reflects the Company's interstate dedicated transport price as set forth on Exhibit 1. Bill and Keep compensation arrangements may be implemented for Transport if the distance for which each party supplies Transport is the same or carrier supplies a greater portion of the distance. The True-up provisions set forth in a above shall apply. Notwithstanding the above, no True-up will be implemented if the past traffic was not recorded and records do not exist to establish a basis for the True-up due to the inability of the parties to measure service.
 - c. **Tandem Charge.** Tandem switching shall be a separately chargeable element based upon TELRIC plus a reasonable allocation of joint and common costs. Until such time as a permanent rate is developed and approved, Company shall charge the rates set forth in Exhibit 1 for tandem switching. The true up provision set forth in a above shall apply.
- 2. IntraLATA toll traffic, switched access, and special access traffic, if separately chargeable, shall be charged the appropriate rate out of the terminating Carrier's tariff or via other appropriate meet point access arrangements.
 - 3. Transit traffic shall be compensated based on charges associated with the functionality provided, e.g., tandem switching and transport.
 - 4. Unless otherwise stated in this Agreement, ancillary service traffic will be exchanged and billed in accordance with whether the traffic is Local/EAS, intraLATA toll, Switched Access, or CMRS, if applicable. All tandem traffic is subject to a separate charge for the tandem service.
- E. Billing**
- 1. Company and Carrier agree to conform to MECAB and MECOD guidelines. They will exchange Billing Account Reference and Bill Account Cross Reference information and will coordinate Initial Billing Company/Subsequent Billing Company billing cycles.
 - 2. Exchange access meet point billing arrangements will be made available to Carrier as a CLEC. The Company shall be responsible for provisioning 50% of the interconnection

facilities or to the Company wire center boundary, whichever is less. Carrier shall be responsible for provisioning 50% of the interconnection facilities or to the Company wire center boundary whichever is greater. Each Party will compensate the other Party for the termination of traffic on its interconnection facilities as provided in D above.

3. No discrete development charges shall be imposed on Carrier for the establishment of standard meet point billing arrangements.
4. Carrier and Company agree to implement industry standard CARE records for correct provisioning and billing to IXC.
5. Exchange of Records.
 - a. Company and Carrier will exchange terminating access EMI records, where their recording is technically feasible, for purposes of billing IXC's access charges for switching of Interexchange traffic the Company performs on behalf of the CLEC..
 - b. Carrier and Company agree that we will exchange originating EMR messages for billing purposes until it becomes feasible to capture terminating records. These records will be exchanged daily files or agreed upon frequency via Connect Direct.
6. Company agrees to exchange test files to support implementation of meet point billing or other access billing prior to live bill production.
7. When Carrier owns the end-office, the Company will not bill the transport interconnection charge ("TIC") (also known as the residual interconnection charge) to either Carrier or the IXC.

V. **UNBUNDLED NETWORK ELEMENTS**

- A. **General Requirements** - Company will unbundle and separately price and offer the following network elements such that Carrier will be able to subscribe to and interconnect to whichever of these unbundled elements Carrier requires for the purpose of providing local telephone service to its end-users, and to combine the Company-provided elements with any facilities and services that Carrier may itself provide, in order to efficiently provide Telecommunications Services to its end-users, pursuant to the following terms:
 1. Loops, e.g., two-wire or four-wire loops from the Carrier's or end-user's premises to the host office in the same exchange, or to the remote switch if there is no host switch in such exchange including cross-connects to either other unbundled elements or Carrier's facilities;

2. Local Switching, e.g., the ability to switch calls from one line to another, or from a line to a trunk including all features and functions, connection to the MDF or trunk cross-connect, and switch card;
3. Tandem Switching, e.g., trunk-to-trunk connections including all features and functions such as recording and customized routing;
4. Interoffice Transmission Facilities, e.g., transmission of Carrier traffic on either dedicated or common facilities, between Company and/or Carrier offices;
5. Signaling and Call-related Databases, e.g. SS7 signaling links and Signal Transfer Point ("STP") access, call related databases (such as, Line Information Database, Toll Free Calling Database and Number Portability Database), signaling systems, AIN database access through local switching purchase or SS7 interconnection and access to Service Management Systems;
6. Network Interface Device;
7. Operator Services, e.g. unbundled local operator service with custom routing to facilitate Carrier branding and price quotation where technically feasible;
8. Directory Assistance, e.g. local directory assistance services with custom routing to facilitate Carrier branding where technically feasible and unbundled sale of the database for inclusion in Carrier DA centers; and
9. Operations Support Systems, e.g. including seamless Electronic Interfaces pursuant to industry standards within twelve months after such standards have been established and notwithstanding anything to the contrary elsewhere in this agreement, via reasonable agreed upon interim measures before final industry standards have been implemented. Carrier recognizes Company's right to seek waivers of any FCC mandated electronic interface availability requirements and this agreement is expressly subject to any modification of the availability of electronic interfaces ordered by the FCC.

Additionally, Company will, upon receipt of a bona fide written request, specifying a desired activation date, further unbundle the elements identified above into sub-elements as follows (for illustrative purposes only and not by way of limitation) in identified local exchange(s). Upon submission of a written request from Carrier for additional sub-element unbundled network elements, Company shall have 45 days from the receipt of the written request to respond, in writing, whether it is technically feasible to provide such unbundled network element on the requested activation date and, if feasible, the price of such element. If Carrier fails to place an order, then Carrier shall pay the actual costs incurred by Company in responding to the request.

Company will upon receipt of the request, unbundle and separately price and offer requested elements such that Carrier will be able to lease whichever of these unbundled elements Carrier requires, and to combine the Company-provided elements with any facilities and services that Carrier may itself provide, in order to efficiently offer telecommunications services to end-users, pursuant to the following terms:

- a. Interconnection, when requested, will be achieved at any technically feasible POI on Company's network.
- b. Company shall ensure that unbundled elements, when combined together without the addition of any Carrier facilities, are capable of providing full local service and other functionality available to end-users through retail offerings, provided, however, Carrier has ordered appropriate unbundled elements for the provision of "full local service."
- c. Loop, switching, or transport when interconnected with Carrier facilities (whether purchased individually or in combinations) shall be delivered to the Carrier collocation arrangement or mid-span meet through appropriate connectors applicable to the unbundled service delivered, through other tariffed or contracted options, or through other technically feasible and economically comparable interconnection arrangements in accordance with agreements between Carrier and Company.
- d. To the extent technically feasible, all unbundled element-based features, functions, service attributes, grades-of-service, installation, maintenance and repair intervals which Company provides for its retail service will apply to unbundled elements.
- e. Subject to other contractual agreements, Company need not monitor the unbundled loop for maintenance purposes. Carrier may be required to provision a loop testing device either in its central office, Network Control Center, or in its collocation arrangement to test the unbundled loop. Company will perform repair and maintenance once trouble is identified by Carrier.

B. Ordering Process

1. The parties shall establish appropriate ordering/provisioning codes for each identified service, unbundled element and unbundled element combination.
2. When combinations of unbundled elements are ordered and said elements are currently interconnected and functional, those elements will remain interconnected and functional without an interruption in service.

3. The Company will provide to Carrier copies of all applicable test and turn-up procedures Company normally follows in support of the unbundled elements/combinations/services ordered by Carrier.
- C. **Compensation** - Permanent, unbundled network elements prices shall be provided at a rate to be computed based on TELRIC plus a reasonable allocation of joint and common costs of each such Element. Until permanent rates are developed and approved by a Commission the Parties agree to use the rates set forth on Exhibit 1, attached hereto and incorporated herein by reference. In that event, the Commission does establish rates for network elements, or for specific components included therein, that differ from the rates established pursuant to this agreement, the rates established by the Commission shall be implemented and adjustments to past compensation shall be made to allow each party to receive the level of compensation it would have received had the rates in this agreement equaled the rates later established by the state commission
- D. **Special Service Arrangements** - Company shall provide special service arrangements to Carrier as reasonably requested pursuant to Company's unbundled element and interconnection obligations under the Act. For special service arrangements not readily available through Company, unbundled element pricing at TELRIC with a reasonable allocation of joint and common cost shall apply.

VI. NETWORK MAINTENANCE AND MANAGEMENT

A. **General Requirements**

1. The Parties will work cooperatively to insall and maintain a reliable network. The Parties will exchange appropriate information (e.g., maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the government, etc.) to achieve this desired reliability.
2. Each Party shall provide a 24 hour contact number for network traffic management issues to the other's surveillance management center. A fax number must also be provided to facilitate event notifications for planned mass calling events. The Parties shall agree upon appropriate network traffic management control capabilities.
3. Company agrees to work toward having service centers dedicated to CLECs available 7 days a week, 24 hours a day, and in the interim must handle Carrier calls as well as other customer calls in a non-discriminatory manner.
4. Voice response units, similar technologies, intercept solutions or live referrals should be used to refer/transfer calls from customers to the proper carrier for action. Neither Party shall market to end-users during a call when that customer contacts the Party solely as a result of a misdirected call.

5. Notice of Network Event. Each Party has the duty to alert the other to any network events that can result or have resulted in service interruption, blocked calls, or negative changes in network performance affecting more than one percent of either Party's circuits in any exchange on a real-time basis.
 6. Notice of Network Change. The Parties agree to provide each other reasonable notice of changes including the information necessary for the transmission and routing of services using that local exchange carrier's facilities or networks, as well as other changes that would affect the interoperability of those facilities and networks. Correct LERG data is considered part of this requirement.
 7. The Company shall provide Parity repair progress status reports so that Carrier will be able to provide its end-user customers with detailed information and an Estimated Time To Repair ("ETTR"). The Company will close all trouble reports with Carrier. Carrier will close all trouble reports with its end-user.
 8. A non-branded, or a Carrier's cost a branded, customer-not-at-home card shall be left by Company at the customer's premises when a Carrier customer is not at home for an appointment and Company performs repair or installation services on behalf of Carrier.
 9. The Company will ensure that all applicable alarm systems that support Carrier customers are operational and the support databases are accurate. The Company will respond to Carrier customer alarms consistent with how and when they respond to alarms for their own customers.
 10. Carrier shall receive prior notification of any scheduled maintenance activity performed by the Company that may be service affecting to Carrier local customers (e.g., cable throws, power tests, etc.).
- B. Transfer of Service Announcements** - When an end-user who continues to be located within the local calling area changes from Company to Carrier, or from Carrier to Company, and does not retain its original telephone number, the Party formerly providing service to the end-user will provide a new number announcement on the inactive telephone number upon request, for a minimum period of 90 days (or some shorter reasonable period when numbers are in short supply), at no charge to the end-user or either Party unless Carrier or Company has a tariff on file to charge end-users. This announcement will provide details on the new number to be dialed to reach this customer.
- C. Coordinated Repair Calls** - Carrier and Company will employ the following procedures for handling misdirected repair calls:
1. Carrier and Company will educate their respective customers as to the correct telephone numbers to call in order to access their respective repair bureaus.

2. To the extent the correct provider can be determined, misdirected repair calls will be referred to the proper provider of local exchange service in a courteous manner, at no charge, and the end-user will be provided the correct contact telephone number. In responding to repair calls, neither Party shall make disparaging remarks about the other, nor shall they use these repair calls as the basis for internal referrals or to solicit customers or to market services. Either Party may respond with accurate information in answering customer questions.
3. Carrier and Company will provide their respective repair contact numbers to one another on a reciprocal basis.
- D. **Restoration of Service in the Event of Outages** - Company restoration of service in the event of outages due to equipment failures, human error, fire, natural disaster, acts of God, or similar occurrences shall be performed in accordance with the following priorities. First, restoration priority shall be afforded to those network elements and services affecting its own end-users or identified Carrier end-users relative to national security or emergency preparedness capabilities and those affecting public safety, health, and welfare, as those elements and services are identified by the appropriate government agencies. Second, restoration priority shall be afforded between Company and Carrier in general. Third, should Company be providing or performing tandem switching functionality for Carrier, third level priority restoration should be afforded to any trunk. Lastly, all service shall be restored as expeditiously as practicable and in a non-discriminatory manner.

Carrier and Company will agree on a process for circuit and unbundled element provision and restoration whereby certain identified Carrier national security and emergency preparedness circuits will be afforded expedited restoral treatment and general trunking and interconnection should take priority over any other non-emergency Company network requirement.

- E. **Service Projections** - Carrier shall make available to Company periodic service projections, as reasonably requested, including busy hour usage for Company's access capacity. Company shall manage its network in order to accommodate the Carrier's projected traffic at the required grade of service. The Parties shall review engineering requirements on a semi-annual basis and establish forecasts for trunk and facilities utilization provided under this Agreement. Trunk growth will be implemented as dictated by engineering requirements.
- F. **Quality of Service**
 1. Company shall provide Carrier with at least the same intervals and level of service provided by Company to its end-users or another party at any given time to ensure Parity in treatment.

2. Company shall provide Carrier maintenance and repair services on wholesale and/or unbundled facilities in a manner that is timely, consistent and at Parity with service provided to Company end-users and/or other carriers.
3. Interconnection quality of service should be no less than that provided by the Company for its own services.
4. A minimum blocking standard of one percent during the average busy hour shall be maintained on an average basis for all local interconnection facilities.
5. Company shall adhere to competitive intervals for installation of POIs, and the objective in no case should be longer than 30 calendar days, absent extenuating circumstances. In those instances where new collocation arrangements are required, a 90 day installation target applies.
6. Carrier and Company shall negotiate a process to expedite network augmentations and other orders when requested by Carrier.
7. Carrier must be at Parity with the Company (or with the provision of unbundled elements by Company to its Affiliates or third parties) in provision of unbundled elements. This must at a minimum include:
 - a. Switch features at Parity;
 - b. Treatment during overflow/congestion conditions at Parity;
 - c. Equipment/interface protection at Parity;
 - d. Power redundancy at Parity; and
 - e. Sufficient spare facilities to ensure provisioning, repair, performance, and availability at Parity.
8. Carrier and Company will mutually develop operating statistical process measurements that will be monitored monthly to ensure that a negotiated service quality level is maintained.

G. Information

1. Order confirmation must be provided within 24 hours of completion to ensure that all necessary translation work is completed on newly installed facilities or augments.
2. Company and Carrier shall agree upon and monitor operational statistical process measurements. Such statistics will be exchanged under an agreed upon schedule.
3. Company and Carrier will periodically exchange technical descriptions and forecasts of their interconnection and traffic requirements in sufficient detail to assure traffic completion to and from all customers within the appropriate calling areas.

4. Company shall provide, at the earliest possible time, Carrier with engineering change notices it provides its own personnel associated with the Company's network elements and deployment of new technologies to the extent such will impact interoperability of Company's and Carrier's networks.
5. Company shall provide Carrier with its list of emergency numbers (e.g. same digit PSAP numbers, police, fire, etc.). Company will provide Carrier with the same list that Company uses. Company makes no warranties or guarantees with regard to the accuracy, completeness, or currency of said numbers.

VII. ACCESS TO TELEPHONE NUMBERS

- A. **General Requirements** - It is the responsibility of each Party to program and update its own switches to recognize and route traffic to other Party's assigned NXX codes. Neither Party shall impose fees or charges on the other Party for required programming and switch updating activities.
- B. **Compensation** - To the extent that Company assigns NXXs, the Company will assign NXXs to Carrier at the same rates/charges it imposes upon itself.
- C. **Quality of Service** - Upon request and for a reasonable administrative charge, Company will input Carrier's NXXs into its databases according to industry guidelines, including the terminating LATA in which the NXX/rate center is located.
- D. **Information** - Until such time that number administration is moved to an independent third party, Company will make available reporting on NXX availability, fill rates, and new assignments. Company agrees to provide to Carrier information concerning NPA-NXX splits.

VIII. LOCAL NUMBER PORTABILITY

- A. **General Requirement**
 1. The Parties shall provide interim number portability arrangements to permit end-user customers to change providers without changing their current phone numbers, provided that such end-user remains located within the same Company or Carrier rate center. Such arrangements may include remote call forwarding or flexible DID.
 2. If available, Company will provide necessary data to Carrier to allow Carrier to recover appropriate terminating access charges, recognizing that both Carriers are involved in joint provision of access to IXCs associated with terminating traffic to ported numbers assigned to Carrier subscribers.

3. Company will provide interim number portability in an area until permanent number portability is implemented in that area.

B. Compensation

1. For Interim Number Portability, Company shall be entitled to the TELRIC cost of providing this service less a 55% discount because of the lesser standard of service provided via interim number portability solutions.
2. For Permanent Number Portability, the parties will pay any costs as required by Commission Orders.

IX. ADDITIONAL SERVICES

A. 911/E911

1. Description

- a. Carrier will interconnect trunk groups to the Company 911/E911 selective router(s)/911 tandem(s) which serve the area in which Carrier provides exchange services, for the provision of 911/E911 services and for access to all sub-tending Public Safety Answering Points ("PSAP"). Company will provide Carrier with the appropriate Common Language Location Identifier ("CLLI") codes and specifications of the tandem service area.
- b. Where Company is the owner or operator of the 911/E911 database, Company will maintain, and the Parties will agree upon the time frame for automated input and daily updating of 911/E911 database information related to Carrier end-users. Company will work cooperatively with Carrier to ensure the accuracy of the data transfer. Carrier shall use the agreed upon standard for street addressing and abbreviations, including a Carrier Code (NENA standard 5 - character field) on all ALI records sent to Company. Carrier is responsible for record data it provides to Company for entry in the database or, when available, for the information it enters into the database and agrees to indemnify and hold Company harmless from any and all claims or actions arising out of or relating to Carrier's negligence or intentional acts, errors or omissions in providing the record data to Company.
- c. Company will provide Carrier a default arrangement/disaster recovery plan including an emergency back-up number in case of massive trunk failures.
- d. Company will use its best efforts to facilitate the prompt, robust, reliable, and efficient interconnection of Carrier systems to the 911/E911 platforms, with standards of provisioning, service, and performance that are non-discriminatory and are at least equal to those employed by Company for itself, its Affiliates and/or subsidiaries, and other carriers providing switched local exchange services.

2. Operator Reference Database ("ORDB")

If available, Company will work cooperatively with Carrier to assist Carrier in obtaining from the appropriate 911 government agencies monthly updates to the ORDB. If available, this will enable Carrier to promptly respond to emergency agencies (e.g., fire, police, emergency medical technicians, etc.), as a backup to 911, during a catastrophic situation.

B. White/Yellow Page Directory Listings and Distribution

1. General Requirements.

The directory listings and distribution terms and rates specified in this section shall apply to listings of Carrier customer numbers falling within NXX codes directly assigned to Carrier, to listings of Carrier customer telephone numbers which are obtained by Carrier (or its customers) pursuant to Local Telephone Number Portability Arrangements, and to listings of customers served through resale of Company services. Company shall publish Carrier listings in those Company directories covering the geographic scope of Carriers local service areas. The terms of this section may require a subsequent additional agreement with Company's Directory Publishing Company which Company will assist Carrier in obtaining under the terms outlined below.

- a. Company will include Carrier's customer telephone numbers plus Carrier's customer service and repair contact information, in a style and format (e.g., type, size, location in book, etc.) similar to how Company provides its own such information, in all its "White Pages" and "Yellow Pages" directory listings and directory assistance databases associated with the areas in which Carrier provides services to such customers, and will distribute printed White and Yellow Pages directories to Carrier's end-user customers, in the same manner it provides those functions for its own customers or at the option of Carrier, to Carrier for distribution to its end-users. Either Party may withhold provision of non-published telephone numbers of its end-users to the other Party.
- b. At Carrier's request, Carrier's critical contact information shall appear on a Carrier Information Page appearing in the "Informational Pages" section of Company's telephone directory listing Carrier critical end-user contact information regarding emergency services, billing and service information, repair services, and other pertinent telephone numbers relative to Carrier. Carrier's information shall conform to all applicable regulatory requirements. Carrier will not incur any additional charges for inclusion of this information. Additional Information pages will be made available at the same price as Company is charged by its directory publisher or at TELRIC plus a reasonable allocation of joint and common costs, whichever is lower.

- c. Carrier will provide Company with its directory listings and daily updates to those listings in an industry-accepted format and via an agreed upon medium.
- d. Carrier and Company will accord Carrier's directory listing information the same level of confidentiality which Company accords its own directory listing information, and Company shall ensure that access to Carrier's customer proprietary confidential directory information will be limited solely to those Company employees who are directly involved in the preparation of listings.
- e. Company and Carrier will work cooperatively to address any payments for sales of any bulk directory lists to third parties, where such lists include Carrier customer listings. Unless required by law, Company will not provide/sell Carrier's listings to any third parties without Carrier's prior written approval.
- f. Company shall provide Parity directory distribution, directory database maintenance, and directory listings for Carriers and its customers under the same terms that Company provides these same services for its end-user to the extent permitted by Section 222 of the Act.
- g. The Company's Yellow Pages directory Publisher shall be entitled to the revenues from the sale of Yellow Pages advertising. The Yellow Pages directory Publisher shall treat Carrier's customers in the same fashion and using the same publishing standards and policies and on a nondiscriminatory basis with Company's customers.

2. Compensation

Carrier and Company shall be treated in a non discriminatory manner concerning white and yellow pages directory expense responsibility, based on proportionate listing allocation of said expense, and in the same manner white and yellow pages additional listings, bolding, color, in-column advertising and display advertising profits or revenues shared with the Company by the directory publisher shall be shared with Carrier. However, Company (or its directory publisher) may elect to forego expense and revenue/profit sharing with Carrier and instead, at no charge to Carrier, publish Carrier's customer's directory listings, publish a Carrier Information Page in the white pages directory, provide initial directory distribution to Carrier's customers and maintain any required directory listing publication databases.

3. Billing

- a. The Yellow Pages advertising billed to Carrier end-users will be rendered separately to Carrier customers by publisher. On Carrier billed accounts, the name of Company as the Directory Services Provider will appear. Carrier shall

not increase the billing to end-users and does not become a resale or sales agent of Company's directory by virtue of this provision.

- b. The directory publisher shall invoice Carrier's customer directly for white pages advertising, color or white page bolding, or at the option of Company, as outlined in (a) above, Carrier may invoice its end-users for directory charges.

4. Information

- a. Company shall provide to Carrier's publishing cycles and deadlines to ensure timely receipt and publication of Carrier's customer information.
- b. Company shall identify the calling area covered by each directory and provide such information to Carrier in a timely manner.

5. Quality of Service

- a. The end-to-end interval for updating the database with Carrier customer data must be the same as provided for the Company's end-users.
- b. Company will provide an automated capability (e.g., tape transfer or other data feed) to update the Company directory database.

C. Directory Assistance

1. General Requirements

- a. Where Company is a directory assistance service provider, at Carrier's request, subject to any existing system capacity restraints which Company shall work to overcome, Company will provide to Carrier for resale, Carrier branded directory assistance service which is comparable in every other way to the directory assistance service Company makes available to its own end-users.
- b. Company will make Carrier's data available to anyone calling the Company's DA and will update its database with Carrier's data in Parity with updates from its own data.
- c. Company may store proprietary customer information provided by Carrier in its Directory Assistance database; such information should be able to be identified by source provider in order to provide the necessary protection of Carrier's or Carrier customer's proprietary or protected information.
- d. Carrier may limit the Company's use of Carrier's data to directory assistance or, pursuant to written agreement, grant greater flexibility in the use of the data subject to proper compensation.

- e. If Directory Assistance is a separate retail service provided by Company, Company must allow wholesale resale of Company DA service.
- f. To the extent Company provides directory assistance service, Carrier will provide its listings to Company via data and processed directory assistance feeds in accordance with an agreed upon industry format. Company shall include Carrier listings in its directory assistance database.
- g. Carrier has the right to license Company unbundled directory databases and sub databases and utilize them in the provision of its own DA service. To the extent that Carrier includes Company listings in its own directory assistance database, Carrier shall make Company's data available to anyone calling Carrier's DA.
- h. Company will make available to Carrier all service enhancements on a non-discriminatory basis.
- i. When technically feasible and requested by Carrier, Company will route Carrier customer DA calls to Carrier DA centers.

2. Business Processes

- a. The Company will, consistent with Section 222 of the Act, update and maintain the DA database with Carrier data, utilizing the same procedures it uses for its own customers, for those Carrier customers who:

Disconnect	Change Carrier
Install	"Change" orders
Are Non-Published	Are Non-Listed
Are Non-Published/Non-Listed	

- b. Carrier shall bill its own end-users.
- c. Carrier will be billed in an agreed upon standard format.
- d. Company and Carrier will develop intercompany procedures to correct errors when they are identified in the database.

3. Compensation

- a. When Carrier is rebranding the local service of Company, directory assistance that is provided without separate charge to end-users will be provided to Carrier end-users as part of the basic wholesale local service, subject to any additional actual expense to brand the service with Carrier's brand. Where DA is separately

charged as a retail service by Company, Carrier shall pay for DA service at wholesale avoided cost.

- b. Company shall place Carrier end-users listings in its directory assistance database for no charge.
- c. Company shall, subject to Section 222 of the Act, make its unbundled directory assistance database available to Carrier. Prices shall be set at TELRIC plus a reasonable allocation of joint and common costs.
- d. Any additional actual trunking costs necessary to provide a Carrier branded resold directory assistance service or routing to Carrier's own directory assistance service location shall be paid by Carrier.

D. Operator Services

1. General Requirements

- a. Where Company (or a Company Affiliate on behalf of Company) provides operator services, at Carrier's request (subject to any existing system capacity restraints which Company shall work to overcome). Company will provide to Carrier, Carrier branded operator service which is comparable in every other way to operator services Company makes available to its own end-users.
- b. At Carrier's request, subject to any existing system capacity restraints which Company shall work to overcome, Company will route Operator Service traffic of Carrier's customers to the Carrier's Operator Service Center.
- c. Company shall provide operator service features to include the following: (i) local call completion 0- and 0+, billed to calling cards, billed collect, and billed to third party, and (ii) billable time and charges, etc.

2. Compensation

- a. Company shall provide operator services for resale at wholesale prices, or at Carrier's option as an unbundled element at TELRIC with a reasonable allocation of joint and common costs.
- b. When Carrier requests Carrier branded Company operator services for resale or as an unbundled element, any actual additional trunking costs associated with Carrier branding shall be paid by Carrier. Where technically feasible, Company shall also, at the request of Carrier, route Carrier operator service traffic to Carrier operator service centers.

- c. The Parties shall jointly establish a procedure whereby they will coordinate Busy Line Verification ("BLV") and Busy Line Verification and Interrupt ("BLVI") services on calls between their respective end-users. BLV and BLVI inquiries between operator bureaus shall be routed over the appropriate trunk groups. Carrier and Company will reciprocally provide adequate connectivity to facilitate this capability. In addition, upon request of Carrier, Company will make available to Carrier for purchase under contract BLV and BLVI services at wholesale or unbundled element rates.

X. ACCESS TO POLES, DUCTS, CONDUITS, AND RIGHTS-OF-WAY

A. Access to Facility

1. The Parties agree to provide to the other nondiscriminatory access to any pole, duct, conduit, or right of way owned or controlled by Company or Carrier, where available. Such access will be provided subject to any terms and conditions by which Company or Carrier is bound including but not limited to local, state or national safety and/or construction standards
2. Any Company or Carrier authorization required to attach to poles, overloading requirements or modifications to the conduit system or other pathways to allow egress and ingress to the system shall not be unreasonably withheld, delayed, or restricted.
3. Each Party agrees to obtain the requisite permits or franchises and take no action to intervene against, or attempt to delay the granting of permits or franchises to the other for use of public right of way or access to private property with property owners. Each Party agrees to indemnify and hold harmless the other from any claims or actions on account of or relating to the Party's failure to obtain the requisite permits or franchises. Each Party agrees to provide, within thirty (30) business days after receipt of a request from the other Party, information relative to the location and access to such facilities in a given local area. If a Party requests access to any pole, duct, conduit, or right of way owned or controlled by the other Party, but fails to take such access, then the requesting party shall pay the actual costs the other Party incurred in responding to said request.
4. When establishing service to end users, both Carrier and Company agree not to damage the property of the other or take any action that would subject the network or facilities of the other party to dangerous electrical currents or other hazards.

B. Compensation

Access to Company's and Carrier's poles, ducts, conduits, and rights of way, will be provided on a non-discriminatory, competitively neutral basis. Rearrangement costs will be pro-rated on a cost basis among all new users of the facility. Should new facilities be required, the costs shall be pro-rated among all users of the new facility. Existing

facilities shall be provided on a pro rata, cost allocated basis. Cost allocations shall be performed in compliance with the FCC Rules.

XI. ADDITIONAL RESPONSIBILITIES OF THE PARTIES

A. Cooperation on Fraud

1. The Parties agree that they shall cooperate with one another to investigate, minimize and take corrective action in cases of fraud. The Parties' fraud minimization procedures are to be cost effective and implemented so as not to unduly burden or harm one Party as compared to the other.
2. At a minimum, such cooperation shall include, when allowed by law or regulation, providing to the other Party, upon request, information concerning any end-user who terminate services to that Party without paying all outstanding charges, when such end-user seeks service from the other Party. Where required, it shall be the responsibility of the Party seeking such information to secure the end-user's permission to obtain such information.

B. Audit

The Parties agree to exchange such reports and/or data as required to facilitate the proper billing of traffic. Upon thirty (30) days written notice, any Party may request an audit of the usage reports and any such audit shall be accomplished during normal business hours at the office designated by the Party being audited. Audit requests shall not be submitted more frequently than one (1) time per calendar year. A request for an audit must be received within one (1) year of receipt of the jurisdictional usage factor and usage reports from the audited party.

C. Proprietary Information

1. During the term of this Agreement, it may be necessary for the Parties to provide each other with certain information ("Information") considered to be private or proprietary. The recipient shall protect such Information from distribution, disclosure or dissemination to anyone except its employees or contractors with a need to know such Information in conjunction herewith, except as otherwise authorized in writing. All such Information shall be in writing or other tangible form and clearly marked with a confidential or proprietary legend. Information conveyed orally shall be designated as proprietary or confidential at the time of such oral conveyance and shall be reduced to writing within 30 days.
2. The Parties will not have an obligation to protect any portion of Information which: (a) is made publicly available lawfully by a non-Party to this Agreement; (b) is lawfully obtained from any source other than the providing Party; (c) is previously known without an obligation to keep it confidential; or (d) is released by the providing Party in writing.

3. Each Party will make copies of the Information only as necessary for its use under the terms hereof, and each such copy will be marked with the same proprietary notices as appearing on the originals. Each Party agrees to use the Information solely in support of this Agreement and for no other purpose.
4. All records and data received from Carrier or generated by Company as part of its requirements hereunder, including but not limited to data or records which are received or generated and stored by Company pursuant to this Agreement, shall be proprietary to Carrier and subject to the obligations specified in this Section.
5. The Parties acknowledge that Information is unique and valuable, and that disclosure in breach of this Agreement will result in irreparable injury to owner for which monetary damages alone would not be an adequate remedy. Therefore, the Parties agree that in the event of a breach or threatened breach of confidentiality the owner shall be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach or anticipated breach without the necessity of posting a bond. Any such relief shall be in addition to and not in lieu of any appropriate relief in the way of monetary damages.

D. Law Enforcement And Civil Process

1. Intercept devices

Local and federal law enforcement agencies periodically request information or assistance from local telephone service providers. When either Party receives a request associated with a customer of the other Party, it shall refer such request to the Party that serves such customer, unless the request directs the receiving Party to attach a pen register, trap-and-trace or form of intercept on the Party's facilities, in which case that Party shall comply with any valid request. The intercept will be done at no charge to Carrier when the request is in the form of a court order.

2. Subpoenas

If a Party receives a subpoena for information concerning an end-user the Party knows to be an end-user of the other Party, it shall refer the subpoena back to the requesting Party with an indication that the other Party is the responsible company, unless the subpoena requests records for a period of time during which the Party was the end-users service provider, in which case the Party will respond to any valid request.

3. Hostage or Barricaded Persons Emergencies

If a Party receives a request from a law enforcement agency for temporary number change, temporary disconnect or one-way denial of outbound calls for an end-user of the other Party by the receiving Party's switch, that Party will comply with any valid

emergency request. However, neither Party shall be held liable for any claims or damages arising from compliance with such requests on behalf of the other Party's end-user and the Party serving such end-user agrees to indemnify and hold the other Party harmless against any and all such claims.

XII. FORCE MAJEURE

Neither Party will be liable or deemed to be in default for any delay or failure in performance under this Agreement for an interruption in service for which it had no control resulting directly or indirectly by reason of fire, flood, earthquake, or like acts of God, explosion, war, or other violence, strikes or work stoppages, or any requirement of a governmental agency, or cable cut by a third party, provided the Party so affected takes all reasonable steps to avoid or remove such cause of non-performance, provides immediate notice to the other Party setting forth the nature of such claimed event and the expected duration thereof, and resumes provision of service promptly whenever such causes are removed.

XIII. LIMITATION OF LIABILITY

Except as otherwise set forth in this Agreement, neither Party shall be responsible to the other for any indirect, special, consequential or punitive damages, including (without limitation) damages for loss of anticipated profits or revenue or other economic loss in connection with or arising from anything said, omitted, or done hereunder (collectively "Consequential Damages"), whether arising in contract or tort, provided that the foregoing shall not limit a party's obligation under XIV. to indemnify, defend, and hold the other party harmless against amounts payable to third parties. Notwithstanding the foregoing, in no event shall Company's liability to Carrier for a service outage exceed an amount equal to the proportionate charge for the service(s) or unbundled element(s) provided for the period during which the service was affected.

XIV. INDEMNIFICATION

- A. Each Party agrees to indemnify and hold harmless the other Party from and against claims for damage to tangible personal or real property and/or personal injuries arising out of the negligence or willful act or omission of the indemnifying Party or its agents, servants, employees, contractors or representatives. To the extent not prohibited by law, each Party shall defend, indemnify, and hold the other Party harmless against any loss to a third party arising out of the negligence or willful misconduct by such indemnifying Party, its agents, or contractors in connection with its provision of service or functions under this Agreement. In the case of any loss alleged or made by a Customer of either Party, the Party whose customer alleged such loss shall indemnify the other Party and hold it harmless against any or all of such loss alleged by each and every Customer. The indemnifying Party under this Section agrees to defend any suit brought against the other Party-either individually or jointly with the indemnifying Party-for any such loss, injury, liability, claim or demand. The indemnified Party agrees to notify the other Party

promptly, in writing, of any written claims, lawsuits, or demands for which it is claimed that the indemnifying Party is responsible under this Section and to cooperate in every reasonable way to facilitate defense or settlement of claims. The indemnifying Party shall have complete control over defense of the case and over the terms of any proposed settlement or compromise thereof. The indemnifying Party shall not be liable under this Section for settlement by the indemnified Party or any claim, lawsuit, or demand, if the indemnifying Party has not approved the settlement in advance, unless the indemnifying Party has had the defense of the claim, lawsuit, or demand tendered to it in writing and has failed to assume such defense. In the event of such failure to assume defense, the indemnifying Party shall be liable for any reasonable settlement made by the indemnified Party without approval of the indemnifying Party.

- B. Each Party agrees to indemnify and hold harmless the other Party from all claims and damages arising from the Indemnifying Party's discontinuance of service to one of its end-users for nonpayment.
- C. When the lines or services of other companies and Carriers are used in establishing connections to and/or from points not reached by a Party's lines, neither Party shall be liable for any act or omission of the other companies or Carriers.
- D. In addition to its indemnity obligations hereunder, each Party shall provide, in its tariffs and contracts with its customers that relate to any Telecommunications Service or Network Element provided or contemplated under this Agreement, that in no case shall such Party or any of its agents, contractors or others retained by such parties be liable to any Customer or third party for (i) any loss relating to or arising out of this Agreement, whether in contract or tort, that exceeds the amount such Party would have charged the applicable Customer for the service(s) or function(s) that gave rise to such loss, and (ii) consequential damages (as defined in XIII. above).

XV. ASSIGNMENT

- A. If any Affiliate of either Party succeeds to that portion of the business of such Party that is responsible for, or entitled to, any rights, obligations, duties, or other interests under this Agreement, such Affiliate may succeed to those rights, obligations, duties, and interest of such Party under this Agreement. In the event of any such succession hereunder, the successor shall expressly undertake in writing to the other Party the performance and liability for those obligations and duties as to which it is succeeding a Party to this Agreement. Thereafter, the successor Party shall be deemed Carrier or Company and the original Party shall be relieved of such obligations and duties, except for matters arising out of events occurring prior to the date of such undertaking.
- B. Except as herein before provided, and except to an assignment confined solely to moneys due or to become due, any assignment of this Agreement or of the work to be performed, in whole or in part, or of any other interest of a Party hereunder, without the other Party's