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December 14, 1998

Ms. Blanca S. Bayo, Director Division of Records & Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Docket No.

Petition for Approval of Resale Agreement

Dear Ms. Bayo:

Please find enclosed for filing an original and five copies of GTE Florida Incorporated's Petition for Approval of Resale Agreement with U.S. Dial Tone Inc. Service has been made as indicated on the Certificate of Service. If there are any questions regarding this matter, please contact me at (813) 483-2617.

Very truly yours,

Mimberly Caswell

KC:tas Enclosures



#### GTE SERVICE CORPORATION

One Tampa City Center 201 North Franklin Street (33602) Post Office Box 110, FLTC0007 Tampa, Florida 33601-0110 813-483-2606 813-204-8870 (Facsimile)

981855-TP

DOCUMENT NUMBER-DATE

14002 DEC 148

A part of GTE Corporation

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Approval of Resale Agreeme	ant)
between GTE Florida Incorporated and	)
U.S. Dial Tone Inc.	)

Docket No. Filed: December 14, 1998

#### PETITION OF GTE FLORIDA INCORPORATED FOR APPROVAL OF RESALE AGREEMENT WITH U.S. DIAL TONE INC.

GTE Florida Incorporated (GTEFL) files this petition before the Florida Public Service Commission seeking approval of a resale agreement which GTEFL has entered with U.S. Dial Tone Inc. (USDTI). In support of this petition, GTEFL states:

- The United States Congress recently passed legislation amending the Communications Act of 1934. This act, referred to as the Telecommunications Act of 1996, requires that any "interconnection agreement adopted by negotiation or arbitration shall be submitted for approval to the State commission." Telecommunications Act of 1996, §252(e).
- 2. Under the federal act, interconnection/resale agreements can be rejected by the state commission only if the commission finds that the agreement (or any portion thereof) discriminates against a telecommunications carrier not a party to the agreement or if the implementation of that agreement is not consistent with the public interest, convenience and necessity.
- The agreement with USDTI (attached hereto as Attachment A) does not discriminate against other similarly situated carriers and is also consistent with the public

14002 DEC 148

interest, convenience and necessity. As such, GTEFL seeks approval of the agreement from the Commission as required under the federal statutory provisions noted above.

WHEREFORE, GTEFL respectfully requests that the Commission approve the attached resale agreement and that GTEFL be granted all other relief proper under the circumstances.

Respectfully submitted on December 14, 1998.

By:

Kimberly Caswell

P. O. Box 110, FLTC0007 Tampa, Florida 33601-0110 Telephone No. (813) 483-2617

Attorney for GTE Florida Incorporated

#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a copy of GTE Florida Incorporated's Petition For Approval of Resale Agreement with U.S. Dial Tone Inc. was sent via overnight delivery on December 11, 1998 to:

Staff Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

U.S. Dial Tone Inc. Attention: Bob Mahler, President 23705 1H 10 West, Suite 210 San Antonio, TX 78257

Burkimberly Caswell

RESALE AGREEMENT

BETWEEN

GTE FLORIDA INCORPORATED

AND

U.S. DIAL TONE INC.

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This Resale Agreement (the "Agreement"), is by and between GTE Florida Incorporated, with its address for purposes of this Agreement at 600 Hidden Ridge Drive, Irving, Texas 75038 ("GTE"), and U.S. Dial Tone Inc., in its capacity as a cartified provider of local dial-tone service ("USDTI"), with its address for this Agreement at 23705 IH 10 West, Suite 210, San Antonio, TX 78257 (GTE and USDTI being referred to collectively as the "Parties" and individually as a "Party"). This Agreement covers services in the state of Florida only (the "State").

WHEREAS, Section 251 of the Telecommunications Act of 1996 (the "Act") imposes specific obligations on LECs with respect to the resale of telecommunications services; and

WHEREAS, GTE is entering into certain aspects of this Agreement which provide USDTI with the option of replacing certain rates set forth in this Agreement with the rates from a particular Commission-approved arbitrated agreement between GTE and AT&T, pursuant to Article III, Section 45 herein. GTE has entered into such terms, which may cause adverse results from an arbitrated agreement to be incorporated into this Agreement at a future date, in order to avoid the expense of arbitration while at the same time preserving its legal positions, rights and remedies;

NOW, THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, GTE and USDTI hereby covenant and agree as follows:

#### ARTICLE II

- General Definitions. Except as otherwise specified herein, the following definitions shall apply to
  all Articles and Appendices contained in this Agreement. Additional definitions that are specific to
  the matters covered in a particular Article may appear in that Article. To the extent that there may
  be any conflict between a definition set forth in this Article II and any definition in a specific Article
  or Appendix, the definition set forth in the specific Article or Appendix shall control with respect to
  that Article or Appendix.
  - 1.1 Act the Telecommunications Act of 1996, Public Law 104-104 of the 104th United States Congress effective February 8, 1996.
  - 1.2 Applicable Law all laws, statutes, common law, regulations, ordinances, codes, rules, guidelines, orders, permits, and approvals of any Governmental Authority, which apply or relate to the subject matter of this Agreement.
  - 1.3 As-is Transfer (AIT) the transfer of all telecommunications services and features available for resale, that are currently being provided for a specific account, without the requirements of a specific enumeration of the services and features on the Local Service Request (LSR).
  - 1.4 Business Day Monday through Friday, except for holidays on which the U.S. mail is not delivered.
  - 1.5 Centralized Message Distribution System (CMDS) the billing record and clearing house transport system that the Regional Bell Operating Companies ("RBOCs") and other incumbent LECs use to efficiently exchange cut collects and in collects as well as Carrier Access Billing System ("CABS") records.
  - 1.6 Commission the Florida Public Service Commission.
  - 1.7 Competitive Local Exchange Carrier (CLEC) any company or person authorized to provide local exchange services in competition with an ILEC.
  - 1.8 Currently Available existing as part of GTE's network at the time of the requested order or service and does not include any service, feature, function or capability that GTE either does not provide to itself or to its own end users, or does not have the capability to provide.
  - 1.9 Customer GTE or USDTI depending on the context and which Party is receiving the service from the other Party.
  - 1.10 E-911 Service a method of routing 911 calls to a Public Service Answering Point that uses a customer location database to determine the location to which a call should be routed. E-9-1-1 service includes the forwarding of the caller's Automatic Number Identification (ANI) to the PSAP where the ANI is used to retrieve and display the Automatic Location Identification (ALI) on a terminal screen at the answering Attendant's position. It usually includes selective routing.
  - 1.11 Exchange Message Record (EMR) an industry standard record used to exchange telecommunications message information among CLECs for billable, non-billable.

sample, settlement and study data. EMR format is defined in BR-010-200-010 CRIS Exchange Message Record, published by Bellcore.

- 1.12 Exchange Service all basic access line services, or any other services offered to end users which provide end users with a telephonic connection to, and a unique telephone number address on, the Public Switched Telecommunications Network (PSTN), and which enable such end users to place or receive calls to all other stations on the PSTN.
- 1.13 FCC the Federal Communications Commission.
- 1.14 GTOC GTE Telephone Operating Company.
- 1.15 Guide the GTE Open Market Transition Order/Processing Guide, LSR Guide, and Products and Services Guide which contain GTE's operating procedures for ordering, provisioning, trouble reporting and repair for resold services and unbundled elements and GTE's CLEC Interconnection Guide which provides guidelines for obtaining interconnection of GTE's Switched Network with the networks of all certified CLECs for reciprocal exchange of traffic. Except as specifically provided otherwise in this Agreement, service ordering, provisioning, billing and maintenance shall be governed by the "Guide" which may be amended from time to time by GTE as needed.
- 1.16 Incumbent Local Exchange Carrier (ILEC) any local exchange carrier that was as of February 8, 1995, 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.
- 1.17 Interexchange Carrier (IXC) a telecommunications service provider authorized by the FCC to provide interstate long distance communications services between LATAs and are authorized by the State to provide inter- and/or intraLATA long distance communications services within the State.
- 1.18 Line Information Data Base (LIDB) one or all, as the context may require, of the Line Information databases owned individually by GTE and other entities which provide, among other things, calling card validation functionality for telephone line number cards issued by GTE and other entities. A LIDB also contains validation data for collect and third number-billed calls; i.e., Billed Number Screening.
- 1.19 Local Exchange Carrier (LEC) any company certified by the Commission to provide local exchange telecommunications service. This includes the Parties to this Agreement.
- 1.20 Local Number Portability (LNP) the ability of users of telecommunications services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another.
- 1.21 Local Traffic traffic that is originated by an end user of one r-arty and terminates to the end user of the other Party within GTE's then current local serving area, including mandatory local calling scope arrangements. A mandatory local calling scope arrangement is an arrangement that provides end users a local calling scope, Extended Area Service ("EAS"), beyond their basic exchange serving area. Local Traffic does not include optional local calling scopes (i.e., optional rate packages that permit the end user to choose a local calling scope beyond their basic exchange serving area for an additional fee), referred to hereafter as "optional EAS". Local Traffic excludes Information Service Provider ("ISP") traffic (e.g. Internet, 900-976, etc.).

#### GENERAL PROVISIONS

 Scope of General Provisions. Except as may otherwise be set forth in a particular Article or Appendix of this Agreement, in which case the provisions of such Article or Appendix shall control, these General Provisions apply to all Articles and Appendices of this Agreement.

#### 2. Term and Termination.

- 2.1 Term. Subject to the termination provisions contained in this Agreement, the term of this Agreement shall be two (2) years from the effective date referenced in the first paragraph of this Agreement and shall continue in effect for consecutive one (1) year terms until either Party gives the other Party at least ninety (90) calendar days written notice of termination, which termination shall be effective at the end of the then-current term. In the event notice is given less than 90 calendar days prior to the end of the current term, this Agreement shall remain in effect for 90 calendar days after such notice is received, provided, that in no case shall the term be extended beyond 90 calendar days after the end of the current term.
- 2.2 Post-Termination Arrangements. Except in the case of termination as a result of either Party's default or a termination upon sale, for service arrangements made available under this Agreement and existing at the time of termination, those arrangements may continue without interruption (a) under a new agreement voluntarily executed by the Parties; (b) standard terms and conditions approved and made generally effective by the Commission, if any; (c) tariff terms and conditions made generally available to all CLECs; or (d) any rights under Section 252(i) of the Act.
- 2.3 <u>Termination Upon Default</u>. Either Party may terminate this Agreement in whole or in part in the event of a default by the other Party; provided however, that the non-defaulting Party notifies the defaulting party in writing of the alleged default and that the defaulting Party does not cure the alleged default within sixty (60) calendar days of receipt of written notice thereo'. Default is defined to include:
  - (a) A Party's insolvency or the initiation of bankruptcy or receivership proceedings by or against the Party; or
  - (b) A Party's refusal or failure in any material respect properly to perform its obligations under this Agreement, or the violation any of the material terms or conditions of this Agreement.
- 2.4 <u>Termination Upon Sala.</u> Notwithstanding anything to the contrary contained herein, a Party may terminate this Agreement as to a specific operating area or portion thereof of such Party if such Party sells or otherwise transfers the area or portion thereof. The Party shall provide the other Party with at least ninety (90) calendar days' prior written notice of such termination, which shall be effective on the date specified in the notice. Notwithstanding termination of this Agreement as to a specific operating area, this Agreement shall remain in full force and effect in the remaining operating areas.
- 2.5 <u>Liability upon Termination</u>. Termination of this Agreement, or any part hereof, for any cause shall not release either Party from any liability which at the time of termination had already accrued to the other Party or which thereafter accrues in any respect to any act or omission occurring prior to the termination or from an obligation which is expressly stated in this Agreement to survive termination.

- Amendments. Any amendment, modification, or supplement to this Agreement must be in writing and signed by an authorized representative of each Party. The term "this Agreement" shall include future amendments, modifications, and supplements.
- 4. <u>Assignment.</u> Any assignment by either Party of any right, obligation, or duty, in whole or in part, or of any interest, without the written consent of the other Party shall be void, except that either Party may assign all of its rights, and delegate its obligations, liabilities and duties under this Agreement, either in whole or in part, to any entity that is, or that was immediately preceding such assignment, a Subsidiary or Affiliate of that Party without consent, but with written notification. The effectiveness of an assignment shall be conditioned upon the assignee's written assumption of the rights, obligations, and duties of the assigning Party.
- Authority. Each person whose signature appears on this Agreement represents and warrants that
  he or she has authority to bind the Party on whose behalf he or she has executed this Agreement.
- 6. Responsibility for Payment. GTE may charge USDTI and USDTI will pay GTE a deposit before GTE is required to perform under this agreement if USDTI has not established a good payment history with GTE. Such deposit will be calculated based on GTE's estimated two-month charges to USDTI using USDTI's forecast of resale lines and unbundled loops and ports. Interest will be paid on the deposit in accordance with state requirements for end user deposits.
- Billing and Payment. Except as provided elsewhere in this Agreement and where applicable, in conformance with MECAB and MECOD guidelines, USDTI and GTE agree to exchange all information to accurately, reliably, and properly order and bill for features, functions and services rendered under this Agreement.
  - 7.1 <u>Dispute</u>. If one Party disputes a billing statement issued by the other Party, the billed Party shall notify Provider in writing regarding the nature and the basis of the dispute within six (6) months of the statement date or the dispute shall be waived. The Parties shall diligently work toward resolution of all billing issues.
  - 7.2 Late Payment Charge. If any undisputed amount due on the billing statement is not received by Provider on the payment due date, Provider may charge, and Customer agrees to pay, at Provider's option, interest on the past due balance at a rate equal to the lesser of the interest rates set forth in the applicable GTE/Contel state access tariffs or the GTOC/GSTC FCC No. 1 tariff, one and one-half percent (1½%) per month or the maximum nonusurious rate of interest under applicable law. Late payment charges shall be included on the next statement.
  - 7.3 Due Date. Payment is due thirty (30) calendar days from the bill date.
  - 7.4 Audits. Either Party may conduct an audit of the other Party's books and records pertaining to the services provided under this Agreement, no more frequently than once per twelve (12) mon's period, to evaluate the other Party's accuracy of billing, data and invoicing in accordance with this Agreement. Any audit shall be performed as follows: (i) following at least thirty (30) Business Days' prior written notice to the audited Party; (ii) subject to the reasonable scheduling requirements and limitations of the audited Party; (iii) at the auditing Party's sole cost and expense; (iv) of a reasonable scope and duration; (v) in a manner so as not to interfere with the audited Party's business operations; and (vi) in compliance with the audited Party's security rules.
- Binding Effect. This Agreement shall be binding on and inure to the benefit of the respective successors and permitted assigns of the Parties.

- (d) Not to copy, publish, or disclose such Confidential Information to others or authorize anyone else to copy, publish, or disclose such Confidential Information to others without the prior written approval of the source:
  - To return promptly any copies of such Confidential Information to the source at its request; and
- (f) To use such Confidential Information only for purposes of fulfilling work or services performed hereunder and for other purposes only upon such terms as may be agreed upon between the Parties in writing.
- 11.3 Exceptions. These obligations shall not apply to any Confidential Information that was legally in the recipient's possession prior to receipt from the source, was received in good faith from a third party not subject to a confidential obligation to the source, now is or later becomes publicly known through no breach of confidential obligation by the recipient, was developed by the recipient without the developing persons having access to any of the Confidential Information received in confidence from the source, or that is required to be disclosed pursuant to subpoens or other process issued by a court or administrative agency having appropriate jurisdiction, provided, however, that the recipient shall give prior notice to the source and shall reasonably cooperate if the source deems it necessary to seek protective arrangements.
- 11.4 Survival. The obligation of confidentiality and use with respect to Confidential Information disclosed by one Pany to the other shall survive any termination of this Agreement for a period of three (3) years from the date of the initial disclosure of the Confidential Information.
- Consent. Where consent, approval, or mutual agreement is required of a Party, it shall not be unreasonably withheld or delayed.
- Fraud. USDTI assumes responsibility for all fraud associated with its end user customers and accounts. GTE shall bear no responsibility for, nor is it required to investigate or make adjustments to USDTI's account in cases of fraud.
- 14. Reimbursement of Expanses. In performing under this Agreement GTE may be required to make expenditures or otherwise incur costs that are not otherwise reimbursed under this Agreement. In such event GTE is entitled to reimbursement from USDTI for all such costs. For all such costs and expenses GTE shall receive through NRCs the actual costs and expenses incurred, including labor costs and expenses, overhead and fixed charges, and may include a reasonable contribution to GTE's common costs.
- Dispute Resolution.
  - 15.1 Alternative to Litigation. Except as provided under Section 252 of the Act with respect to the approval of this Agreement by the Commission, the Parties desire to resolve disputes arising out of or relating to this Agreement without litigation. Accordingly, except for action seeking a temporary restraining order or an injunction related to the purposes of this Agreement, or suit to compel compliance with this dispute resolution process, the Parties agree to use the following alternative dispute resolution procedures as the sole remedy with respect to any controversy or claim arising out of or relating to this Agreement or its breach.
  - 15.2 Negotiations. At the written request of a Party, each Party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve any dispute.

described below or in any lawsuit without the concurrence of all Parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise discoverable, be discovered or otherwise admissible, be admitted in evidence, in the arbitration or lawsuit. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as confidential information developed for purposes of settlement, exampt from discovery, and shall not be admissible in the arbitration conducted by non-lawyer, business representatives. The location, formst, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative disputs resolution procedures such as mediation to assist in the negotiations. arising out of or relating to this Agreement. The Parties intend that these negotiations be

- 15.3 may be extended upon mutual agreement of the Parties or by the arbitrator upon a showing of good cause. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. discovery may be permitted upon mutual agreement of the Parties. The arbitration hearing shall be commenced within sixty (60) Business Days of the demand for arbitration. The arbitration shall be held in a mutually agreeable city. The arbitrator shall control the scheduling so as to process the matter expeditiously. The Parties may submit written briefs. The arbit. after shall rule on the dispute by issuing a written opinion within the arbitrator and shall be permitted to the extent set out in this section. Each Party may submit in writing to a Party, and that Party shall so respond to, a maximum of any combination of thirty-five (35) (none of which may have subparts) of the following: of the initial written request, the dispute shall be submitted to binding arbitration by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration interrogatories, demands to produce documents, or requests for admission. Each Part is also entitled to take the oral deposition of one individual of another Party. Additional Association rules upon mutual agreement. A Party may demand such arbitration in accordance with the procedures set out in those rules. Discovery shall be controlled by Association except that the Parties may select an arbitrator outside American Arbitration If the negotiations do not resolve the dispute within sixty (60) Business Days Each Party
- Expedited Arbitration Procedures. If the issue to be resolved through the negotiations referenced in Section 15.2 directly and materially affects service to either Party's end user customers, then the period of resolution of the dispute through negotiations before the dispute is to be submitted to binding arbitration shall be five (5) Business Days. Once Rules of the American Arbitration Association (i.e., rules 53 through 57). conducted pursuant to the expedited procedures rules of the Commercial Arbitration such a service affecting dispute is submitted to arbitration, the arbitration shall be
- Costs. Each Party shall bee its own costs of these procedures. A Party seeking the arbitration and the arbitrator. discovery shall reimburse the responding Party the costs of production of documents (including search time and reproduction costs). The Parties shall equally split the tees of
- the pendency of any dispute resolution procedure, and the Parties shall continue to perform their obligations (including making payments in accordance with Article IV. Section 4) in accordance with this Continuous Service. The Parties shall continue providing services to each other during Agreem
- ő Entire Agreement. This Agreement constitutes the entire agreement of the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, negotiations.

proposals, and representations, whether written or oral, and all contemporaneous oral agreements, negotiations, proposals, and representations concerning such subject matter. No representations, understandings, agreements, or warranties, expressed or implied, have been made or relied upon in the making of this Agreement other than those specifically set forth herein.

- Expenses. Except as specifically set out in this Agreement, each Party shall be solely responsible for its own expenses involved in all activities related to the subject of this Agreement.
- 18. Force Malaure. In the event performance of this Agreement, or any obligation hereunder, is either directly or indirectly prevented, restricted, or interfered with by reason of fire, flood, earthquake or likes acts of God, wars, revolution, civil commotion, explosion, acts of public enemy, embargo, acts of the government in its sovereign capacity, labor difficulties, including without limitation, strikes, slowdowns, picketing, or boycotts, unavailability of equipment from vendor, changes requested by Customer, or any other circumstances beyond the reasonable control and without the fault or negligence of the Party affected, the Party affected, upon giving prompt notice to the other Party, shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction, or interference (and the other Party shall likewise be excused from performance of its obligations on a day-to-day basis until the delay, restriction or interference has ceased); provided however, that the Party so affected shall use diligent efforts to avoid or remove such causes of nonperformance and both Parties shall proceed whenever such causes are removed or cease.
- 19. Good Faith Performance. In the performance of their obligations under this Agreement, the Parties shall act in good faith. In situations in which notice, consent, approval or similar action by a Party is permitted or required by any provision of this Agreement, such action shall not be unreasonably delayed, withheld or conditioned.
- 20. Governing Law. This Agreement shall be governed by and construed in accordance with the Telecommunications Act of 1996, applicable federal and (to the extent not inconsistent therewith) domestic laws of the state where the services are provided or the facilities reside and shall be subject to the exclusive jurisdiction of the courts therein.
- 21. Standard Practices. The Parties auknowledge that GTE shall be adopting some industry standard practices and/or establishing its own standard practices to various requirements hereunder applicable to the USDTI industry which may be added in the Guide. USDTI agrees that GTE may implement such practices to satisfy any GTE obligations under this Agreement. A copy has been provided to USDTI and is incorporated by reference into this Agreement.
- Headings. The headings in this Agreement are inserted for convenience and identification only and shall not be considered in the interpretation of this Agreement.
- 23. Independent Contractor Relationship. The persons provided by each Party shall be solely that Party's employees and shall be under the sole and exclusive direction and control of that Party. They shall not be considered employees of the other Party for any purpose. Each Party shall remain an independent contractor with respect to the other and shall be responsible for compliance with all laws, rules and regulations involving, but not limited to, employment of labor, hours of labor, health and safety, working conditions and payment of wages. Each Party shall also be responsible for payment of taxes, including federal, state and municipal taxes, chargeable or assessed with respect to its employees, such as Social Security, unemployment, workers' compensation, disability insurance, and federal and state withholding. Each Party shall indemnify the other for any loss, damage, liability, claim, demand, or penalty that may be sustained by reason of its failure to comply with this provision.

#### 24. Law Enforcement Interface.

- 24.1 Except to the extent not available in connection with GTE's operation of its own business, GTE shall provide seven day a week/twenty-four hour a day assistance to law enforcement pursons for emergency traps, assistance involving emergency traces and emergency information retrieval on customer invoked CLASS services.
- 24.2 GTE agrees to work jointly with USDTI in security matters to support law enforcement agency requirements for taps, traces, court orders, etc. Charges for providing such services for USDTI customers will be billed to USDTI.
- 24.3 GTE will, in non emergency situations, inform the requesting law enforcement agencies that the end-user to be wire tapped, traced, etc. is a USDTI Customer and shall refer them to USDTI.
- 24.4 Subsequent to the execution and approval of this Agreement by the Commission, the parties shall establish a separate contract or authorization agreement specific to the Nuisance Call Bureau (NCB) and Security Control Center (SCC) for CLEC procedures which will be in compliance with applicable state and federal laws.

#### 25. Liability and Indemnity.

- Indemnification. Subject to the limitations set forth in Section 25.4 of this Article III, each Party agrees to release, indemnify, defend, and hold harmless the other Party from all losses, claims, demands, damages, expenses, suits, or other actions, or any liability whatsoever, including, but not limited to, costs and attorney's fees, whether suffered, made, instituted, or asserted by any other party or person, for invasion of privacy. personal injury to or death of any person or persons, or for losses, damages, or destruction of property, whether or not owned by others, proximately caused by the indemnifying Party's negligence or wilful misconduct, regardless of form of action. 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 inde.nnifying 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 falled 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.
- 25.2 End User and Content-Related Claims. Each Party agrees to release, indemnify, defend, and hold harmless the other Party, its affiliates, and any third-party provider or operator of Facilities involved in the provision of services (collectively, the "Indemnified Party") from all losses, claims, demands, damages, expenses, suits, or other actions, or any liability whatsoever, including, but not limited to, costs and attorney's fees, suffered, made, instituted, or asserted by either Party's end users against an Indemnified Party arising from services. Each Printy further agrees to release, indemnify, defend, and hold harmless the Indemnified Party from all losses, claims, demands, damages, expenses, suits, or other actions, or any liability whatsoever, including, but not limited to, costs and attorney's fees, suffered, made, instituted, or asserted by any third party against an Indemnified Party arising from or in any way related to actual or alleged defamation, libel,

If to GTE:

GTE Florida Incorporated

Attention: Assistant Vice President/Associate General Counsel

Business Development & Integration 600 Hidden Ridge - HQE03J43

Irving, TX 75038

Telephone Number: 972/718-6361 Facsimile Number: 972/718-3403

and

**GTE Florida Incorporated** 

Attn: Director-Wholesale Contract Compliance

**Network Services** 

600 Hidden Ridge - HQE03D52

Irving, TX 75038

Telephone Number: 972/718-5988 Facsimile Number: 972/719-1519

If to USDTI:

U.S. Dial Tone Inc.

Attention: Mr. Bob Mahler, President

23705 iH 10 West, Suite 210

San Antonio, TX 78257

Telephone Number: 210/698-4141 Facsimile Number: 210/698-3901

#### 29. Protection.

- 29.1 Impairment of Service. The characteristics and methods of operation of any circuits, facilities or equipment of either Party connected with the services, facilities or equipment of the other Party pursuant to this Agreement shall not interfere with or impair service over any facilities of the other Party, its affiliated companies, or its connecting and concurring carriers involved in its services, cause damage to its plant, violate any applicable law or regulation regarding the invasion of privacy of any communications carried over the Party's facilities or create nazards to the employees of either Party or to the public (each hereinafter referred to as an "Impairment of Service").
- 29.2 Resolution. If either Party causes an Impairment in Service, the Party whose network or service is being impaired (the "Impaired Party") shall promptly notify the Party causing the Impairment of Service (the "Impairing Party") of the nature and location of the problem and that, unless promptly rectified, a temporary discontinuance of the use of any circuit, facility or equipment may be required. The Impairing Party and the Impaired Party agree to work together to attempt to promptly resolve the Impairment of Service. If the Impairing Party is unable to promptly remedy the Impairment of Service, then the Impaired Party may at its option temporarily discontinue the use of the affected circuit, facility or equipment.
- Publicity. Any news release, public announcement, advertising, or any form of publicity pertaining
  to this Agreement, provision of services pursuant to it, or association of the Parties with respect to
  provision of the services described in this Agreement shall be subject to prior written approval of
  both GTE and USDTI.
- Regulatory Agency Control. This Agreement shall at all times be subject to changes, modifications, orders, and rulings by the Federal Communications Commission and/or the

applicable state utility regulatory commission to the extent the substance of this Agreement is or becomes subject to the jurisdiction of such agency.

- 32. Chances in Legal Requirements. GTE and USDTI further agree that the terms and conditions of this Agreement were commented in order to effectuate the legal requirements in effect at the time the Agreement was produced. If modifications to those requirements will be deemed to automatically supersede and terms and conditions of this Agreement.
- 33. Effective Date. This Agreement will be effective only upon execution and delivery by both Parties and approval by the Commission in accordance with Section 252 of the Act. If this Agreement or changes or modifications thereto are subject to approval of a regulatory agency, the "effective date" of this Agreement for such purposes will be ten (10) Business Days after such approval or in the event this Agreement is developed in whole or in part through arbitration, sixty (60) Business Days after such approval. Such date (i.e., ten (10) or, if arbitrated, sixty (60) Business Days after the approval) shall become the "effective date" of this Agreement for all purposes.
- 34. Regulatory Matters. Each Party shall be responsible for obtaining and keeping in effect all FCC, state regulatory commission, franchise authority and other regulatory approvals that may be required in connection with the performance of its obligations under this Agreement.
- Bule of Construction. No rule of construction requiring interpretation against the drafting party hereof shall apply in the interpretation of this Agreement.
- Section References. Except as otherwise specified, references within an Article of this
  Agreement to a Section refer to Sections within that same Article.
- 37. Service Standards.
  - 37.1 The Parties will provide a level of service to each other with respect to Resale under this Agreement in compliance with the non-discrimination requirements of the Act. GTE will use appropriate statistical tests or performance criterion to include detailed investigation, where required, to verify such non-discriminatory level of service.
  - 37.2 Each Party may provide input to the various telecommunications industry forums defining national standards for methods of quality measurement. Subsequent to adoption of standard industry measurements the Parties shall work towards implementing those mutually agreed upon GTE supported measurements necessary for their quality assurance relationship of services supplied by GTE. Prior to adoption of industry guidelines GTE will make available, upon request through GTE's account management, monthly CLEC standard reports with comparisons in performance compiled on a rolling three-month basis.
  - 37.3 The parties will alert each other to any network events that can result or have resulted in service interruption, blocked calls, and/or changes in network performance.
- 38. Severability. If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be unenforceable, the rest of the Agreement shall remain in full force and effect and shall not be affected unless removal of that provision results, in the opinion of either Party, in a material change to this Agreement. If a material change as described in this paragraph occurs as a result of action by a court or regulatory agency, the Parties shall negotiate in good faith for replacement language. If replacement language cannot be agreed upon within a reasonable period, either Party may terminate this Agreement without penalty or liability for such termination upon written notice to the other Party.

- Subcontractors. Provider may enter into subcontracts with third parties or affiliates for the performance of any of Provider's duties or obligations under this Agreement.
- 40. Subsequent Law. The terms and conditions of this Agreement shell be subject to any and all applicable laws, rules, or regulations that subsequently may be prescribed by any federal, state or local governmental authority. To the extent required by any such subsequently prescribed law, rule, or regulation, the Parties agree to modify, in writing, the affected term(s) and condition(s) of this Agreement to bring them into compliance with such law, rule, or regulation.
- 11. Taxes. Any state or local excise, sales, or use taxes (excluding any taxes levied on income) resulting from the performance of this Agreement shall be borne by the Party upon which the obligation for payment is imposed under applicable law, even if the obligation to collect and remit such taxes is placed upon the other Party. The collecting Party shall charge and collect from the obligated Party, and the obligated Party agrees to pay to the collecting Party, all applicable taxes, except to the extent that the obligated Party notifies the collecting Party and provides to the collecting Party appropriate documentation as GTE requires that qualifies the obligated Party for a full or partial exemption. Any such taxes shall be shown as separate items on applicable billing documents between the Parties. The obligated Party may contest the same in good faith, at its own expense, and shall be entitled to the benefit of any refund or recovery, provided that such Party shall not permit any lien to exist on any asset of the other Party by reason of the contest. The collecting Party shall cooperate in any such contest by the other Party. The other Party will indemnify the collecting Party from any sales or use taxes that may be subsequently levied on payments by the other Party by the collecting Party.
  - 41.1 Tax A charge which is statutorily imposed by the state or local jurisdiction and is either (a) imposed on the seller with the seller having the right or responsibility to pass the charge(s) on to the purchaser and the seller is responsible for remitting the charge(s) to the state or local jurisdiction or (b) imposed on the purchaser with the seller having an obligation to collect the charge(s) from the purchaser and remit the charge(s) to the state or local jurisdiction.

Taxes shall include but not be limited to: federal excise tax, state/local sales and use tax, state/local utility user tax, state/local telecommunication excise tax, state/local gross receipts tax, and local school taxes. Taxes shall not include income, income-like, gross receipts on the revenue of a provider, or property taxes. Taxes shall not include payroll withholding taxes unless specifically required by statute or ordinance.

- 41.2 <u>Fees/Begulatory Surcharges</u> A charge imposed by a regulatory authority, other agency, or resulting from a contractual obligation, in which the seller is responsible or required to collect the fee/surcharge from the purchaser and the seller is responsible for remitting the charge to the regulatory authority, other agency, or contracting party.
- 42. <u>Trademarks and Trade Names</u>. Except as specifically set out in this Agreement, nothing in this Agreement shall grant, suggest, or imply any authority for one Party to use the name, trademarks, service marks, or trade names of the other for any purpose whatsoever.
- 43. Waiver. The failure of either Party to insist upon the performance of any provision of this Agreement, or to exercise any right or privilege granted to it under this Agreement, shall not be construed as a waiver of such provision or any provisions of this Agreement, and the same shall continue in full force and effect.
- 44. <u>TBD Prices</u>. Numerous provisions in this Agreement and its Attachments refer to pricing principles. If a provision references prices in an Attachment and there are no corresponding prices in such Attachment, such price shall be considered "To Be Determined" (TBD). With

respect to all TBD prices, prior to USDTI ordering any such TBD item, the Parties shall meet and confer to establish a price. If the Parties are unable to reach agreement on a price for such item, an interim price shall be set for such item that is equal to the price for the nearest analogous item for which a price has been established (for example, if there is not an established price for a non recurring charge (NRC) for a specific service, the Parties would use the NRC for the most analogous retail service for which there is an established price). Any interim prices so set shall be subject to modification by any subsequent decision of the Commission. If an interim price is different from the rate subsequently established by the Commission, any underpayment shall be paid by USDTI to GTE, and any overpayment shall be refunded by GTE to USDTI, within 45 Business Days after the establishment of the price by the Commission.

Amendment of Certain Rates. Terms and Conditions. The rates, terms and conditions in this Agreement that are specified in Appendix 45A (the "AT&T Terms") were taken from the GTE/AT&T Interconnection, Resals and Unbundling Agreement (the AT&T Agreement) approved by the Commission in Docket No. 960847-TP. The rates , terms and conditions not included in this Agreement but referenced in Appendix 45B (the "GTE Terms") were excluded from the AT&T Agreement by the Commission in Docket No. 960847-TF. GTE and USDTI agree that if the deemed to have been amended accordingly, by modification of the "AT&T Terms" or, as appropriate, the substitution of "GTE Terms" for all stayed and enjoined "AT&T Terms", and such amendments shall be effective retroactive to the Effective Date of this Agreement. or in part, by a court or commission of competent jurisdiction, then this Agreement shall be AT&T Terms" are deemed to be unlawful, or are stayed, enjoined or otherwise modified, The rates, terms and conditions in this in whole

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GTE and USDTI further agree that the terms and conditions of this Agreement reflect certain requirements of the FCC's First Report and Order in CC Docket No. 96-98. The terms and conditions of this Agreement shall be subject to any and all actions by any court or other governmental authority that invalidate, stay, vacate or otherwise modify the FCC's First Report and Order, in whole or in part ("actions"). To the extent warranted by any such action, the Parties agree that this Agreement shall be deemed to have been modified accordingly as in the first paragraph of this Section 45. The Parties agree to immediately apply any affected terms and conditions, including any in other sections and articles of this Agreement, consistent with such action, and within a reasonable time incorporate such modified terms and conditions in writing into the Agreement. If the AT&T Terms are affected by such action and GTE determines they cannot be consistently applied therewith, the GTE Terms shall apply. USDTI acknowledges that GTE may seek to enforce such action before a commission or court of competent jurisdiction. GTE does not waive any position regarding the illegality or inappropriateness of the FCC's First Report and Order.

The rates, terms and conditions (including rates which may be applicable under true-up) specified in both the "GTE Terms" and the "AT&T Terms" are further subject to amendment, retroactive to the Effective Date of the Agreement, to provide for charges or rate adjustments resulting from future Commission or other proceedings, including but not limited to any generic proceeding to determine GTE's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered GTE costs (including GTE's end user surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other litigation

If the Commission (or any other commission or federal or state court) in reviewing this Agreement pursuant to applicable state and federal laws, including Section 252(e) of the Telecommunications Act of 1996, deletes or modifies in any way this Section 45, USDTI agrees that this entire Agreement is void and will not become effective, and USDTI agrees to withdraw this Agreement from consideration by the Commission (or any other commission or federal or state court)

#### ARTICLE IV GENERAL RULES GOVERNING RESOLD SERVICES

1. General. General regulations, terms and conditions governing rate applications, technical parameters, service availability, definitions and feature interactions, as described in the appropriate GTE intrastate local, toll and access tariffs, apply to retail services made available by GTE to USDTI for resale provided by GTE to USDTI, when appropriate, unless otherwise specified in this Agreement. As applied to services under this Agreement, the term "Customer" contained in the GTE Retail Tariff shall be deemed to mean "USDTI" as defined in this Agreement.

#### 2. Liability of GTE

- 2.1 Inapplicability of Tariff Liability. GTE's general liability, as described in the GTE Retail
  Tariff, does not extend to USDT's customers or any other third party. Liability of GTE to
  USDTI resulting from any and all causes arising out of services, or any other items
  relating to this Agreement shall be governed by the liability provisions contained in this
  Agreement and no other liability whatsoever shall attach to GTE. GTE shall be liable for
  the individual services, facilities or elements that it separately provides to USDTI and shall
  not be liable for the integration of components combined by USDTI.
- 2.2 <u>USDTI Tariffs or Contracts.</u> USDTI shall, in its tariffs or other contracts for services provided to its end users using services obtained from GTE, provide that in no case shall GTE be liable to USDTI's end users or any third parties for any indirect, special or consequential damages, including, but not limited to, economic loss or lost business or profits, whether foreseeable or not, and regardless of notification by USDTI of the possibility of such damages and USDTI shall indemnify and hold GTE harmless from any and all claims, "smands, causes of action and liabilities based on any reason whatsoever from its customers as provided in this Agreement. Nothing in this Agreement shall be deemed to create a third-party beneficiary relationship with USDTI's end users.
- 2.3 No Liability for Errors. GTE is not liable for mistakes that appear in GTE's listings, 911 and other information databases, or for incorrect referrals of end users to USDTI for any ongoing USDTI service, sales or repair inquiries, and with respect to such mistakes or incorrect referrals. USDTI shall indemnify and hold GTE harmless from any and all claims, demands, causes of action and liabilities whatsoever, including costs, expenses and reasonable attorney's fees incurred on account thereof, by third parties, including USDTI's end users or employees. For purposes of this Section 2.3, mistakes and incorrect referrals shall not include matters arizing out of the willful misconduct of GTE or its employees or agents.

#### Unauthorized Changes.

3.1 Procedures. If USDTI submits an order for resold services under this Agreement in order to provide service to an end user that at the time the order is submitted is obtaining its local services from GTE or another LEC using GTE resold services, and the end user notifies GTE that the end user did not authorize USDTI to provide local exchange services to the end user, USDTI must provide GTE with written documentation of authorization from that end user within thirty (30) Business Days of notification by GTE. If USDTI cannot provide written documentation of authorization within such time frame, USDTI must within three (3) Business Days thereafter:

agreement to pay restoral of service charges and other applicable service charges, GTE shall promptly restore such service.

- 6. Timing of Messages. With respect to GTE resold measured rate local service(s), chargeable time begins when a connection is established between the calling station and the called station. Chargeable time ends when the calling station "hangs up," thereby releasing the network connection. If the called station "hangs up" but the calling station does not, chargeable time ends when the network connection is released by automatic timing equipment in the network.
- 7. Procedures For Preordering, Ordering, Provisioning, Etc. Certain procedures for preordering, ordering, provisioning, maintenance and billing and electronic interfaces for many of these functions are described in <u>Appendix B</u>. All costs and expenses for any new or modified electronic interfaces USDTI requires that GTE determines are Currently Available and GTE agrees to develop will be paid by USDTI pursuant to <u>Appendix B</u>. The schedule for implementation of any new or modified electronic interfaces will be developed by GTE according to industry standards and will be based upon the amount of work needed to design, test and implement the new or modified interface.

#### 8. Letter of Authorization

- 8.1 GTE will not release the Customer Service Record (CSR) containing Customer Priority
  Network Information (CPNI) to USDTI on GTE end user customer accounts unless
  USDTI first provides to GTE a written Letter of Authorization (LOA), signed by the end
  user customer, authorizing the release of such information to USDTI or if state or federal
  law provides otherwise, in accordance with such law.
- 8.2 An LOA will be required before GTE will process an order for services provided in cases in which the subscriber currently receives Exchange Service from GTE or from a local service provider other than USDTI. Such LOA may be a blanket LCA or such other form as agreed upon between GTE and USDTI.
- 9. Customer Contacts. Except as otherwise provided in this Agreement or as agreed to in a separate writing by USDTI, USDTI shall provide the exclusive interface with USDTI's end user customers in connection with the marketing or offering of USDTI services. Except as otherwise provided in this Agreement, in those instances in which GTE personnel are required pursuant to this Agreement to interface directly with USDTI's end users, such personnel shall not identify themselves as representing GTE. All forms, business cards or other business materials furnished by GTE to USDTI end users shall be generic in nature. In no event shall GTE personnel acting on behalf of USDTI pursuant to this Agreement provide information to USDTI end users about GTE products or services unless otherwise authorized by USDTI.

#### ARTICLE V RESALE OF SERVICES

- 1. General. The purpose of this Article V is to define the Exchange Services and related Vertical Features and other services (collectively referred to for purposes of this Article V as the "services") that may be purchased from GTE and resold by USDTI and the terms and conditions applicable to such resold services. Except as specifically provided otherwise in this Agreement, provisioning of Exchange Services for resale will be governed by the GTE Guide. GTE will make available to USDTI for resale any Telecommunications Service that GTE currently offers, or may offer hereafter, on a retail basis to subscribers that are not telecommunications carriers, except as qualified by Section 2.1 below.
- 2. Terms and Conditions.
  - Restrictions on Resale. The following restrictions shall apply to the resale of retail services by USDTI.
    - 2.1.1 USDTI shall not resell to one class of customers a service that is offered by GTE only to another class of customers in accordance with state requirements (e.g., R-1 to B-1, disabled services or lifeline services to non-qualifying customers).
    - 2.1.2 USDTI shall not resell lifeline services and services for the disabled.
    - 2.1.3 USDTI shall not resell promotional offerings of 90 days or less in duration. These promotional offerings are not available to USDTI for resale. GTE will apply any applicable resale discount to the ordinary rate for a retail service rather than the special promotional rate.
  - 2.2 Interim Universal Service Support Charge for Wholesale Services. U3DTI wishes to resell GTE's Basic Exchange Residential and Business services. It is GTE's position that GTE's current intraLATA toll rates include implicit subsidies that support below-cost prices for other services and thus promote universal service. This universal service support is lost where a CLEC resells GTE's local service but does not resell GTE's intraLATA toll service. For this reason, GTE will not resell Basic Exchange Residential or Business services unless USDTI pays the monthly interim universal service support charge set forth in Appendix A. GTE believes that this interim surcharge is required by state and federal law.

The lawfulness of GTE's interim surcharge is being addressed (or will be addressed) by the Commission or a court of competent jurisdiction. The parties agree that GTE will offer for resale Basic Local Exchange Residential and Business services at the avoided cost discount rate set forth in Appendix A without the interim surcharge, but subject to the following terms and conditions:

- 2.2.1 USDTI agrees that within thirty (30) days after the effective date of a Commission or court order affirming GTE's interim surcharge, USDTI will (i) begin paying the monthly interim surcharge in accord with Appendix A, and (ii) make a lump sum payment to GTE of the total interim surcharges retroactive to the effective date of this agreement.
- 2.2.2 Notwithstanding any provision in this Agreement, GTE may, at its scip discretion and at any time, seek injunctive or other relief (i) requiring the CLEC to pay GTE's

- 3.4 Nonrecurring Charges. USDTI shall be responsible for the payment of all nonrecurring charges ("NRCs") applicable to resold services (e.g., installation, changes, ordering charges) as listed in Appendix A. In addition, NRCs for Field Service work (Installation/Repair requiring on site visits will be charged from the appropriate tariff. No discount applies to nonrecurring charges.
- 3.5 Transfers Between USDTI and Another Fleseller of GTE Services. When USDTI has obtained an end user customer from another reseller of GTE services, USDTI will inform GTE of the transfer by submitting standard LSR forms to GTE.
  - 3.5.1 GTE cannot accept an order for As-Is Transfer of service from one CLEC reselling GTE services to another reseller of GTE services.
- 3.6 Local Calling Detail. Except for those services and in those areas where measured rate local service is available to end users, monthly billing to USDTI does not include local calling detail. However, USDTI may request and GTE shall consider developing the capabilities to provide local calling detail in those areas where measured local service is not available for a mutually agreeable charge.
- 3.7 Procedures. An overview of the procedures for preordering, ordering, provisioning and billing for resold services are outlined in <u>Appendix B</u>, attached hereto and made a part hereof.
- 3.8 LIDB. For resale services, the LSR will generate updates to GTE's LIDB for validation of calling card, collect, and third number billed calls.
- 3.9 Originating Line Number Screening (OLNS). Upon request, GTE will update the database to provide OLNS which indicates to an operator the acceptable billing methods for calls originating from the calling number (e.g., penal institutions, COCOTS).

#### 4. Maintenance.

- 4.1 Maintenance. Testing and Repair. GTE will provide repair and maintenance services to USDTI and its end user customers for resold services in accordance with the same standards and charges used for such services provided to GTE end user customers. GTE will not initiate a maintenance call or take action in response to a trouble report from a USDTI end user until such time as trouble is reported to GTE by USDTI. USDTI must provide to GTE all end user information necessary for the installation, repair and servicing of any facilities used for resold services according to the procedures described in the Guide.
- 4.2 Specifics and Procedures for Maintenance. An overview of the procedures for maintenance of resold services and additional matters agreed to by the Parties concerning maintenance are set forth in <u>Appendix B</u>.

#### Services Available for Resale.

- 5.1 <u>Description of Local Exchange Services Available for Resale.</u> Resold basic Exchange Service includes, but is not limited to, the following elements:
  - (a) Voice Grade Local Exchange Access Line includes a telephone number and dial tone.

- 9 customer. Local Calling - at local usage measured rates if applicable to the end user
- (c) Access to long distance carriers
- (d) E-911 Emergency Dialing
- (e) Access to Service Access Codes e.g., 800, 888, 900
- (f) Use of AIN Services (those Currently Available to end users)
- (g) End User Private Line Services
- 3 Listing of telephone number in appropriate "white pages" directory, and
- 3 Copy of "White Pages" and "Yellow Pages" directories for the appropriate GTE service area
- (i) IntraLATA toll
- Other Services Available for Resale. GTE will provide resold services at retail less the avoided cost discount as defined in Article V. Section 5.3. Subject to the limitations enumerated in Article V of this Agreement, the type of resold services made available to USDTI are those telecommunication services described in GTE's retail tariffs, as customers who are not telecommunications carriers may also be available to USDTI for amended from time to time. Any new retail services that GTE offers in such tariffs to resale under the same terms and conditions contained in this Agreement.
- 5.2.1 rate will be subject to the applicable resale discount Promotional Services. GTE shall make available for resale, those promotional offerings that are greater than 90 days in duration and the special promotional
- 5.3 Bates. The prices charged to USDTI for local services shall be calculated as follows:
- 5.3.1 Avoided Cost Discount as shown on Appendix A shall apply to all retail services except those services listed in Section 2.1 and Section 2.3 herein.
- 5.3.2 The discount dollar amount calculated under Section 5.3.1 above will be deducted from the retail rate.
- 5.3.3 The resulting rate is the resale rate.
- This discount dollar amount in Section 5.3.2 above shall not change during the Term of this Agreement, even though GTE may change its retail rates.
- manner are available for resals only to end user customers that already have such grandfathered service. An existing end user customer may not move a grandfathered service to a new service location. Grandfathered services are subject to a resals Grandfathered Services. Services identified in GTE Tariffs as grandfathered in any
- 5.5 Access. GTE retains all revenue due from other carriers for access to GTE facilities including both switched and special access charges.

GTE has no action and USDTI must establish a separate relationship with the lead telco to submit records for MSAG validation. Where GTE is the lead telco, it will have a copy of the MSAG and will provide a copy to USDTI upon request at the rate in Appendix C.

7.4 <u>Undates to Databasa</u>. The 911/E911 database will be updated with USDTI's end user 911/E911 information. If USDTI provides its updated data to GTE as frequently as does GTE's Internal systems, the update will be as timely. In any case, GTE will not update the ALI database any later than one working day subsequent to receipt of data from USDTI.

#### 7.5 Compensation-

- 7.5.1 In situations in which GTE is responsible for maintenance of the 911/E911 database and can be compensated for maintaining USDT's information by the 911 district, GTE will seek such compensation from the 911 district. GTE will seek compensation from USDTI only if and to the extent that GTE is unable to obtain such compensation from the 911 district.
- 7.5.2 Compensation to GTE for provision of services it provides USDTI hereunder shall be according to reasonable rates developed by GTE and agreed upon by USDTI.
- 7.6 Liability. GTE will not be liable for errors with respect to 911/E911 services except for its gross negligence as addressed in applicable tariffs.
- Dialing Format Changes. GTE will provide reasonable notification to USDTI of changes to local dialing format, i.e., 7 to 10 digit, by end office.

IN WITNESS WHEREOF, each Party has executed this Agreement to be effective as of the date first above written.

GTE FLORIDA INCORPORATED

Corne Mehola

Name Connie Nicholas

Title Assistant Vice President
Wholesale Markets-Interconneciton
Date December 7, 1998

U.S. DIAL TONE INC.

By RMaly

Name ROBERT MAHLE

Title 12-1-98

APPROVED FOR SIGNATURE

# APPENDIX A SERVICES AVAILABLE FOR RESALE

General. The rates for resold services described in Article V. Section 5.2 are based upon an avoided cost discount from GTE's retail rates as provided in Article V. Section 5.3 of the Agreement. The avoided cost discount is based upon GTE's most current available cost studies and are subject to change resulting from future Commission or other proceedings, including but not limited to any generic proceeding to determine GTE's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered GTE costs (including GTE's interim Universal Service Support Surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other hitigation.

GTE assesses a separate interim universal service fund surcharge for resale of Basic Local Exchange Residential and Business Services at the avoided cost discount set forth to provide continued universal service support that is implicit in GTE's current retail services prices. This surcharge is being addressed (or will be addressed) by the Commission or a court of competent jurisdiction. The parties agree that GTE will offer for resale Basic Local Exchange Residential and Business Services without the interim surcharge, but subject to the following terms and conditions:

- USDTI agrees that within thirty (30) days after the effective date of a Commission or court order affirming GTE's interim surcharge, USDTI will (i) begin paying the monthly interim surcharge in accord with Appendix A, and (ii) make a lump sum payment to GTE of the total interim surcharges retroactive to the effective date of this Agreement
- B Notwithstanding any provision in this Agreement, GTE may, at its sole discretion and at any time, seek injunctive or other relief (i) requiring USDTI to pay GTE's interim surcharge or (ii) requiring the Commission to immediately impose the interim surcharge.
- 0 Nothing in this Agreement shall restrict or impair GTE from seeking injunctive relief or any other remedy at any time and in any court regarding GTE's interim surcharge or the Commission's rejection or modification of GTE's interim

The avoided cost discount is 13.04%

# Non-Recurring Charges for Resale Services

Outside Facility Connection Charg	Resale Line installation (per line)	Customer Service Record Research	Subsequent Service Order (per on	Transfer of Service Charges (Ler o	Initial Service Order (per order)
		h (per request)	3	rder)	
\$62.50	\$10.50	\$ 5.25	\$24.00	\$16.00	\$47.25

Per Tariff: This charge will apply when field work is required for establishment of new resale service. The terms, conditions and rates that apply for this work are described in GTE's retail local service tariffs.

Universal Service Fund (USF) Support Surcharge
Residential (per line)
Business (per line)

s s

Until GTE and USDTI have agreed and estallished electronic interfaces, USDTI agrees that an 800 number is the method that will be used. The 800 telephone USDTI, GTE itself does not have uniform access to this information electronically new telephone number. When USDTI receives a request for basic services from a new local service sustomer, USDTI will call GTE's NOMC through the 800 number, and, while the new sew customer is on hold, GTE will provide the due date for service and the new stephone number for that customer. At the same time, USDTI will give GTE the new customer's name, service address and type of requested service (i.e., R1, as we customer's name, service address and type of requested service ordering 31). GTE will enter that information into its SORCES or SOLAR service ordering systems to be held in suspense until USDTI sends the confirming LSR. USDTI systems to be held in suspense until USDTI sends the confirming LSR. USDTI sends the confirming LSR. imber will connect USDTI directly to GTE's NOMC service representatives.

- 11.4 After concluding the telephone call with the new customer, USDTI will complete a confirming LSR for the new service and send it electronically to GTE's data center for processing. Upon receipt, GTE will match the LSR with the service order suspended in GTE's system, and if there is a match, GTE will process the LSR. After the LSR is processed, GTE will transmit confirmation electronically to USDTI through the NDM that the LSR has been processed, providing a record of the telephone number and due riste. USDTI will be required to submit the confirming LSR by 12:00 p.m. each day local time, as defined by the location of the service address. It USDTI fails to submit the LSR in a timely manner, the suspended LSR will be considered in jeopardy, at which time GTE will assign a new due date upon receipt of the delayed LSR for such customer requests and notify USDTI of the change.
- 1.1.5 Number assignments and due date schedules for services other than single line service and hunt groups up to 12 lines will be assigned within approximately twenty-four (24) hours after GTE's receipt of the LSR using the standard Local Service Confirmation ("LSC") report sent electronically to USDTI over the NDM. provided through the normal electronic confirmation process. thereby providing a record of the newly established due date. An exception would be a multi-line hunt group for 12 lines or fewer. The other numbers then will be
- The processing of specifically requested telephone numbers (called "vanity numbers") is as follows. GTE will work with USDTI on a real time interface to process "anity numbers while USDTI's customer is still on the line. If a number solution can be established expeditiously, it will be done while the customer is still numbers will be followed. own customers. For all of this, the basic tariff guidelines for providing telephone on the line. If extensive time will be required to find a solution, GTE service representatives will work with USDTI representatives off line as GTE would for its
- 1.1.7 Once the order for resold service is established, it is moved for provisioning to the next system level. Here, GTE will validate and process the LSR to establish an account for USDTI and, if GTE continues to provide some residual services to the customer, GTE will maintain a GTE account. In GTE's system, GTE's account is called the Residual Account and USDTI's account is referred to as the USDTI occount. If any engineering for the service is necessary, the account would be istributed to the SSCC. Otherwise, it will be distributed for facility assignment
- With the account established and any engineering and facility assignment complete. GTE then will transmit electronically a record to GTE's CZT field

CMDS host each Business Day. Per USDTI's request, GTE will screen the incollects by NPA and line number and accumulate the Collect, Third Number Billed and Credit Card (collectively called incollects) messages in a data file. The screening will be for end users who have chosen USDTI as their local service provider through a Resale or Unbundled Network arrangement. The screened incollect messages and any Local Measured Service (LMS) usage will be accumulated and forwarded to USDTI. The Parties will mutually agree on the frequency of the data exchange and the method of transmission (i.e., magnetic tape or direct electronic transmission). GTE will forward the screened messages in the industry standard EMR format. GTE intraLATA toll messages that are recorded by GTE and dialed on a one plus or zero plus basis are not part of this section and will not be screened.

- 1.1.17.2 Compensation. GTE will bill USDTI monthly for all services related to the screening, accumulating, processing and transmitting of incollect messages and LMS usage, if applicable, at a reasonable and mutually agreeable charge. In addition, any message processing fee associated with USDTI's incollect messages that are charged to GTE by the CMDS Host will be passed on to USDTI on the monthly statement. All revenue, surcharges, taxes and any other amounts due to the CMDS Host for USDTI's incollect messages will be billed on the monthly statement. It is USDTI's responsibility to bill and collect all incollect and LMS amounts due from its end users. The incollect and LMS revenue amounts that are listed on the monthly invoice are payable to GTE in total. The Parties agree that the arrangement for invoicing the incollect and LMS revenue amounts due GTE is not a settlement process with USDTI.
- 1.1.17.3 Administration. The Parties agree to develop a process whereby USDTI's end user information is available in a timely manner to allow GTE to build tables to screen the CMDS incollect files and LMS files on behalf of USDTI.
- 1.1.18 Backbilling. GTE snall bill USDTI on a timely basis. In no case shall GTE bill USDTI for previously unbilled charges that are for more than one year prior to the current bill date.

#### 1.2 Order Processing.

- 1.2.1 Order Expectations. USDTI agrees to warrant to GTE that it is a certified provider of telecommunications service. USDTI will document its Certificate of Operating Authority on the USDTI Profile and agrees to update this USDTI Profile as required to reflect its current certification. The Parties agree to exchange and to update end user contact and referral numbers for order inquiry, trouble reporting, billing inquiries, and information required to comply with law enforcement and other security agencies of the government. The Parties also agree to exchange and to update internal order, repair and billing point of contacts. Prior to submitting an order under this Agreement, USDTI shall obtain such documentation as may be required by state and federal laws and regulations.
- 1.2.2 GTE shall provide USDTI with a specified customer contact center for purposes of placing service orders and coordinating the installation of services. These

activities shall be accomplished by telephone call or facsimile until electronic interface capability has been established. The Parties adopt the OBF LSR and DSR forms for the ordering, confirmation and billing of resale services.

- 1.2.3 GTE will process such service orders during normal operating hours, at a minimum on each Business Day between the hours of 8 a.m. to 8 p.m. Eastern Time and shall implement service orders within the same time intervals used to implement service orders for similar services for its own users.
- 1.2.4 GTE will provide current GTE customer proprietary network information (name, address, telephone number and description of services provided by GTE including PIC and white page directory listing information) as provided in Article V, Section 3. The return of customer information will be via facsimile or via electronic transmission.

#### Maintenance Systems.

#### 2.1 General Overview

- If USDTI requires maintenance for its local service customers, USDTI will initiate 2.1.1 a request for repair (sometimes referred to as a "trouble report") by calling GTE's Customer Care Repair Center. During this call, GTE service representatives will verify that the end-user is a USDTI customer and will then obtain the necessary information from USDTI to process the trouble report. While USDTI representatives are still on the line, GTE personnel will perform an initial analysis of the problem and remote line testing for resale services. If engineered services are involved, the call will be made to the GTE SSCC for handling. If no engineering is required and the line testing reveals that the trouble can be repaired remotely, GTE personnel will correct the problem and close the trouble report while USDTI representatives are still on the line. If on-line resolution is not possible, GTE personnel will provide USDTI representatives a commitment time for repair, and the GTE personnel ther, will enter the trouble ticket into the GTE service dispatch queue. USDTI's repair service commitment times will be within the same intervals as GTE provides to its own end users. Maintenance and repair of GTE facilities is the responsibility of GTE and will be performed at no incremental charge to USDTI. If, as a result of USDTI-initiated trouble report. trouble is found to be the responsibility of USDTI (e.g., non-network cause) GTE will charge USDTI for trouble isolation. USDTI will have the ability to report trouble for its end users to appropriate trouble reporting centers 24 hours a day, 7 days a week. USDTI will be assigned a customer contact center when initial service agreements are made.
- 2.1.2 Repair calls to the SSCC for engineered services will be processed in essentially the same manner as those by the GTE Customer Care Center. GTE personnel will analyze the problem, provide the USDTI representative with a commitment time while they are still on the line, and then place the trouble ticket in the dispatch queue.
- 2.1.3 GTE then will process all USDTI trouble reports in the dispatch queue along with GTE trouble reports in the order they were filed (first in, first out), with priority given to out-of-service conditions. If, at any time, GTE would determine that a commitment time given to USDTI becomes in jeopardy, GTE service representatives will contact USDTI by telephone to advise of the jeopardy condition and provide a new commitment time.

- 2.1.4 Trouble reports in the dispatch queue will be transmitted electronically to GTE CZT service technicians who will repair the service problems and clear the trouble reports. For cleared USDTI trouble reports, GTE service technicians will make a telephone call to USDTI directly to clear the trouble ticket. GTE service technicians will make the confirmation call to the telephone number provided by USDTI. If USDTI is unable to procuse the call or places the GTE technician on hold, the call will be terminated. To avoid disconnect, USDTI may develop an answering system, such as voice mail, to handle the confirmation calls expeditiously.
- 2.1.5 GTE will provide electronic interface access to operation support systems functions which provide the capability to initiate, status and close a repair trouble ticket. GTE will not provide to USDTI real time testing capability on USDT! end user services. GTE will not provide to USDTI an interface for network surveillance (performance monitoring).
- Electronic Interface. The Parties shall work cooperatively in the implementation of electronic gateway access to GTE operational support systems functions in the long-term in accordance with established industry standards.
  - 3.1 USDTI shall have immediate access to the following OSS electronic interfaces that will provide functionality to enable USDTI to service customers in an equal and non-discriminatory manner:
    - 3.1.1 Pre-Order functions, e.g., TN Assignment, DD Reservation, Address Validation, Product Availability, that are available on a dial-up or dedicated basis using the Secure Integrated Gateway System (SIGS).
    - 3.1.2 Order functions that are available on a dial-up or dedicated basis using CONNECT: Mail file transfer.
    - 3.1.3 Initial trouble reports via SIGS.
    - 3.1.4 Electrunic transfer of the USDTI bill in electronic data 811 format.
  - 3.2 USDTI may migrate to fully interactive system to system interconnectivity. GTE, with input from USDTI and other carriers, shall provide general interface specifications for electronic access to this functionality. These specifications will be provided to enable USDTI to design system interface capabilities. Development will be in accordance with applicable national standards committee guidelines. Such interfaces will be available as expeditiously as possible.
  - 3.3 All costs and expenses for any new or modified electronic interfaces exclusively to meet USDTI requirements that GTE determines are Currently Available and GTE agrees to develop will be paid by USDTI.
  - 3.4 USDTI shall be responsible for modifying and connecting any of its pre-ordering and ordering systems with GTE provided interfaces as described in this Appendix.
- GTΞ Initiated Electronic System Redesigns. GTE will not charge USDTI when GTE initiates its own ε actronic system redesigns/reconfigurations.

#### APPENDIX C RATES/CHARGES FOR MISCELLANEOUS 911/E911 ITEMS

The following services are offered by GTE when USDTI resells GTE's local exchange services where an item is not superseded by a tariffed offering:

A. 9-1-1 Selective Router Map

\$125.00

NVA

Provided is a color map showing a selective router's location and the GTE central offices that send their 9-1-1 calls to it. The selective router and central office information will include CLLI codes and NPA/NXXs served. The map will include boundaries of each central office and show major streets and the county boundary. Permission to reproduce by USDTI for its internal use is granted without further fee. Non-tariffed price.

B. MSAG Copy

Production of one copy of a 911 Customer's Master Street Address Guide, postage paid

1. Copy provided in proper format

\$238.50

54.00

2. Copy provided in flat ASCII file on a 3 1/2" diskette

\$276.00

\$36.00

### ATTACHMENT 45A-1 TERMS ADOPTED FROM THE AT&T/GTE FLORIDA ARBITRATION AGREEMENT

Attachment 14 (Page 2) AT&T/GTE Florida Pricing Agreement

#### Local Service Resale

The prices charged to AT&T for Local Service shall be calculated using the avoided cost discount applicable in the State determined on the basis of the retail rate charged to subscribers for the telecommunications service requested, excluding the portion thereof attributable to any marketing, billing, collection, and other costs that will be svoided by GTE, as further specified in Appendix 1.

The prices shall be GTE's retail rates applicable on the Effective Date, less the applicable discount. If GTE reduces or increases its retail rates after AT&T executes this Agreement, the applicable discount shall be applied to the reduced or increased retail rates.

#### Attachment 14 (Page 4) AT&T/GTE Florida Pricing Agreement

Appendix 1 - Local Service Resalo

Beginning with the Effective Date of this Agreement, Resale Services will be priced in accordance with the standards and prices described below.

- The wholesale rates for Local Service Resale will be calculated based upon the discounts described in Annex 1. Such discounts will be applied against the Retail Rates for each GTE Retail Offering.
- 1.1 "Retail Rates" are the effective rates a GTE retail customer would have paid GTE under the Retail Offering selected by AT&T, taking into consideration all applicable discounts, including, but not limited to, volume, term and time of day.
- 1.2 A "Retail Offering" is an individual contract or retail service rate element, or package of rate elements, which GTE offers to its retail customers, including, but not limited to, Grandfathered Services.
- Nonrecurring "change" or "record" charges, rather than service establishment charges, shall apply
  for the conversion of existing Customers of GTE services, received either directly from GTE or
  through another reseller, to AT&T local service.

# Attachment 14 (Page 5) AT&T/GTE Florida Pricing Agreement Appendix 1 - Annex 1 - Schedule of Wholesale Discounts

#### Florida

Basic Local Service (Residence & Business)	13.04%
Line Charge	13.04%
Usage Charge	13.04%
Features	13.04%
	13.04%
Listing Charges	13.04%
Non-recurring Charges	
Toll Service	13.04%
Operator Services	13.04%
Directory Assistance	13.04%
Business Trunk and Service Arrangements	13.04%
ISDN Services	13.04%
CENTRANET Services	13.04%
Private Line Services	13.04%
Inbound/Outbound Services	13.04%
Promotional Offerings (90 days or more)	13.04%
Promotional Offerings (less than 90 days)	Not subject to wholesale discount
Services for disabled persons (including free directory assistance)	13.04%
In Contact Services	13.04%
Public and Semi-Public Payphone Services	13.04%
Contract Services	13.04%
Grandfathered Services	13.04%
All Other retail Telecommunications Services not excluded from resale by order of the Commission	19,64%

## Attachment 14 (Page 7) AT&T/GTE Florida Pricing Agreement

Business Trunks and Service Arrangements: Charges associated with PBX trunk arrangements for single and multi-line customers. Included are line and usage charges, features and service arrangements for direct inward (and/or outward) dialing.

ISDN Services: Charges associated with Integrated Services Digital Network. Service for residence and business customers for the transmission of voice, data and packet switched signals.

CENTRANET Services: Charges associated with the provision and use of central office based private branch exchange services using equipment located on the premises owned or leased or controlled by GTE and connected by local loops to the premises of the customer or an authorized user.

Private Line Services: Charges associated with the provision and use of dedicated facilities between two or more customer locations.

Inbound/Outbound Services: Charges associated with the provision and use of WATS 800 (inbound) and Wide Area Telephone service (outbound) and other like services.

End User Access Services: Charges associated with the provision and use of common and dedicated facilities to provide access service to end user customers.