



ORIGINAL

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April 5, 2001

BY CERTIFIED U.S. MAIL

Blanca Bayo
Director
Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Renee Ragsdale
Verizon Network Services
600 Hidden Ridge HQE03B56
PO Box 152092
Irving, TX 75038

010000 - Du

Re: Interconnection Agreement between Verizon and Winstar for the State of Florida

Dear Ms. Bayo and Ms. Ragsdale:

By this letter, Winstar Wireless, Inc. ("Winstar"), a competitive local exchange carrier ("CLEC") that is certified to provide service to customers in the state of Florida, notifies both the Florida Public Service Commission ("the Commission") and Verizon that Winstar, pursuant to the federal Bell Atlantic-GTE merger conditions, intends to adopt as its interconnection agreement with Verizon for the state of Florida the existing agreement between Winstar and Verizon for the state of Texas.¹

The order of the Federal Communications Commission ("FCC") that approved the merger between Bell Atlantic and GTE expressly provides that Verizon (the carrier that is the result of the merger between Bell Atlantic and GTE) must allow requesting telecommunications carriers in one state to opt-in to any Verizon "interconnection arrangement, [unbundled network element], or provisions of an interconnection agreement (including an entire agreement)" from another state.² The agreement between Winstar and Verizon for the state of Texas, as approved by the Texas Public Utilities Commission on January 12, 2001 ("Texas Agreement"),³ was negotiated and executed after the Bell Atlantic/GTE merger became effective.

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¹ For the reference of the Commission, a copy of the agreement between Winstar and Verizon for the state of Texas is included as the final attachment to the Commission's copy of the instant letter.

² GTE Corporation, Transferor, and Bell Atlantic Corporation, Transferee, for Consent to Transfer Control of Domestic and International Sections 214 and 310 Authorizations and Application to Transfer Control of a Submarine Cable Landing License, Memorandum Opinion and Order, CC Docket No. 98-184, FCC 00-221 (rel. June 16, 2000) ("Bell Atlantic/GTE Merger Order"), Appendix D at para. 32.

³ Joint Application of Winstar Wireless, Inc. and Verizon Southwest for Approval of Interconnection Agreement under PURA and the Telecommunications Act of 1996, Order No. 2 Approving Interconnection Agreement (January 12, 2001). The order is included as the first attachment to the Commission's copy of the instant letter.

DOCUMENT NUMBER-DATE

04429 APR 10 2001

Therefore, Winstar respectfully requests that Verizon prepare a copy of the Texas Agreement for execution by both parties for the state of Florida (the newly executed agreement hereinafter referred to as the "Florida Agreement"). Upon execution by both parties, either Verizon or Winstar will promptly file the Florida Agreement with the Commission for its approval. The parties' existing agreement will remain in effect until the parties secure the requisite approval of the Florida Agreement by the Commission.

By way of background, in the *Bell Atlantic/GTE Merger Order*, the FCC adopted MFN opt-in provisions to mitigate the harms of the merger by facilitating market entry and spreading the use of best practices throughout Verizon's region.⁴ The Commission's order directs Verizon to allow requesting telecommunications carriers in one state to opt-in to any interconnection arrangement or unbundled network element contained in any Verizon interconnection agreement from another state.⁵

The FCC subsequently had cause to clarify the requirements of the *Bell Atlantic/GTE Merger Order*. In a recent matter brought before the FCC, a CLEC sought to opt-in to a Verizon interconnection agreement from another state.⁶ Verizon denied the CLEC's request and contended that the MFN conditions of the *Bell Atlantic/GTE Merger Order* excluded certain provisions of interconnection agreements, such as provisions addressing reciprocal compensation and rights-of-way.⁷ In the *FCC Clarification Letter*, the FCC found that Verizon's contentions were "incorrect"⁸ and "not consistent with the underlying purpose of the MFN provisions to facilitate the deployment of competition and to spread the use of best practices."⁹ The FCC stated clearly that "[t]he MFN provisions *expand the section 252(i) opt-in rights of CLECs by allowing CLECs to import interconnection arrangements (including entire agreements) from one state into another state*, thereby reducing the time and expense of negotiating interconnection agreements."¹⁰ In addition, the FCC stated that Verizon did not have the alternative of "unilaterally limiting a CLEC's options under the MFN provisions" of the *Bell Atlantic/GTE Merger Order*.¹¹

In sum, pursuant to the conditions set forth in the *Bell Atlantic/GTE Merger Order* and discussed further in the *FCC Clarification Letter*, Winstar requests adoption of the Texas Agreement as its interconnection agreement with Verizon for the state of Florida.

Winstar is providing this background on the federal Bell Atlantic-GTE merger conditions to ensure that all parties fully understand the rights of which Winstar is availing itself. To this end, Winstar respectfully requests that Verizon forward to Winstar within ten (10) business days the paperwork Verizon deems necessary, if any, to accomplish the requested opt-in.

Should the Commission or Verizon have any questions about Winstar's opt-in request, please contact the undersigned at (202) 367-7607.

Sincerely,



Michael Carowitz
Senior Counsel
Legal & Regulatory Affairs

⁴ *Bell Atlantic/GTE Merger Order* at paras. 300-05, 352, 356, 370.

⁵ *Id.* at para. 32.

⁶ Clarification Letter to Michael L. Shor, Counsel, Focal Communications Corporation from Carol E. Matthey, Deputy Chief, Common Carrier Bureau, FCC, DA 00-2890 (December 27, 2000) ("*FCC Clarification Letter*"). A copy of the *FCC Clarification Letter* is included as the second attachment to the Commission's copy of the instant letter.

⁷ *Id.* at 1-2.

⁸ *Id.* at 2.

⁹ *Id.* at 3.

¹⁰ *Id.* (emphasis added).

¹¹ *Id.*

JOINT APPLICATION OF WINSTAR §
WIRELESS, INC. AND VERIZON §
SOUTHWEST FOR APPROVAL OF §
INTERCONNECTION AGREEMENT UNDER §
PURA AND THE TELECOMMUNICATIONS §
ACT OF 1996 §

PUBLIC UTILITY COMMISSION
OF TEXAS

01/15/01 10:31:15

FILED

**ORDER NO. 2
APPROVING INTERCONNECTION AGREEMENT**

On December 8, 2000, Winstar Wireless, Inc. (Winstar) and Verizon Southwest (Verizon) (collectively, Applicants) filed a joint application for approval of an interconnection agreement (the Agreement) under the Telecommunications Act of 1996 (FTA)¹ and the Public Utility Regulatory Act.² The joint application included a copy of the Agreement.

The Agreement meets the requirements of P.U.C. PROC. R. 22.308; therefore, this joint application is approved, effective the date this Order is signed.

A complete interconnection agreement shall be filed with the Commission not later than 10 days following the date this Order is signed, if one has not already been filed. Only two copies of the complete interconnection agreement shall be filed with Central Records.

SIGNED AT AUSTIN, TEXAS the 12th day of January, 2001.

PUBLIC UTILITY COMMISSION OF TEXAS



MELENE R. DODSON
ADMINISTRATIVE LAW JUDGE
POLICY DEVELOPMENT DIVISION

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¹ Pub. L. No. 104-104, 110 Stat. 56 (1996) (codified as amended in scattered sections of 15 and 47 U.S.C.)(FTA).
² TEX. UTIL. CODE ANN. Chapters 52 and 60 (Vernon 1998) (PURA).

FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

December 27, 2000

Mr. Michael L. Shor
Swidler Berlin Shereff Friedman, LLP
3000 K Street, NW, Suite 300
Washington, DC 20007-5116

RE: *Bell Atlantic/GTE Merger Order*, CC Docket No. 98-184, ASD File No. 00-30

Dear Mr. Shor:

This letter addresses your November 9, 2000 letter on behalf of Focal Communications Corporation (“Focal”) concerning the most-favored nation (“MFN”) provisions of the *Bell Atlantic/GTE Merger Order*.¹ As explained more fully below, the *Bell Atlantic/GTE Merger Order*’s MFN provisions apply to entire interconnection agreements, so that carriers may import interconnection agreements from one state into another state.

On November 9, 2000, Focal submitted a letter to the Common Carrier Bureau (“Bureau”) requesting an interpretation regarding the proper application of the MFN provisions contained in the *Merger Conditions*.² In its letter, Focal contends that Verizon Communications, Inc. (“Verizon”) incorrectly interprets the MFN provisions by excluding provisions of interconnection agreements related to reciprocal compensation and certain other subjects. Focal further asserts that this interpretation issue has delayed its entry into at least four states in the Verizon service area.³ In its December 6, 2000 response to Focal’s letter, Verizon argues that this *Merger Condition* is limited only to interconnection arrangements and unbundled network elements (“UNEs”) subject to section 251(c) of the Communications Act of 1934, as amended (“the Act”).⁴ Verizon asserts that the language of the MFN provisions excludes certain

¹ Letter from Michael L. Shor, Swidler Berlin Shereff Friedman, LLP, to Carol E. Matthey, Deputy Chief, Common Carrier Bureau, FCC (Nov. 9, 2000) (“*Focal November 9, 2000 Letter*”); see GTE Corporation, Transferor, and Bell Atlantic Corporation, Transferee, For Consent to Transfer Control of Domestic and International Sections 214 and 310 Authorizations and Application to Transfer Control of a Submarine Cable Landing License, *Memorandum Opinion and Order*, FCC 00-221 (rel. Jun. 16, 2000) (“*Bell Atlantic/GTE Merger Order*”). The *Merger Conditions* are contained in Appendix D.

² *Bell Atlantic/GTE Merger Order* at Appendix D, para. 32; see *id.* at paras. 300-05 (describing MFN provisions).

³ *Focal November 9, 2000 Letter* at 6-7.

⁴ Letter from Patricia E. Koch, Assistant Vice President, Verizon Communications, Inc., to Carol E. Matthey, Deputy Chief, Common Carrier Bureau, FCC at 2 (Dec. 6, 2000) (“*Verizon December 6, 2000 Letter*”); see *Focal November 9, 2000 Letter* at Attach. 2, 2-3 (submitting Verizon correspondence that asserts that reciprocal compensation, number portability, and certain other subjects fall outside the scope of the MFN provisions).

provisions of interconnection agreements, such as provisions addressing reciprocal compensation and rights-of-way, from the MFN provisions of the *Bell Atlantic/GTE Merger Order*.⁵

In the *Bell Atlantic/GTE Merger Order*, the Commission adopted the MFN provisions to mitigate certain harms arising out of the merger. In particular, the Commission found that the MFN provisions address the harms of the merger by facilitating market entry and spreading the use of best practices throughout Verizon's region.⁶ Pursuant to the *Merger Conditions*, Verizon must allow requesting telecommunications carriers in one state to opt-in to any interconnection arrangement or unbundled network element contained in an interconnection agreement from another state.⁷

The *Merger Conditions* allow competitive local exchange carriers ("CLECs") to import entire interconnection agreements across state lines. Specifically, the *Merger Conditions* allow CLECs to opt-in to any "interconnection arrangement, UNE, or provisions of an interconnection agreement (including an entire agreement)."⁸ The plain language of the *Merger Conditions* permit a CLEC to obtain an entire interconnection agreement under the MFN provisions, so long as the agreement was voluntarily negotiated and meets the timing and location requirements specified in the conditions. Focal thus correctly points out that, in the *Bell Atlantic/GTE Merger Order*, the Commission articulated its understanding of the term "interconnection arrangement" to encompass "entire interconnection agreements or selected provisions from them."⁹

Verizon is incorrect in asserting that the reference to section 251(c) limits a CLEC's opt-in rights under the MFN provisions of the *Merger Conditions*. Specifically, Verizon asserts that subjects addressed by section 251(b), e.g., reciprocal compensation, number portability, and access to rights-of-way, fall outside the scope of the *Merger Conditions* because of the express reference to section 251(c) in the MFN provisions.¹⁰ Section 251(b) is incorporated explicitly into section 251(c) at the outset of that subsection, however, and further in the subsection establishing a duty for incumbent LECs to negotiate agreements in

⁵ *Verizon December 6, 2000 Letter* at 2.

⁶ *Bell Atlantic/GTE Merger Order* at paras. 300-05, 352 (stating that the MFN provisions reduce a CLEC's risk and cost of entry), 356 (stating that the MFN provisions will spread the use of best practices), 370 (noting that the MFN provisions will lower entry barriers for CLECs).

⁷ *Id.* at Appendix D, para. 32; *see id.* at paras. 300-01, 305.

⁸ *See id.* at Appendix D, para. 32.

⁹ *Id.* at para. 300, n. 686; *see Focal November 9, 2000 Letter* at 2.

¹⁰ *See Verizon December 6, 2000 Letter* at 2; *see also Focal November 9, 2000 Letter* at Attach. 2, 2 (submitting correspondence from Verizon to Focal). In each of the MFN provisions, the *Merger Conditions* refer to "any interconnection arrangement, UNE, or provisions of an interconnection agreement (including an entire agreement) subject to 47 U.S.C. § 251(c) and Paragraph 39 of these Conditions that was voluntarily negotiated" *See Bell Atlantic/GTE Merger Order* at Appendix D, paras. 30, 31(a), and 32.

good faith.¹¹ The phrase “interconnection agreement (including an entire agreement) subject to section 251(c)” in the *Merger Condition* merely refers to the type of agreement that is subject to this provision, namely, an interconnection agreement addressing the duties set forth in subsections 251(b) and 251(c). Moreover, the *Merger Conditions* expressly state that the rules and requirements of section 252(i) apply to all requests for interconnection arrangements and UNEs under the MFN provisions of the *Merger Conditions*. The MFN provisions expand the section 252(i) opt-in rights of CLECs by allowing CLECs to import interconnection arrangements (including entire agreements) from one state into another state, thereby reducing the time and expense of negotiating interconnection agreements. Finally, I note that Verizon’s view is not consistent with the underlying purpose of the MFN provisions to facilitate the deployment of competition and to spread the use of best practices. The intent of the *Merger Condition* would be thwarted if a CLEC was forced to negotiate separately an interconnection agreement to obtain provisions relating to section 251(b) duties.

As a final matter, Verizon contends that Focal may not avail itself of certain provisions of interconnection agreements because of Commission precedent, the expiration of the original interconnection agreement, or state regulatory requirements.¹² The MFN provisions contemplate the possibility that Verizon and a requesting CLEC may not completely agree about the availability of certain interconnection arrangements or provisions within an interconnection agreement. Specifically, the *Merger Conditions* provide that “[d]isputes regarding the availability of an interconnection arrangement or UNE shall be resolved pursuant to negotiation between the parties or by the relevant state commission under 47 U.S.C. § 252 to the extent applicable.”¹³ To the extent Verizon believes that a requested interconnection arrangement is ineligible under the MFN provisions because, for example, the arrangement may be technically infeasible, the proper course of action is for Verizon to allow the CLEC to opt-in to the entire agreement other than the contested terms. Verizon may then raise its views regarding the contested provision before the state commission instead of unilaterally limiting a CLEC’s options under the MFN provisions.

If you have any questions concerning this matter, you may contact me or Anthony Dale in the Common Carrier Bureau at (202) 418-2260.

Sincerely,

Carol E. Matthey
Deputy Chief, Common Carrier Bureau

¹¹ *Focal November 9, 2000 Letter* at 3; see 47 U.S.C. § 251(c)(1) (establishing an incumbent LEC’s duty to negotiate in good faith the terms and conditions of agreements to fulfill the duties described in sections 251(b) and (c)).

¹² *Verizon December 6, 2000 Letter* at 2-4.

¹³ *Bell Atlantic/GTE Merger Order* at Appendix D, paras. 30, 31(a), 32.

CC: Jeffrey Ward, Corporate Compliance Officer, Verizon Communications, Inc.

251/252 AGREEMENT

BETWEEN

GTE SOUTHWEST INCORPORATED D/B/A VERIZON SOUTHWEST

AND

WINSTAR WIRELESS OF TEXAS, INC.

FOR THE STATE OF TEXAS

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251/252 AGREEMENT

This 251/252 Agreement (the "Agreement") is entered into this ____ day of _____ (the "Effective Date") by and between GTE Southwest Incorporated d/b/a Verizon Southwest, with its address for purposes of this Agreement at 600 Hidden Ridge Drive, Irving, Texas 75038 ("Verizon") and Winstar Wireless, Inc., in its capacity as a certified provider of local wireline telecommunication services ("WINSTAR"), with its address for this Agreement at 1615 L Street NW, Suite 1260, Washington, DC 20036 (Verizon and WINSTAR being referred to collectively as the "Parties" and individually as a "Party"). This Agreement covers services in the State of Texas only (the "State").

RECITALS

WHEREAS, Section 251 of the Telecommunications Act of 1996 (the "Act") imposes specific obligations upon Verizon to negotiate in good faith in accordance with Section 252 of the Act, an agreement embodying the terms and conditions of the provision of certain telecommunications services and facilities to WINSTAR and other terms and conditions that are related to, and constituting a part of, said arrangements; and

WHEREAS, pursuant to Section 252(a) of the Act, WINSTAR issued a written request to Verizon to enter into said negotiations; and

WHEREAS, the Parties completed good faith negotiations that led to the services and facilities arrangements, including all related terms and conditions, described herein.

NOW, THEREFORE, in consideration of the provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and without waiving any reservation of rights set forth herein, Verizon and WINSTAR hereby covenant and agree as follows.

**ARTICLE I
SERVICES AND FACILITIES**

1. Definitions.

Except as otherwise specified herein, the definitions set forth in the Glossary that is attached hereto as Appendix A to Articles I and II shall apply to this Agreement. Additional definitions that are specific to the matters covered in a particular provision may appear in that provision. To the extent that there may be any conflict between a definition set forth on Appendix A and any definition in a specific provision, the definition set forth in the specific provision shall control with respect to that provision and the Article or Attachment in which such provision shall be included

2. Service and Facility Arrangements

2.1 Standard Alternatives.

Verizon shall provide to WINSTAR the services and/or facilities below pursuant to the designated service attachment (check all that apply):

| | |
|---|----------------------------|
| X | Interconnection Attachment |
| X | Resale Attachment |
| X | UNE Attachment |
| X | Collocation Attachment |

This Agreement consists of the designated services and/or facilities Attachment(s), and with respect to each such Attachment, all terms and conditions set forth in Articles I and II. It is Verizon's position that the terms and conditions in a given Attachment together with all such Article I and II terms and conditions are integrally and legitimately related, and the Parties agree that the terms and conditions shall govern the provision of the designated services and/or facilities by Verizon to WINSTAR.

2.2 Poles, Ducts, Conduits and Rights-of-Way.

To the extent required by the Act, each Party shall facilitate access to the poles, ducts, conduits and ROWs it owns or controls on terms, conditions and prices comparable to those offered to any other entity pursuant to tariffs and/or standard agreements. Accordingly, if one Party desires access to the other Party's poles, ducts, or ROWs, the Parties shall adhere to the terms and conditions of their respective applicable tariff and/or execute separate agreements. The Parties agree that pole attachment and conduit occupancy agreements must be executed separately before attachments to the other Party's facilities or before the other Party's conduit is used. Winstar and Verizon shall not attempt to make any attachments to each other's facilities or conduit without first entering into a separate agreement.

2.3 Directory Listings and Directory Distribution.

2.3.1 Separate Agreement. Except as set forth below, WINSTAR will be required to negotiate a separate agreement for directory listings and directory distribution, with Verizon's directory publication company.

2.3.2 Supply of Listing Information. WINSTAR agrees to supply Verizon on a regularly scheduled basis, at no charge, and in a mutually agreed upon format (e.g. ordering and billing forum developed), all listing information for WINSTAR's

subscribers who wish to be listed in any Verizon published directory for the relevant operating area. Listing information will consist of names, addresses (including city, state and zip code) and telephone numbers. Nothing in this Agreement shall require Verizon to publish a directory where it would not otherwise do so. Listing inclusion in a given directory will be in accordance with Verizon's solely determined directory configuration, scope, and schedules, and listings will be treated in the same manner as Verizon's listings. Directory listings of Winstar customers shall be interspersed with Directory listings of Verizon customers, with no distinction between Winstar and Verizon subscribers.

2.3.3 Distribution Upon directory publication, Verizon will arrange for the initial and secondary distribution of the directory to WINSTAR Customers in the directory coverage area on the same basis as Verizon distributes directories to Verizon's own customers at no charge. WINSTAR will supply Verizon in a timely manner with all required Customer mailing information including non-listed and non-published Customer mailing information, to enable Verizon to perform its distribution responsibilities.

2.4 Directory Assistance (DA) Listing Information

2.4.1 Definition. DA listing information includes the listed names, addresses and telephone numbers of Verizon and authorized LEC Customers, except as otherwise provided herein. DA listing information provided shall indicate whether the Customer is a residence or business Customer. Excluded are listings for restricted LEC lines and non-published listings. Verizon DA listing information includes 800/888 listings, non-listed numbers and foreign listings within the Verizon franchise

2.4.2 Availability Verizon will make available to WINSTAR, at WINSTAR's request, Verizon end-user and authorized LEC DA listing information stored in Verizon's DA database for the purposes of WINSTAR providing DA service to its Customers. Verizon shall provide to WINSTAR, at WINSTAR's request, DA listing information within sixty (60) Business Days after an order is received for a specific state. The DA listing information will be provided in Verizon format via magnetic tape or National Data Mover (NDM) as specified by WINSTAR. Updates to the DA listing information shall be provided on a daily basis through the same means used to transmit the initial load. WINSTAR agrees to pay Verizon's standard charges for the initial load and daily updates of Verizon's DA listing information, which will be provided upon request. The Parties will work together to identify and develop procedures for database error corrections.

2.4.3 Confidential Information Such listings shall be confidential information pursuant to Article II, Section 4 and WINSTAR will use the listings only for its DA services to its Customers. WINSTAR is not authorized to release Verizon's DA listing information to any third party or to provide DA to any other party using Verizon DA listing information, including WINSTAR's Affiliates, subsidiaries or partners, except with the express written permission of Verizon. In those instances where WINSTAR's affiliates, subsidiaries or partners also desire to use Verizon's DA listing information, each affiliate, subsidiary or partner must negotiate a separate contract with Verizon to obtain the listings. If WINSTAR uses a third-party DA service for its Customers, WINSTAR will ensure that such third party likewise treats the listings as confidential information pursuant to Article II, Section 4, and uses them only for WINSTAR end-user DA. Verizon will include WINSTAR's DA listing information in Verizon's DA data base which may be released to third parties which request Verizon's DA listing information, unless WINSTAR provides Verizon written notice within sixty (60) Business Days after the effective

date of this Agreement that its DA listing information is restricted and should not be released to third parties. In the event that WINSTAR does properly notify Verizon that its DA listing information is restricted, Verizon will so advise third parties requesting such information.

2.5 Dialing Format Changes

Verizon will provide reasonable notification to WINSTAR of changes to local dialing format (i.e. 7-10 digit, by end office).

2.6 E911/911.

Verizon will provide E911/911 service to WINSTAR upon negotiation of a separate agreement or an order pursuant to applicable Verizon tariffs.

2.7 Network Element Bona Fide Request (BFR).

The Bona Fide Request (BFR) process shall be used when WINSTAR requests certain services, features, capabilities or functionality defined and agreed upon by the Parties as services to be ordered via BFR. The following guidelines shall apply to the BFR process.

- 2.7.1 Each Party shall promptly consider and analyze access to a new unbundled Network Element with the submission of a Network Element Bona Fide Request hereunder. The Network Element Bona Fide Request process set forth herein does not apply to those services requested pursuant to Report & Order and Notice of Proposed Rulemaking 91-141 (rel. Oct. 19, 1992) ¶¶ 259 and n.603 or subsequent orders.
- 2.7.2 Network Element Bona Fide Request shall be submitted in writing and shall include a technical description of each requested Network Element.
- 2.7.3 The requesting Party may cancel a Network Element Bona Fide Request at any time, but shall pay the other Party's reasonable and demonstrable costs of processing and/or implementing the Network Element Bona Fide Request up to the date of cancellation.
- 2.7.4 Within ten (10) business days of its receipt, the receiving Party shall acknowledge receipt of the Network Element Bona Fide Request.
- 2.7.5 Except under extraordinary circumstances, within thirty (30) days of its receipt of a Network Element Bona Fide Request, the receiving Party shall provide to the requesting Party a preliminary analysis of such Network Element Bona Fide Request. The preliminary analysis shall confirm that the receiving Party will offer access to the Network Element or will provide a detailed explanation that access to the Network Element that is required to be provided under the Act.
- 2.7.6 If the receiving Party determines that the Network Element Bona Fide Request is technically feasible and otherwise qualifies under the Act, it shall promptly proceed with developing the Network Element Bona Fide Request upon receipt of written authorization from the requesting Party. When it receives such authorization, the receiving Party shall promptly develop the requested services, determine their availability, calculate the applicable prices, and establish installation intervals.

- 2.7.7 Unless the Parties otherwise agree, the Network Element Requested must be priced in accordance with Section 252(d)(1) of the Act.
- 2.7.8 As soon as feasible, but no more than ninety (90) days after its receipt of authorization to proceed with developing the Network Element Bona Fide Request, the receiving Party shall provide to the requesting Party a Network Element Bona Fide Request quote which will include, at a minimum, a description of each Network Element, the availability, the applicable rates and the installation intervals.
- 2.7.9 Within thirty (30) days of its receipt of the Network Element Bona Fide Request quote, the requesting Party must either confirm its order for the network Element Bona Fide Request pursuant to the Network Element Bona Fide Request quote or seek arbitration by the Commission pursuant to Section 252 of the Act.
- 2.7.10 If a Party to the Network Element Bona Fide Request believes that the other Party is not requesting, negotiating or processing the Network Element Bona Fide Request in good faith, or disputes a determination, or price or cost quote, or is failing to act in accordance with Section 251 of the Act, such Party may seek mediation or arbitration by the Commission pursuant to Section 252 of the Act.

3. Operations and Administrative Matters.

3.1 CLEC Profile.

Before orders can be taken, WINSTAR must have a current effective CLEC Profile on file with Verizon or, must complete and return a CLEC Profile to Verizon, and if required, pay an advance deposit. WINSTAR will provide Verizon with its Operating Company Number (OCN), Company Code (CC), and Customer Carrier Name Abbreviation (CCNA) as described in the GTE's Guide located on GTE's WISE website at URL.

<http://www.gte.com/wise> WINSTAR hereby represents and warrants to Verizon that it is a certified provider of telecommunications service or shall obtain that certification prior to placing any orders under this Agreement. WINSTAR will document its Certificate of Operating Authority on the CLEC Profile and agrees to update this CLEC Profile as required to reflect its current certification.

3.2 GTE Guide.

The GTE Guide is an Internet web site that contains Verizon's operating practices and procedures, general information for pre-ordering, ordering, provisioning, repair and billing for resold services and unbundled network elements; and guidelines for obtaining interconnection with Verizon's switched network. The Guide is intended to provide general guidelines and operational and administrative assistance to CLECs seeking to order services and facilities pursuant to this Agreement. Such guidelines and operating practices and procedures must be flexible to accommodate changes in the dynamic telecommunications industry, changes to promote increased effectiveness and efficiency, etc. Therefore, Verizon reserves the right, upon prior advanced notice to WINSTAR, to make changes to the Guide. In reserving its right to make changes to the Guide, it is not Verizon's intention to discriminate against WINSTAR's rights under this Agreement. If, in WINSTAR's opinion, a particular change to the Guide materially and adversely discriminates against WINSTAR's existing rights under this Agreement, WINSTAR may so notify Verizon. If the Parties cannot resolve WINSTAR's concerns within a reasonable amount of time, WINSTAR may invoke the Dispute Resolution provisions in Article II, Section 3 to resolve the matter.

3.3 Contact Exchange.

The Parties agree to exchange and to update 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.

3.4 Capacity Planning and Forecasting.

Within thirty (30) calendar days from the Effective Date, the Parties agree to begin developing joint planning and forecasting responsibilities which are applicable to the service and facilities Attachments described above in Section 2 to the extent that such responsibilities are not already in place from the Parties' prior agreement. Verizon may delay processing WINSTAR service orders should WINSTAR not perform its obligations as specified in this Section 3.4. Such responsibilities shall include but are not limited to the following:

- 3.4.1 The Parties will establish periodic reviews of network and technology plans and will notify one another no later than six (6) months in advance of changes that would impact either Party's provision of services.
- 3.4.2 WINSTAR will furnish to Verizon information that provides for state-wide annual forecasts of order activity, in-service quantity forecasts, and facility/demand forecasts.
- 3.4.3 If this Agreement includes an Interconnection Attachment, the Parties will develop joint forecasting responsibilities for traffic utilization over trunk groups and yearly forecasted trunk quantities as set forth in that Attachment.
- 3.4.4 WINSTAR shall notify Verizon promptly of changes greater than ten percent (10%) to current forecasts (increase or decrease) that generate a shift in the demand curve for the following forecasting period.

The Parties' compliance with the requirements of this provision shall not constitute a waiver of any rights or obligation either Party may have under Applicable Law relative to the offering and provisioning of services and facilities.

3.5 Electronic Interfaces.

The Parties shall work cooperatively in the implementation of electronic gateway access to Verizon Operational Support Systems (OSS) functions in the long-term in accordance with

established industry standards and applicable law WINSTAR should refer to the Verizon Guide for the current OSS capabilities. The Parties agree that the Change Management Process (CMP) as defined on Verizon's WISE website at URL: <http://www.gte.com/wise>, shall govern any change management principles applicable to changes in the OSS interfaces WINSTAR may submit a written request to Verizon if WINSTAR desires new or modified electronic interfaces exclusively to meet WINSTAR's requirements. If such requested electronic interfaces are different from what is Currently Available, Verizon may agree, at its sole discretion, to provide such electronic interfaces; provided, however, all costs and expenses associated with the new or modified electronic interfaces shall be paid by WINSTAR. WINSTAR shall be responsible for modifying and connecting any of its pre-ordering and ordering systems with Verizon provided interfaces as described in the Verizon Guide

3.6 OSS Performance Measures.

3.6.1 General. The Parties will provide a level of service to each other with respect to services and facilities under this Agreement in compliance with the non-discrimination requirements of the Act. Performance measures detail the areas of performance to be tracked, reported and audited to evaluate quality of Verizon's service. The performance measures and related data will be posted monthly on Verizon's WISE website at URL: <http://www.gte.com/wise>.

3.6.2 Changes. Performance measures to measure quality of service are provisional and subject to continued evolution as driven by the industry and state commissions. When developed and implemented on Verizon's WISE website, new or modified performance measures shall be made available to WINSTAR and shall automatically modify and/or replace the existing performance measures Verizon currently makes available to all CLECs

3.6.3 Description. Verizon's performance measures are made available on a nationwide basis to all qualifying CLECs. Such performance measures provide for standards to measure the quality of services and facilities offered by Verizon within the following major categories:

3.6.3.1 Pre-ordering. Pre-ordering activities relate to the exchange of information between Verizon and WINSTAR regarding current or proposed Customer products and services, or any other information required to initiate ordering of service. Pre-ordering encompasses the critical information needed to submit a provisioning order from WINSTAR to Verizon. The pre-order measurement reports the timeliness with which pre-order inquiries are returned to WINSTAR by Verizon.

3.6.3.2 Ordering. Ordering activities include the exchange of information between Verizon and WINSTAR regarding requests for service. Ordering includes: (1) the submittal of the service request from WINSTAR, (2) rejection of any service request with errors and (3) confirmation that a valid service request has been received and a due date for the request assigned. Ordering performance measurements report on the timeliness with which these various activities are completed by Verizon. Also captured within this category is reporting on the number of WINSTAR service requests that automatically generate a service order in Verizon's service order creation system.

3.6.3.3 Provisioning. Provisioning is the set of activities required to install, change or disconnect a Customer's service. It includes the functions to establish or condition physical facilities as well as the completion of any required software translations to define the feature functionality of the service. Provisioning also involves communication between WINSTAR and Verizon on the status of a

service order, including any delay in meeting the commitment date and the time at which actual completion of service installation has occurred. Measurements in this category evaluate the quality of service installations, the efficiency of the installation process and the timeliness of notifications to WINSTAR that installation is completed or has been delayed.

- 3.6.3.4 Maintenance. Maintenance involves the repair and restoration of Customer service. Maintenance functions include the exchange of information between Verizon and WINSTAR related to service repair requests, the processing of trouble ticket requests by Verizon, actual service restoration and tracking of maintenance history. Maintenance measures track the timeliness with which trouble requests are handled by Verizon and the effectiveness and quality of the service restoration process.
- 3.6.3.5 Network Performance. Network performance involves the level at which Verizon provides services and facilitates call processing within its network. Verizon also has the responsibility to complete network upgrades efficiently. If network outages do occur, Verizon needs to provide notification so appropriate network management and Customer notification can occur by WINSTAR. Network performance is evaluated on the quality of interconnection, the timeliness of notification of network outages and the timeliness of network upgrades (code openings) Verizon completes on behalf of WINSTAR. Verizon and Winstar agree to exchange escalation list for notification of the appropriate network management and customer notification.
- 3.6.3.6 Billing. Billing involves the exchange of information necessary for WINSTAR to bill its Customers, to process the end-user's claims and adjustments, to verify Verizon's bill for services provided to WINSTAR and to allow WINSTAR to bill for access. Billing measures have been designed to gauge the quality, timeliness and overall effectiveness of Verizon billing processes associated with WINSTAR Customers.
- 3.6.3.7 Collocation. Verizon is required to provide to CLECs available space as required by law to allow the installation of CLEC equipment. Performance measures in this category assess the timeliness with which Verizon handles WINSTAR's request for collocation as well as how timely the collocation arrangement is provided.
- 3.6.3.8 Database updates. Database updates for directory assistance/listings and E911 include the processes by which these systems are updated with Customer information which has changed due to the service provisioning activity. Measurements in this category are designed to evaluate the timeliness and accuracy with which changes to Customer information, as submitted to these databases, are completed by Verizon.
- 3.6.3.9 Interfaces. Verizon provides WINSTAR with choices for access to OSS pre-ordering, ordering, maintenance and repair systems. Availability of the interfaces is fundamental to WINSTAR being able to effectively do business with Verizon. Additionally, in many instances, WINSTAR personnel must work with the service personnel of Verizon. Measurements in this category assess the availability to WINSTAR of systems and personnel at Verizon work centers.

3.7 Law Enforcement Interface.

Except to the extent not available in connection with Verizon's operation of its own business, Verizon shall provide seven day a week/twenty-four hour a day assistance to law enforcement agencies for installation and information retrieval pertaining to traps,

traces, court orders and subpoenas. Where WINSTAR has requested such interface at the direction of a law enforcement agency, Verizon reserves the right to charge WINSTAR for this service but only to the extent that Verizon is unable to recover its costs related to this Agreement from law enforcement authorities.

3.8 Customer Contacts.

Except as otherwise provided in this Agreement or as agreed to in a separate notification signed by WINSTAR, WINSTAR shall provide the exclusive interface with WINSTAR's customers in connection with the marketing or offering of WINSTAR services. Except as otherwise provided in this Agreement, in those instances in which Verizon personnel are required pursuant to this Agreement to (1) interface on behalf of WINSTAR directly with WINSTAR's current customers, or (2) interface directly with "pending" WINSTAR customers for the purpose of effectuating a WINSTAR order for change of service, such personnel shall not identify themselves as representing Verizon. For purposes of this section, a "pending" WINSTAR customer means any Verizon customer for whom WINSTAR has submitted a valid change in service order, but for whom the change in service has yet to be completed. In both such instances, all forms, business cards or other business materials furnished by Verizon to WINSTAR's current or pending customers shall be generic in nature. In no event shall Verizon personnel acting on behalf of WINSTAR pursuant to this Agreement provide information to WINSTAR customers about Verizon products.

Nothing in this Section 3.8 shall preclude Verizon from contacting WINSTAR's current or pending customers in the normal course of Verizon's marketing and sales activities; provided, however, that those Verizon wholesale market personnel responsible for processing requests for customer service records, change in service orders, or other requests by WINSTAR shall not share any CPNI or any other confidential information Verizon obtains about Winstar through the performance of this Agreement with Verizon's retail sales and marketing personnel in violation of the law or, to the extent required under applicable law, without WINSTAR's consent.

3.9 Standard Practices

The Parties acknowledge that Verizon has already implemented, and shall be establishing or adopting, some industry standard practices and/or its own standard practices, so long as not inconsistent with industry standards, that are not otherwise specified in this Agreement, to implement the various requirements of its obligations hereunder. Industry standard practices are defined as practices that are generally applicable to the CLEC industry as a whole and are not specific to WINSTAR. Such practices will be administered on a nondiscriminatory basis. WINSTAR agrees that Verizon may implement such industry standard practices to satisfy any Verizon obligations under this Agreement to the extent that such practices do not conflict and are consistent with the provisions of this Agreement.

4. Financial Matters.

4.1 Rates.

- 4.1.1 Rate Lists. Except as otherwise provided herein, the rate and charge list for a given facility or service ordered hereunder shall be set forth as an Appendix to the facility or service Attachment.

- 4.1.2 Rate Changes. The rates and charges set forth in the applicable Appendices to this Agreement are permanent and are not subject to change or modification, except as otherwise expressly provided in this Agreement or to the extent that the Eighth Circuit Court of Appeals or any other court or commission of competent jurisdiction overturns, invalidates, stays, vacates or otherwise modifies the total element long run incremental cost (TELRIC) or other methodology from which such rates and charges were derived. In the event the Eighth Circuit or any other Court or Commission of competent jurisdiction overturns, invalidates, stays, vacates or otherwise modifies such methodology, Verizon believes that such decision, order or ruling shall apply retroactively to the Effective Date of this Agreement. The Parties further agree that they, in good faith, shall negotiate replacement rates and charges ("new rates") within ninety (90) calendar days of the date upon which such decision, order or ruling is issued. Verizon reserves the right to use the new rates to true-up the rates and charges herein from the Effective Date of this Agreement, and WINSTAR reserves the right to challenge the legality of such a true-up.

The Parties acknowledge that the provisions of this Section 4.1.2 shall survive the termination, rescission, modification or expiration of this Agreement without limit as to time, and that in the event that the Eighth Circuit Court of Appeals or any other court or commission of competent jurisdiction issues an order or decision as contemplated in this Section 4.1.2 after this Agreement terminates or expires, either Party may require or challenge a true-up of the affected rates or charges based on that order or decision retroactive to the Effective Date of this Agreement. Each Party acknowledges that the other Party may seek to enforce the provisions in this Section 4.1.2 before a commission or court of competent jurisdiction.

- 4.1.3 TBD Prices. Numerous provisions in this Agreement refer to pricing principles. If a provision references prices and there are no corresponding prices, such price shall be considered "To Be Determined" (TBD). With respect to all TBD prices, prior to WINSTAR 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, a 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 UNE, the Parties would use the NRC for the most analogous service for which there is an established price).

4.2 Cost Recovery.

In performing under this Agreement Verizon may be required to make expenditures or otherwise incur costs that are not otherwise reimbursed under this Agreement. To the extent Verizon incurs additional costs that are directly attributable to WINSTAR and that are not otherwise set forth in this Agreement, Verizon shall be allowed to charge WINSTAR for these additional costs consistent with Section 252(d)(1) of the Communications Act, provided that Verizon shall have received WINSTAR'S prior approval.

4.3 Billing and Payment.

- 4.3.1 General. Payment for all facilities and services provided hereunder is due thirty (30) calendar days from the bill date. Neither Party will bill the other Party for previously unbilled charges incurred more than one (1) year prior to the current billing date. If any undisputed amount due on the billing statement is not received by the billing Party on the payment due date, the billing Party shall calculate and assess, and the billed Party agrees to pay, at the billing Party's option, a charge on the past due balance at an interest rate equal to the amount allowed by the applicable state access tariffs, the state

retail tariff, or federal tariff, in accordance with the service ordered, or the maximum nonusurious rate of interest under applicable law. Late payment charges shall be included on the next statement.

- 4.3.2 Security. Upon request by Verizon, WINSTAR shall, at any time and from time to time, provide Verizon adequate assurance of payment of amounts due (or to become due) to Verizon hereunder. Assurance of payment of charges may be requested by Verizon if WINSTAR (a) in Verizon's reasonable judgement, at the Effective Date or at any time thereafter, is unable to demonstrate that it is creditworthy, (b) fails to timely pay a bill rendered to WINSTAR by Verizon, (c) in Verizon's reasonable judgement, at the Effective Date or at any time thereafter, does not have established credit with Verizon or (d) admits its inability to pay its debts as such debts become due, has commenced a voluntary case (or has had a case commenced against it) under the U.S. Bankruptcy Code or any other law relating to bankruptcy, insolvency, reorganization, winding-up, composition or adjustment of debts or the like, has made an assignment for the benefit of creditors or is subject to a receivership or similar proceeding. Unless otherwise agreed by the Parties, the assurance of payment shall, at Verizon's request, consist of (i) a cash security deposit in U.S. dollars held in an account by Verizon or (ii) an unconditional, irrevocable standby letter of credit naming Verizon as the beneficiary thereof and that is otherwise in form and substance satisfactory to Verizon from a financial institution acceptable to Verizon, in either case in an amount equal to two (2) months anticipated charges (including, without limitation, both recurring and non-recurring charges), as reasonably determined by Verizon, for the services, facilities or arrangements to be provided by Verizon to WINSTAR in connection with this Agreement. To the extent that Verizon opts for a cash deposit, the Parties intend that the provision of such deposit shall constitute the grant of a security interest pursuant to Article 9 of the Uniform Commercial Code as in effect in any relevant jurisdiction. If required by an applicable Verizon Tariff or by Applicable Law, interest will be paid on any such deposit held by Verizon at the higher of the stated interest rate in such Tariff or in the provisions of the Applicable Law. Verizon may (but is not obligated to) draw on the letter of credit or funds on deposit in the account, as applicable, upon notice to WINSTAR in respect of any amounts billed hereunder that are not paid within thirty (30) calendar days of the date of the applicable statement of charges prepared by Verizon. The fact that a security deposit or a letter of credit is requested by Verizon hereunder shall in no way relieve WINSTAR from compliance with Verizon's regulations as to advance payments and payment for service, nor constitute a waiver or modification of the terms herein pertaining to the discontinuance of service for nonpayment of any sums due to Verizon for the services, facilities or arrangements rendered.
- 4.3.3 Billing Disputes. If the billed Party disputes a billing statement issued by the billing Party, the billed Party (the "Non-Paying Party") shall notify the billing Party in writing regarding the specific nature and basis of the dispute within six (6) months of the statement date or within twelve (12) months of the statement date if the dispute stems from the same issue giving rise to a dispute that has occurred within six (6) months of a statement date or the dispute shall be waived. The Non-Paying Party shall pay when due all undisputed amounts to the Billing Party as specified in Section 4.3.1. The Parties shall diligently work toward resolution of all billing issues. If a dispute arises from this process, either Party may invoke the Dispute Resolution provision described in Article II, Section 3 of this Agreement to resolve the dispute.
- 4.3.4 Information Requirements/Audits. Except as provided elsewhere in this Agreement and where applicable, in conformance with Multiple Exchange Carrier Access Billing (MECAB) guidelines and Multiple Exchange Carriers Ordering and Design Guidelines for Access Services-Industry Support Interface (MECOD), WINSTAR and Verizon agree to exchange all information to accurately, reliably, and properly order and bill for features, functions and services rendered under this Agreement. 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) month 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.

- 4.3.5 Impact of Payment of Charges on Service WINSTAR is solely responsible for the payment of all charges for all services and facilities furnished under this Agreement, including, but not limited to, calls originated or accepted at its or its Customers' service locations. If WINSTAR fails to pay when due any and all charges billed to WINSTAR under this Agreement, including any late payment charges (collectively, "unpaid charges"), and any or all such charges remain unpaid more than forty-five (45) calendar days after the bill date of such unpaid charges excepting previously disputed charges for which WINSTAR may withhold payment, Verizon shall notify WINSTAR in writing that it must pay all unpaid charges to Verizon. If WINSTAR disputes the billed charges, it shall, within seven (7) Business Days, inform Verizon in writing of which portion of the unpaid charges it disputes, including the specific details and reasons for the dispute, unless such reasons have been previously provided, and shall immediately pay to Verizon all undisputed charges. If WINSTAR and Verizon are unable, within thirty (30) Business Days thereafter, to resolve issues related to the disputed charges, then either WINSTAR or Verizon may file a request for arbitration under General Provisions of this Agreement to resolve those issues. Upon resolution of any dispute hereunder, if WINSTAR owes payment it shall make such payment to Verizon with any late payment charge from the original payment due date. If WINSTAR owes no payment, but has previously paid Verizon such disputed payment, then Verizon shall credit such payment including any late payment charges. Verizon may discontinue service to WINSTAR upon failure to pay undisputed charges as provided in this Section and shall have no liability to WINSTAR or WINSTAR's Customers in the event of such disconnection. If WINSTAR fails to provide such notification or any of WINSTAR's Customers fail to select a new provider of services within the applicable time period, Verizon may provide local exchange services to WINSTAR's Customers under Verizon's applicable Customer tariff at the then current charges for the services being provided. In this circumstance, otherwise applicable service establishment charges will not apply to WINSTAR's Customer, but will be assessed to WINSTAR.

4.4 Taxes.

- 4.4.1 With respect to any purchase of service under this Agreement, if any federal, state or local government tax, fee, surcharge, or other tax-like charge excluding any tax levied on property or income (a "Tax") is required or permitted by applicable law, ordinance or tariff to be collected from a purchasing Party by the providing Party, then (i) the providing Party will bill, as a separately stated item, the purchasing Party for such Tax, (ii) pursuant to Section 4.3.1, the purchasing Party will remit such Tax to the providing Party, and (iii) the providing Party will remit such collected Tax to the applicable governmental authority as required by law.
- 4.4.2 If the providing Party does not collect a Tax because the purchasing Party asserts that it is no responsible for the Tax, or is otherwise excepted from the obligation which is later determined by formal action to be wrong then, as between the providing Party and the purchasing Party, the purchasing Party will be liable for such uncollected Tax and any interest due and/or penalty assessed on the uncollected Tax by the applicable taxing authority or governmental entity

- 4.4.3 If either Party is audited by a taxing authority or other governmental entity the other Party agrees to reasonably cooperate with the Party being audited in order to respond to any audit inquiries in a proper and timely manner so that the audit and/or any resulting controversy may be resolved expeditiously
- 4.4.4 If applicable law does exclude or exempt a purchase of services under this Agreement from a Tax, and if such applicable law also provides an exemption procedure, such as an exemption certificate requirement, then, if the purchasing Party complies with such procedure, the providing Party, subject to Section 4.4.2, will not bill or collect such Tax during the effective period of the exemption. Such exemption will be effective upon receipt of the exemption certificate or affidavit in accordance with Section 4.4.7
- 4.4.5 If applicable law does not exclude or exempt a purchase of services under this Agreement from a Tax, and does not also provide an exemption procedure, then the providing Party will not bill or collect such tax if the purchasing Party (i) furnishes the providing Party with a letter signed by an officer of the purchasing Party claiming an exemption and identifying the applicable law which allows such exemption, and (ii) supplies the providing Party with an indemnification agreement, reasonably acceptable to the providing Party, which holds the providing Party harmless on an after-tax basis with respect to forbearing to collect such Tax.
- 4.4.6 With respect to any Tax or Tax controversy covered by this Section 4.4, the purchasing Party will be entitled to contest, pursuant to applicable law, and at its own expense, any Tax that it is ultimately obligated to pay. The purchasing Party will be entitled to the benefit of any refund or recovery resulting from such a contest.
- 4.4.7 All exemption certificates or other communications required or permitted to be given by WINSTAR to Verizon under this Section 4.4, will be made in writing and will be delivered to Verizon's Account Manager for WINSTAR.

5. Term and Termination.

5.1 Effective Date.

This Agreement will be effective upon the Effective Date set forth at the beginning of this 251/252 Agreement. Subject to the Parties reservation of rights described in Article II, Section 1.4, any modifications to this Agreement required as a result of the Commission review and approval process will be deemed to be effective as of the Effective Date. The Parties agree LSR orders for resold services, INP services, and unbundled network elements will not be submitted or accepted within the first ten (10) Business Days after the Effective Date, however, if WINSTAR has an already current and effective CLEC profile on file with Verizon, this requirement will be waived. In addition, notwithstanding the possible rejection or modification of this Agreement by the Commission, the Parties agree that all of their obligations and duties hereunder shall remain in full force and effect pending the final disposition of the Commission review and approval process.

5.2 Term.

Subject to the termination provisions contained in this Agreement, the term of this Agreement shall be from the Effective Date of this Agreement until October 31, 2002. ("Termination Date").

5.3 Renegotiation.

If either Party seeks to renegotiate, extend or amend this Agreement, it must provide written notice thereof to the other Party no later than nine (9) months prior to the

Termination Date. Any such request shall be deemed by both Parties to be a good faith request for negotiations pursuant to Section 252 of the Act (or any successor provision), regardless of which Party made such request. If either Party makes such request, this Agreement may remain in effect for a period not to exceed three (3) months following the Termination Date, for the purpose of incorporating into the new agreement any arbitration decision or related order issued within three (3) months prior to the end of such nine (9) month period.

5.4 Termination Upon Default or Abandonment.

Either Party may terminate this Agreement prior to the Termination Date 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 thereof. Default is defined to include:

5.4.1 A Party's insolvency or the initiation of bankruptcy or receivership proceedings by or against the Party; or

5.4.2 A Party's refusal or failure in any material respect to perform its obligations under this Agreement, or the violation of any of the material terms or conditions of this Agreement.

In addition, Verizon may terminate this Agreement if WINSTAR has not placed an order for a service or facility hereunder by one year following Effective Date.

5.5 Termination Upon Sale

Notwithstanding anything to the contrary contained in this Agreement, Verizon may terminate this Agreement as to a specific operating area or portion thereof if Verizon sells or otherwise transfers the area or portion thereof. Verizon shall provide WINSTAR with at least ninety (90) calendar days' prior written notice of such termination, which shall be effective on the date specified in the notice. Verizon shall cooperate with buyer and WINSTAR in the transition from Verizon to buyer. Notwithstanding termination of this Agreement as to specific operating area, this Agreement shall remain in full force and effect in the remaining operating areas.

5.6 Liability Upon Termination.

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.

5.7 252(i) Adoptions.

WINSTAR does not waive any rights it may have, if any, under section 252(i) of the Act, by entering into this Agreement. Nor by entering into this Agreement does Verizon waive its rights to challenge any proposed WINSTAR adoption under section 252(i) of the Act.

5.8 Nonexclusive Remedies – Except as otherwise expressly provided in this Agreement, each of the remedies provided under this Agreement is cumulative and is in addition to any remedies that may be available at law or in equity

**ARTICLE II
GENERAL PROVISIONS**

1. Regulatory/Legal Matters

1.1 Regulatory Approvals

This Agreement will be submitted to the Commission for approval. Verizon 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. Winstar 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 its offering of services to Winstar Customers contemplated by this Agreement. Winstar shall reasonably cooperate with Verizon in obtaining and maintaining any required approvals for which Verizon is responsible, and Verizon shall reasonably cooperate with Winstar in obtaining and maintaining any required approvals for which Winstar is responsible. If either Party does not provide necessary filing materials within sixty (60) days of execution of this Agreement, any contract signatures will no longer be effective.

1.2 Applicable Law/Changes in Law.

Each Party shall comply with all federal, state, and local statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings applicable to its performance under this Agreement. The terms and conditions of this Agreement were composed in order to effectuate the legal requirements in effect at the time this Agreement was produced and shall be subject to any and all applicable statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings that subsequently may be prescribed by any federal, state or local governmental authority having appropriate jurisdiction. Except as otherwise expressly provided herein, such subsequently prescribed statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings will be deemed to automatically supersede any conflicting terms and conditions of this Agreement. In addition, subject to the requirements and limitations set forth in Section 1.3, to the extent required or reasonably necessary, the Parties shall modify, in writing, the affected term(s) and condition(s) of this Agreement to bring them into compliance with such statute, regulation, rule, ordinance, judicial decision or administrative ruling.

1.3 Severability/Unenforceable Terms.

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 reasonable opinion of either Party, in a material change to this Agreement. If a material change occurs as a result of action by a court or regulatory agency of competent jurisdiction, the Parties shall negotiate in good faith for replacement language upon thirty (30) days written request (delivered not later than 90 days following the date on which such action has become effective) by either party. If replacement language cannot be agreed upon within a reasonable period, either Party may, subject to its obligations under applicable law, terminate this Agreement without penalty or liability upon written notice to the other party. For service arrangements made available under this Agreement and existing at the time of termination, however, those arrangements may continue:

- (a) As if under this Agreement, if either Party has requested negotiations for a new agreement pursuant to Sections 251 and 252 of the Act, (i) until this

Agreement has been replaced by a new agreement, or (ii) for up to one hundred eighty (180) calendar days following the Termination Date, whichever is earlier.

- (b) If this Agreement is not continued pursuant to subsection (a) preceding, under (i) a new agreement voluntarily executed by the Parties; (ii) standard terms and conditions approved and made generally effective by the Commission, if any; (iii) tariff terms and conditions made generally available to all Local Providers, or (iv) any rights under Section 252(i).

Each Party reserves any right it may have to challenge before the State Commission, a termination of this Agreement under this section.

1.4 Reservation of Rights.

The Parties agree that their entrance into this Agreement is without prejudice to and does not waive any positions they may have taken previously, or may take in the future, in any legislative, regulatory, judicial or other public forum addressing any matters, including, without limitation, matters related to Verizon's cost recovery set forth in this Agreement. Moreover, except as expressly provided herein, neither Party waives any right with respect to any position it may take in the future with respect to the establishment of rates, terms and conditions related to the subject matter of this Agreement which may become effective subsequent to the termination of this Agreement. By executing this Agreement, Verizon does not waive, and hereby expressly reserves, its rights to continue to assert that: (a) the rates and charges in this Agreement should not become effective until such time as the Commission has established an explicit, specific, predictable, sufficient and competitively neutral universal service mechanism that provides Verizon the opportunity to recover its actual costs; and (b) certain provisions of the FCC's First Report and Order in FCC Docket No. 96-98 and other FCC orders or rules (collectively, the "FCC Orders") in effect as of the Effective Date or during the term of this Agreement are unlawful, illegal and improper. Verizon and WINSTAR further agree that the terms and conditions of this Agreement reflect certain requirements of the FCC Orders, and thus, except as provided herein, shall be subject to any and all actions by any court or other governmental authority that invalidate, stay, vacate or otherwise modify any such FCC Orders. Verizon may seek to enforce such action before a commission or court of competent jurisdiction. This Section 1.4 shall survive the termination, expiration, modification or rescission of this Agreement without limit as to time, regardless of the date of said action.

1.5 Tariff Offerings.

Some of the services and facilities to be provided to WINSTAR by Verizon in satisfaction of this Agreement may be provided, in whole or part, pursuant to existing Verizon tariffs. Verizon shall have the right to modify its tariffs subsequent to the Effective Date of this Agreement, and upon written notice to WINSTAR, such modifications shall automatically apply to such services and facilities. The Parties shall cooperate with one another for the purpose of incorporating such modifications into this Agreement to the extent reasonably necessary or appropriate. Notwithstanding the foregoing, except as otherwise specifically provided herein: (a) Verizon shall not have the right to file tariffs for services and facilities that supersede the terms and conditions of this Agreement if the services and/or facilities were not previously provided pursuant to tariff hereunder; unless otherwise ordered by the Commission (pursuant to Applicable Law and not at the request of either Party) and (b) the Parties shall have the right to modify the terms of such Verizon tariffs as applied to this Agreement, as reasonably necessary or appropriate to fulfill their obligations under the Act or applicable rules and regulations in connection with the implementation of this Agreement. This section shall apply only to WINSTAR and shall not be construed as applying to any non-parties.

1 6 Certificate of Operating Authority

When ordering any service or facility hereunder, WINSTAR hereby represents and warrants to Verizon that it is a certified provider of local dial-tone service. WINSTAR will provide a copy of its Certificate of Operating Authority or other evidence of its status to Verizon upon request.

2. Liability Matters.

2.1 Indemnification.

2.1.1 General Requirement. Subject to the limitations set forth in Section 2.7, each Party (the "Indemnifying Party") shall release, defend, indemnify and save harmless the other Party, its directors, officers, employees, servants, agents, Affiliates, subsidiaries and parent, and any third-party provider or operator of facilities involved in the provision of services or facilities under this Agreement (collectively, the "Indemnified Party"), from and against any and all suits, claims, obligations, liabilities, damages, demands, losses, expenses, causes of action and costs, deficiencies, taxes, interest on taxes, or penalties, court costs and reasonable attorneys' fees, injuries, damage, destruction, loss or death to property or persons (including payments made under workers' compensation law or under any plan for employees' disability and death benefits) and actual or alleged defamation, libel, slander, interference with or misappropriation of proprietary or creative right, suffered, made, instituted, or asserted by the Indemnified Party or any other party or person, including, without limitation, the Indemnified Party's Customers (collectively, the "Indemnification Claims") which are proximately caused by:

any breach or nonfulfillment of any representation, covenant, term, condition or agreement on the part of the Indemnifying Party under this Agreement;

the negligence or willful misconduct of the Indemnifying Party or any of its directors, officers, employees, servants, agents, Affiliates, subsidiaries and parent, regardless of the form of action,

the installation, maintenance, repair, replacement, presence, engineering, use or removal of the Indemnifying Party's collocation equipment, in Verizon's central office(s), wire center(s) or access tandem(s);

the violation or alleged violation by the Indemnifying Party or any of its directors, officers, employees, servants, agents, Affiliates, subsidiaries and parent of any federal, state, or local law, regulation, permit, or agency requirement; or

the presence or alleged presence of contamination arising out of the Indemnifying Party's acts or omissions concerning its operations at a Verizon Facility

To the extent the Indemnified Party pays for an indemnifiable loss, cost or expense, or otherwise incurs pecuniary obligations, in satisfaction of, or arising out of or related to any Indemnification Claim, the Indemnifying Party shall also be liable to the Indemnified Party for interest on such payments at the prime rate of the Bank of America, N.A. from the date that the Indemnified Party makes

such payments. The obligations of this Section shall survive the termination, cancellation, modification or rescission of this Agreement, without limit as to time.

2.1:2 Notice and Claim Procedure.

General Requirements The Indemnified Party: (i) shall give the Indemnifying Party notice (which shall include all facts known to the Indemnified Party giving rise to such right and an estimate of the amount thereof) of the Indemnification Claim and any Third Party Claim (as hereinafter defined) relating to such right promptly after receipt or becoming aware thereof; (ii) prior to taking any material action with respect to a Third Party Claim, shall consult with the Indemnifying Party as to the procedure to be followed in defending, settling, or compromising the Third Party Claim; (iii) shall not consent to any settlement or compromise of the Third Party Claim without the written consent of the Indemnifying Party (which consent, unless the Indemnifying Party has elected to assume the exclusive defense of such Claim, shall not be unreasonably withheld or delayed); (iv) shall permit the Indemnifying Party, if it so elects, to assume the defense of such Third Party Claim (including, except as provided below, the compromise or settlement thereof) at its own cost and expense, *provided, however*, that in such event the Indemnified Party shall have the right to approve the Indemnifying Party's choice of legal counsel, which approval shall not be unreasonably withheld; and (v) shall cooperate in every reasonable way to facilitate defense or settlement of claims. For the purposes of this Agreement, "Third Party Claim" shall mean any Indemnification Claim by any third party

Consultation and Consent. If the Indemnified Party (i) fails to notify or to consult with the Indemnifying Party with respect to any Third Party Claim in accordance with subparagraph (a)(i) or (a)(ii) above (which failure shall have a material and adverse effect upon the Indemnifying Party); or (ii) consents to the settlement or compromise of any Third Party Claim without having received the written consent of the Indemnifying Party (unless, if the Indemnifying Party has not elected to assume the defense of such Claim, the consent of the Indemnifying Party is unreasonably withheld or delayed), then the Indemnifying Party shall be relieved of its indemnification obligation with respect to such Third Party Claim under this Agreement.

Defense of Claim. If the Indemnifying Party elects to assume the defense of any Third Party Claim pursuant to this Agreement, it shall notify the Indemnified Party in writing of such election. The Indemnifying Party shall not compromise or settle any such Third Party Claim without the written consent of the Indemnified Party (which consent shall not be unreasonably withheld or delayed).

2.1.3 Intellectual Property Exception. Neither Party shall have any obligation to defend, indemnify or hold harmless, or acquire any license or right for the benefit of, or owe any other obligation or have any liability to, the other based on or arising from any claim, demand, or proceeding by any third party alleging or asserting that the use of any circuit, apparatus, or system, or the use of any software, or the performance of any service or method, or the provision or use of any facilities by either Party under this Agreement constitutes direct or contributory infringement, or misuse or misappropriation of any patent, copyright,

trademark, trade secret, or any other proprietary or intellectual property right of any third party.

2.2 Environmental Responsibility.

2.2.1 General Requirements. WINSTAR shall:

comply with all laws regarding the handling, use, transport, storage, and disposal of, and be responsible for all hazards created by and damages or injuries caused by, any materials brought to or used at the Verizon Facility by WINSTAR;

ensure all activities conducted by WINSTAR at the Verizon Facility are in accordance with all applicable federal, state, and local laws, regulations, permits, and agency orders, approvals, and authorizations relating to safety, health, and the environment;

cause its invitees, agents, employees, and contractors to comply with such reasonable environmental or safety practices/procedures, whether or not required by law, as requested by Verizon when working at a Verizon Facility;

ensure that no substantial new safety or environmental hazards shall be created or new hazardous substances shall be used at a Verizon Facility;

demonstrate adequate training and emergency response capabilities related to materials brought to, used, or existing at the Verizon Facility;

follow appropriate practices/procedures in evaluating and managing any water, sediment, or other material present in the manhole or vault area so as to ensure compliance with all applicable laws, regulations, permits, and requirements applicable in such circumstances and to ensure safe practices, when conducting operations in any Verizon manhole or vault area;

obtain and use its own environmental permits, approvals, or identification numbers to the extent that such permits, approvals, or identification numbers are required under applicable laws, including, without limitation, any of its operations involving the evaluation, collection, discharge, storage, disposal, or other management of water, sediment, or other material present in a Verizon manhole or vault area;

provide reasonable and adequate compensation to Verizon for any additional or increased costs associated with compliance with any federal, state, or local law, regulation, permit, or agency requirement related to safety, health, or the environment where such additional or increased cost is incurred as a result of providing WINSTAR with interconnection or collocation, including, but not limited to, costs associated with obtaining appropriate permits or agency authorizations or approvals, re-mediation or response to any release or threatened release of any regulated substance, investigation or testing related, and training or notification requirements,

ensure that activities impacting safety or the environment of a Right of Way (ROW) are harmonized with the specific agreement and the relationship between Verizon and the land owner; and

comply with any limitations associated with a ROW, including limitations on equipment access due to environmental conditions (e.g., wetland areas having equipment restrictions).

Verizon shall not be responsible for any costs incurred by WINSTAR in meeting its obligations under this Section.

- 2.2.1 Required Notices. Verizon and WINSTAR shall provide to each other specific notice of known and recognized physical hazards or hazardous substances brought to, used, or existing at the Verizon Facility and conditions or circumstances potentially posing a threat of imminent danger, including, by way of example only, a defective utility pole or significant petroleum contamination in a manhole. If WINSTAR discovers Third Party Contamination at a Verizon Facility, WINSTAR will immediately notify Verizon and will consult with Verizon prior to making any required notification, unless the time required for prior consultation would preclude WINSTAR from complying with an applicable reporting requirement. Verizon and WINSTAR shall coordinate plans or information required to be submitted to government agencies, such as, by way of example only, emergency response plans and chemical inventory reporting. If fees are associated with such filings, Verizon and WINSTAR shall develop a cost sharing procedure.
- 2.2.2 Use of Verizon Permits. If the relevant regulatory authority refuses to issue a separate permit, approval, or identification number to WINSTAR after a complete and proper request by WINSTAR for same, then Verizon's permit, approval, or identification number may be used as authorized by law and upon prior approval by Verizon. In that case, WINSTAR must comply with all of Verizon's environmental, health, and safety practices/procedures relating to the activity in question, including, but not limited to, use of environmental "best management practices" (BMP) and selection criteria for vendors and disposal sites.
- 2.2.3 No Warranty. The Parties acknowledge and agree that: (a) nothing in this Agreement or in any of Verizon's practices/procedures constitutes a warranty or representation by Verizon that WINSTAR's use of Verizon's permits, approvals, or identification numbers or compliance with Verizon's practices/procedures, this Agreement or Verizon's directions or recommendations, will achieve compliance with any applicable law; and (b) such compliance or use of Verizon's permits, approvals, or identification numbers creates no right of action against Verizon.

2.3 Insurance.

- 2.3.1 Coverage Limits. WINSTAR shall, at its sole cost and expense, obtain, maintain, pay for and keep in force the following minimum insurance, underwritten by an insurance company(s) having a Best's insurance rating of at least A-, financial size category VII.

Commercial general liability coverage on an occurrence basis in an amount of \$1,000,000 combined single limit for bodily injury and property damage with a policy aggregate per location of \$2,000,000. This coverage shall include contractual liability.

Umbrella/Excess Liability coverage in an amount of \$10,000,000 excess of coverage specified in (a) above.

All Risk Property coverage on a full replacement cost basis insuring all of WINSTAR's real and personal property located on or within Verizon wire centers. WINSTAR may also elect to purchase business interruption and contingent business interruption insurance, knowing that Verizon has no liability for loss of profit or revenues should an interruption of service occur.

Statutory Workers Compensation coverage

Employers Liability coverage in an amount of \$500,000 each accident.

Commercial Automobile Liability coverage insuring all owned, hired and non-owned automobiles.

Notwithstanding anything herein to the contrary, the coverage requirements described in Sections 2.3.1.3 – 2.3.1.6 above shall only be required if WINSTAR orders collocation services pursuant to a Collocation Attachment. The minimum amounts of insurance required in this section, may be satisfied by WINSTAR purchasing primary coverage in the amounts specified or by WINSTAR buying a separate umbrella and/or excess policy together with lower limit primary underlying coverage. The structure of the coverage is at WINSTAR's option, so long as the total amount of insurance meets Verizon's minimum requirements. The limits of the insurance policies obtained by WINSTAR as required above shall in no way limit WINSTAR's liability to Verizon should WINSTAR be liable to Verizon under the terms of this Agreement or otherwise

- 2.3.2 Deductibles Any deductibles, self-insured retentions (SIR), loss limits, retentions, etc. (collectively, "Retentions") must be disclosed on a certificate of insurance provided to Verizon, and Verizon reserves the right to reject any such Retentions in its reasonable discretion. All Retentions shall be the responsibility of WINSTAR.
- 2.3.3 Additional Insureds. Verizon and its affiliates (which includes any corporation controlled by, controlling or in common control with Verizon Communications) their respective directors, officers and employees shall be named as additional insureds under all General Liability and Umbrella Excess Liability Policies obtained by WINSTAR. Said endorsement shall provide that such additional insurance is primary insurance and shall not contribute with any insurance or self-insurance that Verizon has secured to protect itself. All of the insurance afforded by the WINSTAR shall be primary in all respects, including WINSTAR's Umbrella/Excess Liability insurance. Verizon's insurance coverage shall be excess over any indemnification and insurance afforded by WINSTAR and required hereby.
- 2.3.4 Waiver of Subrogation Rights. WINSTAR waives and will require all of its insurers to waive all rights of subrogation against Verizon (including Verizon Communications and any other affiliated and/or managed entity), its directors, officers and employees, agents or assigns, whether in contract, tort (including negligence and strict liability) or otherwise.

- 2.3.5 Evidence of Insurance All insurance must be in effect on or before Verizon authorizes access by WINSTAR employees or placement of WINSTAR equipment or facilities within Verizon premises and such insurance shall remain in force as long as WINSTAR's facilities remain within any space governed by this Agreement. If WINSTAR fails to maintain the coverage, Verizon may pay the premiums and seek reimbursement from WINSTAR. Failure to make a timely reimbursement will result in disconnection of service. WINSTAR agrees to submit to Verizon a certificate of insurance ACORD Form 25-S (1/95), or latest edition, such certificate to be signed by a duly authorized officer or agent of the Insurer, certifying that the minimum insurance coverages and conditions set forth hereinabove are in effect, and that Verizon will receive at least thirty (30) calendar days notice of policy cancellation, expiration or non-renewal. At least thirty (30) days prior to the expiration of the policy, Verizon must be furnished satisfactory evidence that such policy has been or will be renewed or replaced by another policy. At Verizon's request, WINSTAR shall provide copies of the insurance provisions or endorsements as evidence that the required insurance has been procured, and that Verizon has been named as an additional insured, prior to commencement of any service. In no event shall permitting WINSTAR access be construed as a waiver of the right of Verizon to assert a claim against WINSTAR for breach of the obligations established in this section.
- 2.3.6 Compliance Requirements. WINSTAR shall require its contractors to comply with each of the provisions of this insurance section. This includes, but is not limited to, maintaining the minimum insurance coverages and limits, naming Verizon (including Verizon Communications and any other affiliated and/or managed entity) as an additional insured under all liability insurance policies, and waiving all rights of subrogation against Verizon (including Verizon Communications and any other affiliated and/or managed entity), its directors, officers and employees, agents or assigns, whether in contract, tort (including negligence and strict liability) or otherwise. Prior to commencement of any work, WINSTAR shall require and maintain certificates of insurance from each contractor evidencing the required coverages. At Verizon's request, WINSTAR shall supply to Verizon copies of such certificates of insurance or require the contractors to provide insurance provisions or endorsements as evidence that the required insurance has been procured. WINSTAR must also conform to the recommendation(s) made by Verizon's fire insurance company, which Verizon has already agreed to or shall hereafter agree to.

2.4 Impairment of Service.

The characteristics and methods of operation of any circuits, facilities or equipment of a 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 other Party's facilities or create hazards to the employees of the other Party or to the public (each hereinafter referred to as an "Impairment of Service"). If a Party causes an Impairment in Service, the other Party shall promptly notify 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 Parties agree to work together to promptly resolve the Impairment of Service. If the impairing Party is unable to promptly remedy the Impairment of Service, then the other Party may at its option temporarily discontinue the use of the affected circuit, facility or equipment.

2.5 Fraud

The Parties shall cooperate with one another to investigate, minimize and take corrective action in cases of fraud. WINSTAR assumes responsibility for all fraud associated with its Customers and accounts. Verizon shall bear no responsibility for, nor is it required to investigate or make adjustments to WINSTAR's account in cases of fraud.

2.6 DISCLAIMER

EXCEPT AS SPECIFICALLY PROVIDED TO THE CONTRARY IN THIS AGREEMENT, PROVIDER MAKES NO EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES TO CUSTOMER CONCERNING THE SPECIFIC QUALITY OF ANY SERVICES, FACILITIES PROVIDED UNDER THIS AGREEMENT. PROVIDER DISCLAIMS, WITHOUT LIMITATION, ANY WARRANTY OR GUARANTEE OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING, OR FROM USAGES OF TRADE.

2.7 Limitation of Liability.

Each Party's liability under this agreement to the other Party, whether direct or otherwise arising out of the duty to indemnify against a third-party under this Section 2, all whether in contract, tort or otherwise, shall be limited to direct damages, and except with respect to Indemnification Claims relating to personal injury, environmental, fraud or collocation matters, said liability shall not exceed the monthly charges, plus any related costs/expenses either Party may recover, and plus any costs/expenses for which the Parties specify reimbursement in this Agreement for the services or facilities for the month during which the claim of liability arose. Under no circumstance shall either Party be responsible or liable for indirect, incidental, consequential, special, punitive or exemplary damages, including, but not limited to, interruption of service or designated facilities, economic loss or lost business, revenues or profits, loss of AC or DC power, HVAC interruptions, damages arising from the use or performance of equipment or software, or the loss of use of software or equipment, or any accessories attached thereto, delay, error, or loss of data, even if the Party has been advised of the possibility of the same. Should either Party provide advice, make recommendations, or supply other analysis related to the services or facilities described in this Agreement, this limitation of liability shall apply to provision of such advice, recommendations, and analysis.

2.8 Inapplicability of Tariff Liability.

Verizon's general liability, as described in the Verizon retail tariff, does not extend to WINSTAR's customers or any other third party. Liability of Verizon to WINSTAR resulting from any and all causes arising out of services and facilities 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 Verizon. Verizon shall be liable for the individual services, facilities or elements that it separately provides to WINSTAR and shall not be liable for the integration of components combined by WINSTAR.

2.9 WINSTAR Tariffs or Contracts.

WINSTAR shall, in its tariffs or other contracts for services provided to its customers using services obtained from Verizon, provide that in no case shall Verizon be liable to WINSTAR's customers 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 WINSTAR of the possibility of such damages and WINSTAR shall indemnify and hold Verizon harmless from any and all claims, demands, 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 WINSTAR's customers.

2.10 No Liability for Errors.

Verizon is not liable for mistakes that appear in Verizon's listings, 911 and other information databases, or for incorrect referrals of customers to WINSTAR for any ongoing WINSTAR service, sales or repair inquiries, and with respect to such mistakes or incorrect referrals, WINSTAR shall indemnify and hold Verizon 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 WINSTAR's customers or employees. For purposes of this Section 2 mistakes and incorrect referrals shall not include matters arising out of the willful misconduct of Verizon or its employees or agents.

2.11 Unlawful Use of Service.

Services provided by a Party pursuant to this Agreement shall not be used by the other Party or its customers for any purpose in violation of law. The other Party, and not the providing Party, shall be responsible to ensure that the other Party and its customers' use of services provided hereunder comply at all times with all applicable laws. The providing party may refuse to furnish service to the other Party or disconnect particular services provided under this Agreement to the other Party or, as appropriate, the other Party's customer when (i) an order is issued by a court of competent jurisdiction finding that probable cause exists to believe that the use made or to be made of the service is prohibited by law or (ii) the providing Party is notified in writing by a law enforcement agency acting within its jurisdiction that any facility furnished by the providing Party is being used or will be used for the purpose of transmitting or receiving gambling information in interstate or foreign commerce in violation of law. Termination of service shall take place after reasonable notice is provided to the other Party, or as ordered by the court. If facilities have been physically disconnected by law enforcement officials at the premises where located, and if there is not presented to the providing Party the written finding of a court, then upon request of the other Party and agreement to pay restoral of service charges and other applicable service charges, the Providing Party shall promptly restore such service.

3. Dispute Resolution.

3.1 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, the Parties agree to use in the first instance the following alternative dispute resolution procedures with respect to any action, dispute, controversy or claim arising out of or relating to this Agreement or its breach, except with respect to the following:

- 3.1.1 An action seeking a temporary restraining order or an injunction related to the purposes of this Agreement;
- 3.1.2 A dispute, controversy or claim relating to or arising out of a change in law or reservation of rights under the provisions of Article II, Section 1, and

3.1.3 A suit to compel compliance with this dispute resolution process.

Any such actions, disputes, controversies or claims may be pursued by either Party before any court, commission or agency of competent jurisdiction.

Notwithstanding any of the foregoing, neither Party waives the right to seek enforcement of any provisions of this Agreement with the Commission or the FCC. The Parties further acknowledge that nothing in this Agreement limits or expands the authority or jurisdiction of the Commission or the FCC with regard to this Agreement.

3.2 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 arising out of or relating to this Agreement. The Parties intend that these negotiations be conducted by non-lawyer, business representatives. The location, format, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as Confidential Information developed for purposes of settlement, exempt from discovery, and shall not be admissible in the arbitration 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 or admissible, be discovered, or be admitted in evidence, in the arbitration or lawsuit.

3.3 Arbitration

If the negotiations do not resolve the dispute within sixty (60) Business Days of the initial written request, the dispute shall be submitted by either Party or both Parties (with a copy provided to the other Party) to binding arbitration by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association, except that the Parties may select an arbitrator outside American Arbitration 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 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: interrogatories, demands to produce documents, or requests for admission. Each Party is also entitled to take the oral deposition of one individual of another Party. Additional 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 arbitrator shall rule on the dispute by issuing a written opinion within thirty (30) Business Days after the close of hearings. The times specified in this section 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 shall be deemed final, binding and nonappealable and may be entered in any court having jurisdiction.

3.4 Expedited Arbitration Procedures.

If the issue to be resolved through the negotiations referenced in Section 3.2 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 such a service affecting dispute is submitted to arbitration, the arbitration shall be conducted pursuant to the expedited procedures rules of the Commercial Arbitration Rules of the American Arbitration Association (i.e., rules 53 through 57).

3.5 Costs.

Each Party shall bear its own costs of these procedures. A Party seeking discovery shall reimburse the responding Party the costs of production of documents (including search time and reproduction costs) to the extent such costs are consistent with an estimate provided by the responding Party to the Party seeking discovery prior to the production. The Parties shall equally split the fees for the arbitration and the arbitrator.

3.6 Continuous Service.

The Parties shall continue providing services to each other during the pendency of any dispute resolution procedure, and the Parties shall continue to perform their obligations, including making payments in accordance with Article I, Section 4.3 of this Agreement.

4. Confidential Information.

4.1 Identification

Either Party may disclose to the other proprietary or confidential Customer, technical, or business information in written, graphic, oral or other tangible or intangible forms ("Confidential Information"). In order for information to be considered Confidential Information under this Agreement, it must be marked "Confidential" or "Proprietary," or bear a marking of similar import. Orally or visually disclosed information shall be deemed Confidential Information only if contemporaneously identified as such and reduced to writing and delivered to the other Party with a statement or marking of confidentiality within thirty (30) calendar days after oral or visual disclosure. Notwithstanding the foregoing, the following shall be deemed Confidential Information for all purposes under this Agreement whether or not specifically marked or designated as confidential or proprietary: (a) preorders and all orders for services or UNEs placed by WINSTAR pursuant to this Agreement, and information that would constitute Customer proprietary network information of WINSTAR end-user Customers pursuant to the Act and the rules and regulations of the FCC, as well as recorded usage information with respect to WINSTAR Customers, whether disclosed by WINSTAR to Verizon or otherwise acquired by Verizon in the course of its performance under this Agreement; and (b) all information of a competitive nature provided to a Party in connection with collocation or known to the Party as a result of access to Verizon's wire center(s), central office(s) or access tandem(s) or as a result of the interconnection of WINSTAR's equipment to Verizon's facilities. Either Party has the right to challenge before the FCC or the commission the other Party's designation of any information as "Confidential and/or Proprietary".

4.2 Handling.

In order to protect Confidential Information from improper disclosure, each Party shall not use or disclose and shall hold in confidence Confidential Information and hereby agrees:

4.2.1 That all Confidential Information shall be and shall remain the exclusive property of the source;

- 4.2.2 To limit access to such Confidential Information to authorized employees who have a need to know the Confidential Information for performance of this Agreement;
- 4.2.3 To keep such Confidential Information confidential and to use the same level of care to prevent disclosure or unauthorized use of the received Confidential Information as it exercises in protecting its own Confidential Information of a similar nature;
- 4.2.4 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;
- 4.2.5 Upon the source's request, to return or destroy promptly any copies of such Confidential Information at its request; and
- 4.2.6 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.

4.3 Exceptions.

These obligations shall not apply to any Confidential Information that: (a) was legally in the recipient's possession prior to receipt from the source; (b) was received in good faith from a third party not subject to a confidential obligation to the source; (c) now is or later becomes publicly known through no breach of confidential obligation by the recipient, (d) was developed by the recipient without the developing persons having access to any of the Confidential Information received in confidence from the source, (e) or is required to be disclosed pursuant to subpoena 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. Nothing in this Section 4 is intended to expand or limit the Parties' rights and obligations under Section 222 of the Act.

4.4 Survival.

The obligation of confidentiality and use with respect to Confidential Information disclosed by one party 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.

5. Miscellaneous

5.1 Binding Effect.

This Agreement shall be binding on and inure to the benefit of the respective successors and permitted assigns of the Parties.

5.2 Consent.

Where consent, approval, or mutual agreement is required of a Party, it shall not be conditional, unreasonably withheld, or delayed.

5.3 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.

5.4 Force Majeure

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 like 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.

5.5 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 conditional, unreasonably withheld or delayed

5.6 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, FCC or Commission therein.

5.7 Headings

The headings in this Agreement are inserted for convenience and identification only and shall not be considered in the interpretation of this Agreement.

5.8 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.

5.9 Multiple Counterparts.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall together constitute but one and the same document.

5.10 No Third Party Beneficiaries

Except as may be specifically set forth in this Agreement, this Agreement does not provide and shall not be construed to provide third parties with any remedy, claim, liability, reimbursement, cause of action, or other right or privilege.

5.11 Notices.

Any notice to a Party required or permitted under this Agreement shall be in writing and shall be deemed to have been received on the date of service if served personally, on the date receipt is acknowledged in writing by the recipient if delivered by regular U.S. mail, or on the date stated on the receipt if delivered by certified or registered mail or by a courier service that obtains a written receipt. Notice may also be provided by facsimile, Internet or electronic messaging system, which shall be effective if sent before 5.00 p.m. on that day, or if sent after 5.00 p.m. it will be effective on the next Business Day following the date sent, *provided, however*, that any such notice shall be confirmed via personal delivery, regular U.S. Mail or certified mail/courier service. Any notice shall be delivered using one of the alternatives mentioned in this section and shall be directed to the applicable address or Internet ID indicated below or such address as the Party to be notified has designated by giving notice in compliance with this section:

If to Verizon:

Verizon Southwest Incorporated
Attention: Assistant Vice President/Associate General Counsel
Service Corporation
600 Hidden Ridge - HQEWMNOTICES
Irving, TX 75038
Telephone number: 972/718-6361
Facsimile number: 972/718-3403
Internet Address: wmnotices@Verizon.com

and

Verizon Southwest Incorporated
Attn: Director-Wholesale Contract Compliance
Network Services
600 Hidden Ridge - HQEWMNOTICES
Irving, TX 75038
Telephone Number: 972/718-5988
Facsimile Number: 972/719-1519
Internet Address: wmnotices@Verizon.com

If to WINSTAR:

Winstar Wireless
Attention: Russell C. Merbeth
Vice President

Legal & Regulatory Affairs
1615 L Street NW; Suite 1260
Washington, D.C. 20036
Telephone number: (202) 367-7659
Facsimile number: (202) 659-1931
Internet Address: (E-mail): rmerbeth@winstar.com

And

Winstar Wireless
Attention: Victor Gathier
Senior Director
Carrier Relations
1545 Horse pen Road
Herndon, VA 20171
Internet Address: (E-mail): vgathier@winstar.com

5.12 Publicity

Any news release, public announcement, advertising, or any form of publicity pertaining to this Agreement, provision of services, or facilities 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 Verizon and WINSTAR. Notwithstanding the foregoing, in responding to any media inquiries, either Party may acknowledge the existence of the Agreement.

5.13 Rule of Construction.

All references to sections, exhibits, attachments, appendices, etc. shall be deemed to be references to sections, exhibits, attachments, appendices, etc. of this Agreement, as amended or superseded from time to time, unless the context shall otherwise require. Each Party hereby incorporates by reference those provisions of its tariffs that govern the provision of any of the services or facilities provided hereunder. If any provision of this Agreement and an applicable tariff or any schedule, exhibit or appendix hereto cannot be reasonably construed or interpreted to avoid conflict, the provision contained in this Agreement shall prevail, provided that in all cases the more specific shall prevail over the more general. The fact that a condition, right, obligation, or other terms appears in this Agreement, but not in any such applicable tariff or any such schedule, exhibit or appendix hereto, shall not alone be interpreted as, or alone be deemed grounds for finding, a conflict.

5.14 Section References.

Except as otherwise specified, references within an Article, Attachment or Appendix of this Agreement to a Section refer to Sections within that same respective Article, Attachment or Appendix.

5.15 Attachments.

All attachments, appendices, exhibits and schedules attached hereto are deemed to be an integral part of this Agreement, and all references to the term Agreement herein shall be deemed to include such attachments, appendices, exhibits and schedules.

5.16 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.

5.17 Trademarks and Trade Names.

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

5.18 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.

5.19 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.

5.20 Assignment.

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

5.21 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. Each Party represents he or she has had the opportunity to consult with legal counsel of his or her choosing and WINSTAR has not relied on Verizon counsel, pursuant to this Agreement.

5.22 Entire Agreement.

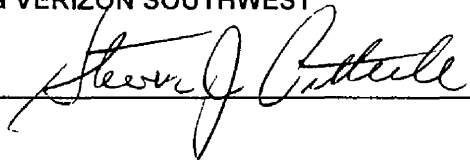
This Agreement constitutes the entire agreement of the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, negotiations, proposals, and representations, whether written or oral, and all contemporaneous oral agreements, negotiations, proposals, and representations 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.

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SIGNATURE PAGE

IN WITNESS WHEREOF, each Party has executed this Agreement effective on the Effective Date described above.

GTE SOUTHWEST INCORPORATED
d/b/a VERIZON SOUTHWEST

By 

Name Steven J. Pitterle

Title Director - Negotiations
Network Services

Date November 9, 2000

WINSTAR WIRELESS OF TEXAS, INC.

By 

Name RUSSELL C. MERBETH

Title VP, LEGAL & REGULATORY

Date 11/7/00

| | |
|----------------------------|-----------------|
| APPROVED BY LEGAL DEPT. | |
| <u>ADME</u> | <u>10/31/00</u> |
| ATTORNEY | DATE |

**APPENDIX A TO ARTICLES I & II
GLOSSARY**

911 Service

A universal telephone number which gives the public direct access to the Public Safety Answering Point (PSAP). Basic 911 service collects 911 calls from one or more local exchange switches that serve a geographic area. The calls are then sent to the correct authority designated to receive such calls.

Access Service Request (ASR)

An industry standard form, which contains data elements and usage rules used by the Parties to add, establish, change or disconnect services or trunks for the purposes of Interconnection.

Act

The Communications Act of 1934 (47 U.S.C. §151 et. seq.), as from time to time amended (including, without limitation by the Telecommunications Act of 1996, Public Law 104-104 of the 104th United States Congress effective February 8, 1996), and as further interpreted in the duly authorized rules and regulations of the FCC or the Commission.

Affiliate

A person, corporation or other legal entity that, directly or indirectly, owns or controls a Party, or is owned or controlled by, or is under common ownership or control with a Party. For purposes of this paragraph, the term "own" means an equity interest (or the equivalent thereof) of more than ten percent.

Answer Supervision

An off-hook supervisory signal.

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, and are applicable to each Party's performance of its obligations hereunder.

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).

Automatic Location Identification/Data Management System (ALI/DMS)

The emergency services (E-911/911) database containing Customer location information (including name, address, telephone number, and sometimes-special information from the local service Provider) used to process subscriber access records into Automatic Location Identification (ALI) records. From this database, records are forwarded to Verizon's ALI Gateway for downloading by local ALI database systems to be available for retrieval in response to Automatic Number Identification (ANI) from a 9-1-1 call. Also, from this database, Verizon will upload to its selective routers the selective router ALI (SR/ALI) which is used to determine to which Public Safety Answering Point (PSAP) to route the call.

Automated Message Accounting (AMA)

The structure inherent in switch technology that initially records telecommunication message information. AMA format is contained in the Automated Message Accounting document, published by Telcordia Technologies as GR-1100-CORE which defines the industry standard for message recording.

Automatic Number Identification (ANI)

The signaling parameter which refers to the number transmitted through the network identifying the billing number of the calling Party

Basic Local Exchange Service

Voice grade access to the network that provides: the ability to place and receive calls; touch-tone service; access to operator services; access to directory assistance; access to emergency services (E911); access to telephone relay service (TRS); access to Interexchange Carriers of the Customer's choice; standard white pages directory listing; and toll blocking for low-income consumers participating in Lifeline (subject to technical feasibility).

Bill-and-Keep Arrangement

A compensation arrangement whereby the Parties do not render bills to each other for the termination of Local Traffic specified in this Agreement and whereby the Parties terminate local exchange traffic originating from End-Users served by the networks of the other Party without explicit charging among or between said carriers for such traffic exchange.

Bona Fide Request (BFR)

A process for WINSTAR to request certain services, features, capabilities or functionality, associated with unbundled network elements, that are not currently offered in the Agreement.

Business Day

Monday through Friday, except for holidays on which the U.S. mail is not delivered.

CABS

The Carrier Access Billing System which is contained in a document prepared under the direction of the Billing Committee of the OBF. The Carrier Access Billing System document is published by Bellcore in Volumes 1, 1A, 2, 3, 3A, 4 and 5 as Special Reports SR-OPT-001868, SR-OPT-001869, SR-OPT-001871, SR-OPT-001872, SR-OPT-001873, SR-OPT-001874, and SR-OPT-001875, respectively, and contains the recommended guidelines for the billing of access and other connectivity services. References to CABS formatted bills and electronic forms of billing data shall be to billing information that is formatted in accordance with applicable CABS guidelines

Central Office Switch

A switch used to provide telecommunications services including but not limited to (1) End Office Switches which are Class 5 switches from which end-user Exchange Services are directly connected and offered, and (2) Tandem Office Switches which are Class 4 switches which are used to connect and switch trunk circuits between and among central office switches. Central office switches may be employed as combination end office/tandem office switches (combination Class 5/Class 4).

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 out collects and in collects as well as Carrier Access Billing System (CABS) records

CLLI Codes

Common Language Location Identifier Codes

Commission

Texas Public Utility Commission.

Common Channel Signaling (CCS)

A high-speed specialized packet-switched communications network that is separate (out-of-band) from the public packet-switched and message networks. CCS carries addressed signaling messages for individual trunk circuits and/or database-related services between Signaling Points in the CCS network using SS7 signaling protocol.

Competitive Local Exchange Carrier (CLEC)

Any company or person authorized to provide local exchange services in competition with an ILEC

Compliance

Environmental and safety laws and regulations based upon a federal regulatory framework, with certain responsibilities delegated to the States. An environmental/safety compliance program may include review of applicable laws/regulations, development of written procedures, training of employees and auditing.

Conversation Time

The time that both Parties' equipment is used for a completed call measured from the receipt of Answer Supervision to the receipt of Disconnect Supervision.

Currently Available

Consistent with Applicable Law, existing as part of Verizon's network at the time of the requested order or service and does not include any service, feature, function or capability that Verizon either does not provide to itself or to its own End-Users, or does not have the capability to provide.

Customer

A third-party residence or business that subscribes to Telecommunications Services provided by either of the Parties, or by another Telecommunications Service provider, and does not resell it to others.

Customer Service Record Search

Applied to LSR when CLEC requests a Customer service record search prior to account conversion from Verizon or from another CLEC. Search typically is for basic account information, listing/directory information, service and equipment listing, and billing information. Applied on a per requested loop and/or port basis.

Dedicated Transport

An Unbundled Network Element that is purchased for the purpose of transporting Telecommunication Services between designated Serving Wire Centers (SWC). Dedicated Transport may extend between two Verizon SWCs (Interoffice Dedicated Transport or IDT) or may extend from the Verizon SWC to the CLEC premise (CLEC Dedicated Transport or CDT). CDT remains within the exchange boundaries of the SWC, while IDT traverses exchange boundaries.

Disconnect Supervision

An on-hook supervisory signal end at the completion of a call.

DS-1 or Digital Signal Level

A service transmitted at digital signal rate of 1 544 Mbps in the first level signal of the time-division multiplex hierarchy.

DS-3 or Digital Signal Level 3

A service transmitted at digital signal rate of 44.736 Mbps, in the third-level signal of the time-division multiplex hierarchy.

Electronic File Transfer

A system or process that utilizes an electronic format and protocol to send/receive data files

End Office Switches

Switches that are Class 5 switches from which end-user Exchange Services are directly connected and offered.

Enhanced Service Provider (ESP) /Internet Service Provider (ISP) Traffic

Traffic bound to any Enhanced Service Provider or Internet Service Provider. The Parties agree for the purposes of this Agreement that ESP/ISP Traffic is separate and distinct from Local Traffic.

E-911 Service

A method of routing 911 calls to a PSAP that uses a Customer location database to determine the location to which a call should be routed. E-91 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.

Exchange Message Interface (EMI)

Standard used for the interexchange of telecommunications message information between exchange carriers and interexchange carriers for billable, nonbillable, sample, settlement and study data. Data is provided between companies via a unique record layout that contains Customer billing information, account summary and tracking analysis. GMI format is contained in document SR-320 published by the Alliance for Telecom Industry Solutions.

Exchange Access

The offering of access to telephone exchange services or facilities for the purpose of the origination or termination of the telephone toll services.

Expanded Interconnection Service (EIS)

A service that provides interconnecting carriers with the capability to terminate basic fiber optic transmission facilities, including optical terminating equipment and multiplexers, at Verizon's wire centers and access tandems and interconnect those facilities with the facilities of Verizon. Microwave is available on a case-by-case basis where feasible.

Facility

All buildings, equipment, structures and other items located on a single site or contiguous or adjacent sites owned or operated by the same persons or person as used in Article II, Section 2.2.

FCC

The Federal Communications Commission, or any successor agency of the United States government; provided such succession has assumed such duties and responsibilities of the former FCC.

Generator

Under the Resource Conservation Recovery Act (RCRA), the person whose act produces a hazardous waste (40 CFR 261) or whose act first causes a hazardous waste to become subject to regulation. The generator is legally responsible for the proper management and disposal of hazardous wastes in accordance with regulations (see reference in Article II, Section 2.2).

GTE Guide

The Verizon internet web site which contains Verizon's operating practices and procedures and general information for pre-ordering, ordering, provisioning, repair and billing for resold services and unbundled elements and guidelines for obtaining interconnection with Verizon's switched network.

GTOC

GTE Telephone Operating Company.

Imminent Danger

As described in the Occupational Safety and Health Act and expanded for environmental matters, any conditions or practices at a facility which are such that a danger exists which could reasonably be expected to cause death or serious harm or significant damage to the environment or natural resources.

Incumbent Local Exchange Carrier (ILEC)

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.

Initial Service Order

A charge applied to each LSR of Unbundled Loops and/or Ports with the exception of Subsequent Service Order changes to existing CLEC accounts.

Interconnection Facility

See "Internetwork Facilities".

Interconnection Point (IP)

The physical point on the network where the two parties interconnect. The IP is the demarcation point between ownership of the transmission facility.

Interexchange Carrier (IXC)

A telecommunications service Provider authorized by the FCC to provide interstate long distance communications services between LATAs and is authorized by the State to provide InterLATA and/or IntraLATA long distance communications services within the State.

Internet Traffic

Traffic that is transmitted to or returned from the Internet at any point during the duration of the transmission.

Interim Number Portability (INP)

The delivery of Local Number Portability (LNP) capabilities, from a Customer standpoint in terms of call completion, with as little impairment of functioning, quality, reliability, and convenience as possible and from a carrier standpoint in terms of compensation, through the use of existing and available call routing, forwarding, and addressing capabilities.

InterLATA

Telecommunications services between a point located in a local access and transport area and a point located outside such areas.

Internetwork Facilities

The physical connection of separate pieces of equipment, transmission facilities, etc., within, between and among networks, for the transmission and routing of Exchange Service and Exchange Access.

IntraLATA

Telecommunications services that originate and terminate at a point within the same local access and transport area.

ISDN User Part (ISUP)

A part of the SS7 protocol that defines call setup messages and call takedown messages.

Line Information Data Base (LIDB)

One or all, as the context may require, of the Line Information databases owned individually by Verizon and other entities which provide, among other things, calling card validation functionality for telephone line number cards issued by Verizon and other entities. A LIDB also contains validation data for collect and third number-billed calls; i.e., Billed Number Screening.

Line Side

Refers to an end office switch connection that has been programmed to treat the circuit as a local line connected to an ordinary telephone station set. Line side connections offer only those transmission and signaling features appropriate for a connection between an end office and an ordinary telephone set.

Local Access and Transport Area (LATA)

A contiguous geographic area for the provision and administration of communications service, i.e., intraLATA or interLATA. Established before the date of enactment of the Telecommunications Act of 1996 by a Bell operating company such that no exchange area includes points within more than one metropolitan statistical area, consolidated metropolitan statistical area, or State, except as expressly permitted under the AT&T Consent Decree dated August 24, 1982; or established or modified by a Bell operating company after such date of enactment and approved by the FCC.

Local Exchange Carrier (LEC)

Any person that is engaged in the provision of telephone Exchange Service or Exchange Access.

Exchange Routing Guide (LERG)

The Telcordia Technologies reference customarily used to identify NPANXX routing and homing information, as well as network element and equipment designation.

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.

Local Service Request (LSR)

The industry standard form, which contains data elements and usage rules, used by the Parties to establish, add, change or disconnect resold services and Unbundled Network Elements for the purposes of competitive local services

Local Traffic

For purposes of compensation between the Parties, Local Traffic is Verizon Traffic that terminates to WINSTAR and WINSTAR traffic that terminates to Verizon, that is within Verizon'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, i.e. Extended Area Service (EAS), beyond their basic exchange serving area. The Parties agree that the points of call origination and termination shall be used to determine Local Traffic, and agree to use the Rate Center assignments of the calling and called NPA/NXX's as shown in the LERG to make such determination. 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". For purposes of this Agreement, Local Traffic does not include Enhanced Service Provider (ESP) and Internet Service Provider (ISP) traffic, in addition to, but not limited to, it excludes Internet traffic, 900/976, etc., and Internet Protocol (IP) based voice or fax telephony.

Loop Facility Charge

A charge applied to LSRs when fieldwork is required for establishment of unbundled loop service. Applied on a per LSR basis.

Main Distribution Frame (MDF)

The primary point at which outside plant facilities terminate within a Wire Center, for interconnection to other telecommunications facilities within the Wire Center. The distribution frame used to interconnect cable pairs and line trunk equipment terminating on a switching system.

Meet-Point Billing (MPB)

Refers to an arrangement whereby two LECs jointly provide the transport element of a switched access service to one of the LEC's end office switches, with each LEC receiving an appropriate share of the transport element revenues as defined by the effective access tariffs.

Mid-Span Fiber Meet

An Interconnection architecture whereby two carriers' fiber transmission facilities meet at a mutually agreed upon IP

Multiple Exchange Carrier Access Billing (MECAB)

Refers to the document prepared by the Billing Committee of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for Telecommunications Industry Solutions (ATIS). The MECAB document, published by [BellCore] Telcordia Technologies as Special Report SR-BDS-000983, contains the recommended guidelines for the billing of an access service provided by two or more LECs, or by one LEC in two or more states within a single LATA.

Multiple Exchange Carriers Ordering and Design Guidelines for Access Services - Industry Support Interface (MECOD)

A document developed by the Ordering/Provisioning Committee under the auspices of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for Telecommunications Industry Solutions (ATIS). The MECOD document, published by [BellCore] Telcordia Technologies as Special Report SR-STS-002643, establishes methods for processing orders for access service that is to be provided by two or more LECs.

Network Interface Device (NID)

The Verizon provided interface terminating Verizon's telecommunication network on the property where the customer's End-User service is located at a point determined by Verizon. The NID contains an FCC Part 68 registered jack from which inside wire may be connected to Verizon's network. The point of demarcation between the End-User's inside wiring and Verizon's facilities.

North American Numbering Plan (NANP)

The system of telephone numbering employed in the United States, Canada, Bermuda, Puerto Rico and certain Caribbean islands that employ NPA 809. The format is a 10-digit number that consist of a 3-digit NPA Code (commonly referred to as area code), followed by a 3-digit NXX code and 4 digit line number

Numbering Plan Area (NPA)

Also sometimes referred to as an area code, is the three-digit indicator which is defined by the "A", "B", and "C" digits of each 10-digit telephone number within the NANP. Each NPA contains 800 possible NXX Codes. There are two general categories of NPA, "Geographic NPAs" and "Non-Geographic NPAs". A 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" or "SAC Code" is typically associated with a specialized telecommunications service that may be provided across multiple geographic NPA areas. 500, 700, 800, 888 and 900 are examples of Non-Geographic NPAs.

NXX, NXX Code, Central Office Code or CO Code

The three-digit switch entity indicator which is defined by the "D", "E", and "F" digits of a 10-digit telephone number within the NANP. Each NXX Code contains 10,000 station numbers. It is the first three digits of a seven-digit telephone number.

Owner or Operator

As used in OSHA regulations, owner is the legal entity, including a lessee, which exercises control over management and record keeping functions relating to a building or facility. As used in the Resource Conservation and Recovery Act (RCRA), operator means the person responsible for the overall (or part of) the operations of a facility (see reference in Article II, Section 2.2).

Party/Parties

Verizon and/or WINSTAR.

Provider

Verizon or WINSTAR depending on the context and which Party is providing the service to the other Party.

Public Safety Answering Point (PSAP)

An answering location for 9-1-1 calls originating in a given area. A PSAP may be designated as Primary or Secondary, which refers to the order in which calls are directed for answering. Primary PSAPs respond first; Secondary PSAPs receive calls on a transfer basis only, and generally serve as a centralized answering location for a particular type of emergency call. PSAPs are staffed by employees of Emergency Response Agencies (ERAs) such as police, fire or emergency medical agencies or by employees of a common bureau serving a group of such entities.

Public Switched Telecommunications Network (PSTN)

The worldwide voice telephone network accessible to all those with telephones and access privileges. In the U.S., formerly known as the "Bell System network" or the "AT&T long distance network".

Rate Center

The specific geographic point and corresponding exclusive geographic area that are associated with one or more particular NPA-NXX Codes that have been assigned to a LEC for its provision of Exchange Services. The geographic point is identified by a specific Vertical and Horizontal (V&H) coordinate that is used to calculate distance-sensitive End-User traffic to/from the particular NPA-NXXs associated with the specific Rate Center.

Right-of-way (ROW)

The right to use the land or other property of another Party to place poles, conduits, cables, other structures and equipment, or to provide passage to access such structures and equipment. A ROW may run under, on, or above public or private property (including air space above public or private property) and may include the right to use discrete space in buildings, building complexes, or other locations.

Routing Point

Denotes a location that a LEC has designated on its network as the homing (routing) point for traffic that terminates to Exchange Services provided by the LEC that bear a certain NPA-NXX designation. The Routing Point is used to calculate airline mileage for the distance-sensitive transport element charges of Switched Access Services. Pursuant to Telcordia Technologies Practice BR795-100-100, the Routing Point may be an end office location, or a "LEC Consortium Point of Interconnection." The Routing Point must be in the same LATA as the associated NPA-NXX.

Service Control Point (SCP)

The node in the Common Channel Signaling network to which informational requests for service handling, such as routing, are directed and processed. The SCP is a real time database system that, based on a query from the SSP and via a Signaling Transfer Point, performs subscriber or application-specific service logic, and then sends instructions back to the SSP on how to continue call processing.

Service Switching Point (SSP)

A Signaling Point that can launch queries to databases and receive/interpret responses used to provide specific Customer services.

Shared Transport

The physical interoffice facility not dedicated to any one Customer, which is used to transport a call between switching offices. A central office switch translates the End-User dialed digits and routes the call over a Common Transport Trunk Group that rides interoffice transmission facilities. These trunk groups and the associated interoffice transmission facilities are accessible by any End-User (Verizon End-User or WINSTAR End-User when WINSTAR has purchased unbundled local switching), and are referred to as "shared transport facilities"

Signaling Point (SP)

A node in the CCS network that originates and/or receives signaling messages, or transfers signaling messages from one signaling link to another, or both.

Signaling System 7 (SS7)

The signaling protocol, Version 7, of the CCS network, based upon American National Standards Institute (ANSI) standards.

Signal Transfer Point (STP)

A packet switch in the CCS network that is used to route signaling messages among SSPs, SCPs and other STPs in order to set up calls and to query databases for advanced services. Verizon's network includes mated pairs of local and regional STPs. STPs are provided in pairs for redundancy. Verizon STPs conform to ANSI T1.111-8 standards. It provides SS7 Network Access and performs SS7 message routing and screening.

Subsidiary

A corporation or other legal entity that is majority owned by a Party

Subsequent Service Order

Applied to LSRs requesting a service change to an existing unbundled account (no CLEC transfer) For disconnect-only LSRs, no NRC will be applied.

Synchronous Optical Network (SONET)

Synchronous electrical (STS) or optical channel (OC) connections between LECs.

Switched Exchange Access Service

The offering of facilities for the purpose of the origination or termination of traffic to or from Exchange Service Customers in a given area pursuant to a switched access tariff. Switched Access Services including but not limited to. Feature Group A, Feature Group B, Feature Group C, Feature Group D, 500, 700, 800, 888 and 900 access services.

Tandem Office Switches

Switches that are Class 4 switches which are used to connect and switch trunk circuits between and among central office switches.

Telcordia Technologies

Formally known as BellCore, a wholly owned subsidiary of Science Applications International Corporation (SAIC). The organization conducts research and development projects for its owners, including development of new Telecommunications Services. Telcordia Technologies 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.

Telecommunications Services

The offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.

Telephone Exchange Service

(1) Service within a telephone exchange, or within a connected system of telephone exchanges within the same exchange area operated to furnish to subscribers intercommunicating service of the character ordinarily furnished by a single exchange, and which is covered by the exchange service charge; or (2) comparable service provided through a system of switches, transmission equipment, or other facilities (or combination thereof) by which a subscriber can originate and terminate a telecommunications service.

Third Party Contamination

Environmental pollution that is not generated by the LEC or WINSTAR but results from off-site activities impacting a facility

Transfer of Service

A charge applied to LSR's that involve account changes (e.g., CLEC to CLEC transfers, DA & CPE billing changes on Unbundled Ports).

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, for example, to 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.

Unbundled Network Element (UNE)

Generally a facility or equipment used in the provision of a Telecommunications Service. Specific references to UNEs contained throughout this Agreement shall be to the network elements that are to be unbundled pursuant to the UNE Attachment.

Undefined Terms

Terms that may appear in this Agreement which are not defined. Parties acknowledge and agree that any such terms shall be construed in accordance with customary usage in the telecommunications industry as of the effective date of this Agreement.

Vertical Features (including CLASS Features)

Vertical services and switch functionalities provided to Verizon's retail customers, including but not limited to: Automatic Call Back; Automatic Recall; Call Forwarding Busy Line/Don't Answer; Call Forwarding Don't Answer; Call Forwarding Variable; Call Forwarding - Busy Line; Call Trace; Call Waiting; Call Number Delivery Blocking Per Call; Calling Number Blocking Per Line; Cancel Call Waiting; Distinctive Ringing/Call Waiting; Incoming Call Line Identification Delivery; Selective Call Forward; Selective Call Rejection; Speed Calling; and Three Way Calling/Call Transfer.

Wire Center

A building or space within a building that serves as an aggregation point on a LEC's 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 Exchange Access Services, are located.

INTERCONNECTION ATTACHMENT

1. General

This Interconnection Attachment (Attachment) together with Articles I and II, sets forth the terms and conditions under which Verizon and WINSTAR will interconnect their networks for the transmission and mutual exchange of telephone exchange and exchange access traffic. This Attachment governs the provision and compensation of internetwork facilities (i.e., physical interconnection services and facilities), switched transport, and switched termination for Local, IntraLATA Toll, and optional EAS traffic. This Attachment also sets forth the terms and conditions under which Verizon and WINSTAR will provide the Meet-Point Billing (MPB) of jointly provided Interexchange Carrier (IXC) access between Verizon and WINSTAR. The interconnection services and facilities described in this Attachment shall be referred to herein collectively as "Services" and individually as "Service."

2. Service Arrangements Provided Under this Attachment.

2.1 Transport and Termination of Traffic.

The Parties shall reciprocally terminate Local, IntraLATA Toll, and optional EAS traffic (or other traffic the Parties agree to exchange) originating on each other's networks utilizing either Direct or Indirect Network Interconnections as provided herein in Section 2.3 or Section 2.5, respectively. To this end, the Parties agree that there will be interoperability between their networks. The Parties agree to exchange traffic associated with third party ILECs, CLECs and Wireless Service Providers pursuant to the compensation arrangement specified in Section 5.5 herein. In addition, the Parties will notify each other of any anticipated change in traffic to be exchanged (e.g., traffic type, volume).

2.2 Tandem Switched Traffic.

The Parties will provide tandem switching for traffic between the Parties' end offices subtending each other's tandem, as well as for traffic between either Party's Customers and any third party which is interconnected to the other Party's tandems.

2.3 Direct Network Interconnection.

WINSTAR may interconnect with Verizon on its network at any of the *minimum* points required by the FCC that are Currently Available in Verizon's existing network. Interconnection at additional points will be reviewed on an individual case basis. Where the Parties mutually agree to directly interconnect their respective networks, interconnection will be as specified in the following subsections. Based on the configuration, however, Verizon will work with WINSTAR in all circumstances to install network interconnections within one hundred twenty (120) calendar days absent extenuating circumstances. Internetwork connection and protocol must be based on industry standards developed consistent with Section 256 of the Act.

Subject to mutual agreement, the Parties may use the following types of network facility interconnection, using such interface media as are (i) appropriate to support the type of interconnection requested and (ii) available at the facility at which interconnection is requested.

- 2.3.1.1 A Mid-Span Fiber Meet within an existing Verizon exchange area whereby the Parties mutually agree to jointly plan and engineer their facility interconnection location. The Interconnection Point (IP) is the demarcation between ownership of the fiber transmission facility. Each Party is individually responsible for its incurred costs in establishing this arrangement.

- 2.3.1.2 A collocation arrangement at a Verizon Wire Center subject to the rates, terms, and conditions contained in Verizon's applicable tariffs, except as provided in the Collocation Attachment.
- 2.3.1.3 A special access arrangement terminating at a Verizon Wire Center subject to the rates, terms, and conditions contained in Verizon's applicable tariffs. These facilities will meet the standards set forth in such tariffs.
- 2.3.2 The Parties will mutually designate at least one Interconnection Point (IP) on Verizon's network within each tandem serving area for the exchange of Local Traffic
- 2.3.3 Winstar and Verizon shall configure network interconnection arrangements under a joint network configuration and grooming plan. Both Parties will endeavor to provision a diverse, reliable network that incorporates the most current available technologies.

2.4 Trunking Requirements.

In accordance with Article I, Section 3.4, it will be necessary for the Parties to have met and agreed on trunking availability and requirements in order for the Parties to begin exchange of traffic

- 2.4.1 Switching Center Trunking The Parties agree to establish trunk groups of sufficient capacity 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. The Parties will mutually agree where one-way or two-way trunking will be available. The Parties may use two-way trunks for delivery of Local Traffic or either Party may elect to provision its own one-way trunks for delivery of Local Traffic to the other Party. If a Party elects to provision its own one-way trunks, that Party will be responsible for its own expenses associated with the trunks.
- 2.4.2 CLEC End-User Trunking. WINSTAR shall make available to Verizon trunks over which Verizon shall terminate to Customers of WINSTAR-provided Exchange Services, Local Traffic, intraLATA toll or optional EAS traffic originated from Customers of Verizon-provided Exchange Service.
- 2.4.3 Traffic Trunking. WINSTAR and Verizon shall, where applicable, make reciprocally available, by mutual agreement, the required trunk groups to handle different traffic types. WINSTAR and Verizon will support the provisioning of trunk groups that carry combined or separate Local Traffic, intraLATA toll and optional EAS traffic. Verizon requires separate trunk groups from WINSTAR to originate and terminate exchange access traffic used to provide Switched Access Service to IXCs. To the extent WINSTAR desires to have any IXCs originate or terminate switched access traffic to or from WINSTAR, using jointly provided switched access facilities routed through a Verizon access tandem, it is the responsibility of WINSTAR to arrange for such IXC to issue an Access Service Request ("ASR") to Verizon to direct Verizon to route the traffic. If Verizon does not receive an ASR from the IXC, Verizon will initially route the switched access traffic between the IXC and WINSTAR. If the IXC subsequently indicates that it does not want the traffic routed to or from WINSTAR, Verizon will not route the traffic.
 - 2.4.3.1 Each Party agrees to route traffic only over the proper jurisdictional trunk group.
 - 2.4.3.2 Each Party shall only deliver traffic over the local interconnection trunk groups to the other Party's tandem for those publicly-dialable NXX Codes served by end offices that directly subtend the tandem or to those wireless service providers that directly subtend the tandem.

2.4.3.3 Neither Party shall route Switched Access Service traffic over local interconnection trunks, or Local Traffic over Switched Access Service trunks.

2.4.4 End-Office Trunking. The Parties will work together to establish high usage end-office trunk groups sufficient to handle the greater of the actual or reasonably forecasted traffic volumes between a WINSTAR end office and a Verizon end office.

2.5 Indirect Network Interconnection.

The Parties agree that to the extent they exchange traffic through a third party's tandem, compensation arrangements will be established between the Parties in accordance with Section 5.4 below.

2.6 Number Portability (NP).

2.6.1 Interim Number Portability (INP). Each Party shall provide the other Party with service provider number portability as an INP option for the purpose of allowing Customers to change service-providing Party without changing their telephone number. The Parties shall provide service provider number portability to each other using remote call forwarding ("RCF") and/or direct inward dialing ("DID"). The requesting Party will provide "forward to" telephone number that is within the same Wire Center. The Verizon rates for INP service using RCF are set out in Appendix B attached to this Attachment and made a part of this Agreement. WINSTAR shall provide INP to Verizon at the rates specified for WINSTAR in Appendix B.

2.6.2 If a Party wishes to use DID to provide INP to its Customers, a dedicated trunk group is required between the Verizon end office where the DID numbers are served into the WINSTAR switch. If there are no existing facilities between Verizon and WINSTAR, the dedicated facilities and transport trunks will be provisioned as unbundled service using the ASR provisioning process. The requesting Party will reroute the DID numbers to the pre-positioned trunk group using a Local Service Request ("LSR"). WINSTAR may purchase DID trunk service from Verizon's tariff.

2.6.3 Local Number Portability (LNP). The Parties agree that they shall develop and deploy LNP in accordance with the Act, such binding FCC and state mandates, and industry standards, as may be applicable.

2.6.3.1 The Parties agree that all INP accounts will be converted to LNP within a reasonable period of time after the conversion of an INP providing switch to commercially available LNP, which shall be no later than 90 days after the successful completion of mutually agreeable joint testing among Winstar, Verizon, and the Number Portability Administration Center.

2.6.3.2 New requests for INP will not be allowed in a switch once LNP has been deployed in that switch.

2.6.3.3 When WINSTAR ports a telephone number to a WINSTAR switch, WINSTAR will order meet point trunks to the access tandem which the NPA/NXX of the ported number subtends for terminating feature group D switched access traffic, as shown in the LERG.

2.7 Meet-Point Billing (MPB). The Parties may mutually establish MPB arrangements in order to provide Switched Access Services to Access Service Customers via a Verizon access tandem in accordance with the MPB guidelines adopted by and contained in the Ordering and Billing Forum's MECAB and MECOD documents, except as modified herein and as described in

3. Operations Matters.

3.1 Service Ordering.

WINSTAR initiates orders to establish, add, change or disconnect trunk-side interconnection services by sending an ASR to Verizon. WINSTAR should submit ASRs to Verizon through on-line applications or electronic files. WINSTAR will order services for INP and LNP by sending a LSR to Verizon. WINSTAR should submit LSRs to Verizon through an electronic interface or via facsimile (fax). The ordering process is described in the GTE Guide. The ASR and/or LSR will be reviewed by Verizon for validation and correction of errors. Errors will be referred back to WINSTAR. WINSTAR then will correct any errors that Verizon has identified and resubmit the request to Verizon electronically through a supplemental ASR/LSR. 3.1.1 To achieve greater efficiency in the ordering of facilities, Verizon shall provide Winstar with Switch Point codes and ACTLs associated with Winstar's POI in an Interconnection with Verizon's network upon request by Winstar

3.2 Trunk Provisioning.

3.2.1 Trunk Connections. Reciprocal traffic exchange arrangement trunk connections shall be made at a DS1 or multiple DS-1 level, DS-3, or where technically available, Synchronous Optical Network ("SONET"), and shall be jointly-engineered to the appropriate industry grade of service standard such that the overall probability of call blockage does not exceed B.01.

3.2.2 Grooming. WINSTAR and Verizon agree to use diligent efforts to develop and agree on a Joint Interconnection Grooming Plan prescribing standards to ensure that the reciprocal traffic exchange arrangement trunk groups are maintained at the appropriate industry grades of service standard B.01 (end office connection) or B.005 (tandem connection). Such plan shall also include mutually-agreed upon default standards for the configuration of all segregated trunk groups.

3.2.3 Signaling. SS7 Common Channel Signaling will be used to the extent that such technology is available. If SS7 is not available, Multi-Frequency Signaling (MF) will be used as specified.

3.2.4 ESF Facilities. 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.

3.2.5 64kbps Channel. The Parties will support intercompany 64kbps clear channel where available.

3.2.6 Direct Trunking. In the event the traffic volume between any WINSTAR end office switch and a Verizon end office switch, or a third Party's end office switch that subtends a Verizon tandem at any time exceeds the CCS busy hour equivalent of one DS-1, the originating Party will establish new direct trunk groups to the applicable end office switch(es).

3.3 Trunk Forecasting.

3.3.1 Joint Forecasting. The Parties will develop joint forecasting of trunk groups in accordance with Article I, Section 3.3. Intercompany forecast information must be provided by the Parties to each other twice a year. The semi-annual forecasts will include:

3.3.1.1 yearly forecasted trunk quantities for no less than a two-year period (current year, plus

one year), and

3.3.1.2 the use of (i) CLCI• MSG codes, which are described in Telcordia Technologies document BR 795-100-100; (ii) circuit identifier codes as described in BR 795-400-100; and (iii) Trunk Group Serial Number (TGSN) as described in BR 751-100-195

3.3.2 Major Network Projects. Description of major network projects that affect the other Party will be provided with the semi-annual forecasts provided pursuant to Section 3.3.1. Major network projects include but are not limited to trunking or network rearrangements, shifts in anticipated traffic patterns, or other activities by either Party that are reflected by a significant increase or decrease in trunking demand for the following forecasting period

3.3.3 Forecast Reviews. Parties will meet to review and reconcile their forecasts if their respective forecasts differ significantly from one another.

3.3.4 Trunk Facility Underutilization. At least once a year the Parties shall exchange trunk group measurement reports for trunk groups terminating to the other Party's network. In addition and from time to time, each Party will determine the required trunks for each of the other Party's trunk groups from the previous 12 months servicing data. Required trunks will be based on the appropriate grade of service standard (B.01 or B.005) or the Joint Interconnection Grooming Plan referenced in Section 3.2.2. When a condition of excess capacity is identified, Verizon will facilitate a review of the trunk group existing and near term (3 to 6 months) traffic requirements with the Customer for possible network efficiency adjustment.

3.4 Network Redesigns Initiated by Verizon

Verizon will not charge WINSTAR when Verizon initiates its own network redesigns/reconfigurations.

3.5 Routing Points

When WINSTAR submits an ASR requesting trunks for the exchange of WINSTAR traffic, the ASR must reflect the NPA/NXX(s) associated with the trunks being ordered. Unless specified on the Additional NXX Code Opening form, subsequent NXXs of WINSTAR will be routed in the same manner as the initial NXXs.

3.6 Common Channel Signaling

3.6.1 Service Description. The Parties will provide Common Channel Signaling (CCS) to one another via SS7 network interconnection, where and as available, in the manner specified in FCC Order 95-187, in conjunction with all traffic exchange trunk groups. SS7 signaling and transport services shall be provided by Verizon in accordance with the terms and conditions of this Section 3.6. The Parties will cooperate on the exchange of all appropriate SS7 messages for local and intraLATA call set-up signaling, including ISDN User Part ("ISUP") and Transaction Capabilities Application Part ("TCAP") messages to facilitate full interoperability of all CLASS Features and functions between their respective networks. Any other SS7 message services to be provided using TCAP messages (such as database queries) will be jointly negotiated and agreed upon.

3.6.2 Signaling Parameters. All SS7 signaling parameters will be provided in conjunction with traffic exchange trunk groups, where and as available. These parameters include Automatic Number Identification ("ANI"), Calling Party Number ("CPN"), Privacy Indicator, calling party category information, originating line information, charge number, etc. Also included are all parameters relating to network signaling information, such as Carrier

Information Parameter ("CIP"), wherever such information is needed for call routing or billing. Verizon will provide SS7 via GR-394-SS7 and/or GR-317-SS7 format(s).

3.6.3 Privacy Indicators. Each Party will honor all privacy indicators as required under applicable law

3.6.4 Connection Through Signal Transfer Point (STP) WINSTAR must interconnect with the Verizon STP(s) serving the LATA in which the traffic exchange trunk groups are interconnected. Additionally, all interconnection to Verizon's 800/888 database and Verizon's Line Information Data Base (LIDB) shall, consistent with this section, take place only through appropriate STP pairs.

3.6.5 Third Party Signaling Providers. WINSTAR may choose a third-party SS7 signaling provider to transport messages to and from the Verizon SS7 network. In that event, that third party provider must present a letter of agency to Verizon, prior to the testing of the interconnection, authorizing the third party to act on behalf of WINSTAR in transporting SS7 messages to and from Verizon. The third-party provider must interconnect with the Verizon STP(s) serving the LATA in which the traffic exchange trunk groups are interconnected.

3.6.6 Multi-Frequency Signaling. In the case where CCS is not available, in band Multi-Frequency (MF), wink start, and E & M channel associated signaling with ANI will be provided by the Parties. Network signaling information, such as CIC/OZZ, will be provided wherever such information is needed for call routing or billing.

3.7 Network Management Controls.

Each Party shall provide a 24-hour contact number for Network Traffic Management issues to the other's network surveillance management center. A fax number must also be provided to facilitate event notifications for planned mass calling events. Additionally, both Parties agree that they shall work cooperatively that all such events shall attempt to be conducted in such a manner as to avoid degradation or loss of service to other Customers. Each Party shall maintain the capability of respectively implementing basic protective controls such as "Cancel To" and "Call Gap."

Provided Winstar completes the necessary profile, Verizon shall provide individual notice to Winstar via the Internet of planned network and facilities changes. (1) at least 6 months before implementation of the changes; or (2) consistent with the FCC's rules on short-term notice of network changes. 47 CFR Section 51.333.

4. Technical/Regulatory Requirements and Restrictions.

4.1 Interconnection Calling Scopes.

4.1.1 Verizon Tandem Interconnection calling scope (terminating usage from WINSTAR) is to those Verizon end offices which subtend the Verizon tandem to which the connection is made except as provided for in Section 4.2.

4.1.2 Verizon End Office Interconnection calling scope (terminating usage from WINSTAR) is only to the end office and its remotes to which the connection is made.

4.2 Inter-Tandem Switching.

The Parties will only use inter-tandem switching for the transport and termination of Local Traffic_optional EAS and IntraLATA Toll_originating on each other's network at and after such time as the Parties have agreed to and fully implemented generally accepted industry signaling standards and Automated Message Accounting ("AMA") record standards which shall support the recognition of multiple tandem switching events

4.3 Number Resources.

4.3.1 Number Assignment. Nothing in this Agreement shall be construed to, in any manner, limit or otherwise adversely impact WINSTAR's right to employ or to request and be assigned any NANP number resources including, but not limited to, Central Office (NXX) Codes pursuant to the Central Office Code Assignment Guidelines. Any request for numbering resources by WINSTAR shall be made directly to the NANP Number Plan Administrator. Verizon shall not be responsible for the requesting or assignment of number resources to WINSTAR. The Parties agree that disputes arising from numbering assignment shall be resolved by the NANP Number Plan Administrator. WINSTAR shall not request number resources to be assigned to any Verizon switching entity.

4.3.2 Numbering/Dialing Arrangement Changes. Each Party shall be responsible for notifying its Customers of any changes in numbering or dialing arrangements to include changes such as the introduction of new NPAs or new NXX codes. Each Party is responsible for administering NXX codes assigned to it.

4.4 Rate Centers.

For purposes of compensation between the Parties and the ability of the Parties to appropriately apply their toll rates to their end-user Customers, WINSTAR shall adopt the Rate Center areas and Rate Center points that the Commission has approved for the ILECs and, unless otherwise ordered by the Commission, shall assign whole NPA-NXX codes to each Rate Center within which WINSTAR is providing Local Exchange Service.

4.5 Code and Numbers Administration.

The Parties will comply with code administration requirements as prescribed by the FCC, the Commission, and accepted industry guidelines.

4.6 Programming Switches.

It shall be the responsibility of each Party to program and update its own switches and network systems pursuant to information provided on ASRs as well as the Local Exchange Routing Guide ("LERG") to recognize and route traffic to the other Party's assigned NXX codes. Neither Party shall impose any fees or charges whatsoever on the other Party for such activities

4.7 Maintenance of Tariffs.

WINSTAR and Verizon will use diligent efforts, individually and collectively, to maintain provisions in their respective federal and state access tariffs, and/or provisions within the National Exchange Carrier Association (NECA) Tariff No. 4, or any successor tariff, sufficient to reflect any Meet-Point Billing arrangement between the Parties entered into pursuant to this Agreement, including MPB percentages.

5. Financial Matters.

5.1 Rates and Charges.

The receiving Party agrees to pay to providing Party the rates and charges for the Services described in the applicable Appendices to this Attachment, which constitutes part of this Agreement. Rates and charges for transport and termination of traffic are set forth in Appendix A attached to this Attachment and made a part of this Agreement. Rates and charges for INP using RCF are set forth in Appendix B attached to this Attachment and made a part of this Agreement.

5.2 Billing.

The providing Party shall render to receiving Party a bill for interconnection services on a current basis. Charges for physical facilities and other non-usage sensitive charges shall be billed in advance, except for charges and credits associated with the initial or final bills. Usage sensitive charges, such as charges for termination of Local Traffic, shall be billed in arrears.

5.3 Billing Specifications.

The Parties agree that billing requirements and outputs will be consistent with the Telcordia Technologies Billing Output Specifications (BOS).

5.3.1 Usage measurement for calls shall begin when Answer Supervision or equivalent SS7 message is received from the terminating office and shall end at the time of call disconnect by the calling or called subscriber, whichever occurs first.

5.3.2 Minutes of use ("MOU"), or fractions thereof, shall not be rounded upward on a per-call basis, but will be accumulated over the billing period. At the end of the billing period, any remaining fraction shall be rounded up to the nearest whole minute to arrive at total billable minutes for each interconnection. MOU shall be collected and measured in minutes, seconds, and tenths of seconds.

5.3.3 In the event detailed billing records are not available (e.g. indirect interconnection), summary billing reports may be utilized.

5.4 Compensation For Exchange Of Traffic.

5.4.1 Mutual Compensation. The Parties have not agreed in this Agreement whether and to what extent reciprocal compensation is due either Party for exchange of ESP/ISP Traffic (i.e., any traffic bound to any Enhanced Service Provider or Internet Service Provider). Without waiving any of its rights to assert and pursue its position on issues related to ESP/ISP Traffic, each Party agrees that no reciprocal compensation shall be paid for ESP/ISP traffic exchanged between the Parties under this Agreement and to treat such traffic as excluded from Local Traffic under this Agreement unless and until a final, non-appealable order of the Texas Commission requires that Verizon pay and receive reciprocal compensation for ESP/ISP traffic under this Agreement or in interconnection agreements generally. If and when such an order becomes final and non-appealable, the Parties agree to negotiate in good faith and to amend the terms and provisions of this Agreement on a going-forward basis as necessary to bring this Agreement in conformity with such final and non-appealable order. Such amended terms will continue to be subject to Sections 1.2 and 1.3 of Article 2. Charges for the transport and termination of optional EAS, intraLATA toll and interexchange traffic shall be in accordance with the Parties' respective intrastate or interstate access tariffs, as appropriate.

5.4.2 Bill-and-Keep. The Parties shall assume that Local Traffic originated by or terminating to the Parties' Customers is roughly balanced between the Parties. Accordingly, the Parties agree to use a Bill-and-Keep Arrangement for the length of this Agreement for Local Traffic only.

5.4.3 Compensation for Terminating Access Charges on Calls to Ported Numbers via RCF.

The Parties agree that a meet point billing arrangement will be used to bill for terminating switched access charges associated with calls terminated to a ported number. Each Party will bill the IXCs applicable switched access rate elements for functions provided over each respective Party's facilities. The Parties will follow any industry standards established for call record exchanges for meet point billing. Until industry standards for call record exchanges are established for interim number portability, the Parties agree that switched access termination to a ported number will be billed by the Party providing interim number portability and that the Party billing the switched access will share the switched access revenue with the other Party. The Party providing interim number portability is entitled to keep the portion of collected access revenue associated with tandem switching, transport, and residual/transport interconnection charge rate elements, as applicable. The Party terminating ported calls is entitled to receive the portion of collected access revenue associated with the end office switching rate elements. As part of this revenue sharing arrangement, the Parties agree to compensate each other as specified in Appendix B.

5.4.3.1 As part of the revenue sharing arrangement described in Section 5.4.4 the number of lines per ported number that are subject to compensation will be determined at the time the Customer's local service is changed from one Party to the other. The number of lines per ported number eligible for the shared revenue arrangement described in this section will be limited to the number of lines in service on the date of conversion plus a 10% growth margin. After conversion the number of lines per ported number available for compensation can only be increased by mutual consent of the Parties.

5.4.3.2 As part of the revenue sharing arrangement described in Section 5.4.4 the Parties agree that the compensation rates may change as a result of changes in access rates, traffic volume or for other reasons and agree to renegotiate the rates if a significant event occurs. At a minimum, the Parties agree to reevaluate the rates on an annual basis.

5.4.3.3 The Parties agree that terminating switched access calls ported via interim number portability may appear to the receiving Party to be a local call and that the implementation of reciprocal compensation for terminating local calls may result in overcompensation for ported switched access calls. The Parties agree that no charges shall be applied to the ported switched access calls as part of the local traffic termination. When the access revenue sharing arrangement described in Section 5.4.4 is in effect, the Parties agree to renegotiate the terminating shared access compensation rates if reciprocal compensation for local calls is implemented.

5.4.3.4 As part of the revenue sharing arrangement described in Section 5.4.4 the Party receiving the payments on a per line per month basis agrees to provide the following information on its invoice; name of the end user accounts; the ported telephone numbers; the telephone numbers assigned to the lines in its switch, the INP methods used; class of service; and dates of initial installation and disconnects.

5.4.3.5 Upon implementation of permanent local number portability, the Parties agree to

transition all interim number portability Customers and their services to permanent local number portability methods within a mutually agreed upon time frame and discontinue use of further interim methods of number portability

5.5 Tandem Switched Traffic

The Parties shall compensate each other for tandem switched traffic as follows:

- 5.5.1 Compensation Arrangements. The originating Party will compensate the tandem Party for each minute of originated tandem switched traffic which terminates to a third party (e.g., other CLEC, ILEC, or wireless service provider). The applicable rate for this charge is the tandem transiting charge identified in Appendix A. The originating Party also assumes responsibility for compensation to the company which terminates the call.

Transport and termination rates will vary according to whether the traffic is routed through a tandem switch or directly to the end-office switch. The transport and termination rates assessed on the originating carrier should reflect the functions performed by the terminating carrier in transporting and terminating the calls. The Parties recognize that new technologies such as fiber rings or wireless networks enable Winstar's switch to perform functions similar to those performed by Verizon's tandem switch and end office hierarchy and, thereby, serve a geographic area comparable to that served by Verizon. Accordingly, consistent with 47 CFR Sec. 51.711 (a)(3), the transport and termination rates for calls terminated to WINSTARs switch shall be the same as Verizon's tandem and end office interconnection rates.

- 5.5.2 Third-Party Providers. The Parties agree to enter into their own agreements with third-party providers. In the event that WINSTAR sends traffic through Verizon's network to a third-party provider with whom WINSTAR does not have a traffic interexchange agreement, then WINSTAR agrees to indemnify Verizon for any termination charges rendered by a third-party provider for such traffic.

5.6 Compensation for Internetwork Facilities

The Parties agree to the following compensation for internetwork facilities, depending on facility type. Only Local Traffic and IntraLATA Toll Traffic will be used for calculation of this compensation.

- 5.6.1 Mid-Span Fiber Meet. Verizon will charge special access (flat rated) transport from the applicable intrastate access tariff and will rate charges between the IP and Verizon's interconnection switch. Subject to mutual agreement of the Parties, the Parties may agree to interconnect utilizing alternative interconnection arrangements, e.g., Optical Networking or MetroLAN. DS1 facility charges will be reduced to reflect the proportionate share of the facility that is used for transport of Local Traffic, optional EAS and IntraLATA Toll originated by Verizon. The initial proportionate share factor for facilities is set forth in Appendix A. This factor will be updated quarterly in like manner or as the Parties otherwise agree. WINSTAR will charge flat rated transport (i.e. non-usage sensitive) to Verizon for WINSTAR facilities used by Verizon at tariffed rates or as mutually agreed. WINSTAR will apply charges based on the lesser of; (i) the airline mileage from the IP to the WINSTAR switch; or (ii) the airline mileage from the Verizon switch to the serving area boundary.
- 5.6.2 Collocation. Verizon will charge Virtual or Physical EIS rates from the applicable Verizon tariff, unless otherwise specified in this Agreement. WINSTAR will charge Verizon flat rated transport at tariffed rates or as mutually agreed, to reflect the proportionate share of the

facility that is used for transport of Local Traffic, optional EAS and IntraLATA Toll originated by Verizon. WINSTAR will apply charges based on the lesser of (i) the airline mileage from the IP to the WINSTAR switch; or (ii) two (2) times the airline mileage from the Verizon switch to the serving area boundary.

5.6.3 Special Access. Verizon will charge special access rates from the applicable Verizon intrastate access tariff. DS1 charges will be reduced to reflect the proportionate share of the facility that is used for transport of Local Traffic, optional EAS and IntraLATA Toll originated by Verizon. The Parties have negotiated an initial factor representative of the proportionate share of the facilities, and that factor is provided in Appendix A to this Attachment. This factor will be updated quarterly in like manner or as the Parties otherwise agree. Subject to mutual agreement of the Parties, the Parties may agree to interconnect utilizing alternative interconnection arrangements, e.g., Optical Networking or MetroLAN or Microwave.

5.7 Meet-Point Billing (MPB) and Exchange Access Service

5.7.1 Billing. As detailed in the MECAB document, WINSTAR and Verizon will, in a timely fashion, exchange all information necessary to accurately, reliably and promptly bill Access Service Customers for Switched Access Services traffic jointly handled by WINSTAR and Verizon via the meet-point arrangement. Information shall be exchanged in Exchange Message Interface ("EMI") format, on magnetic tape or via a mutually acceptable Electronic File Transfer protocol.

5.7.1.1 WINSTAR and Verizon will exchange all information necessary to enable each Party to transmit usage data to the other Party. Subsequent to the exchange of transmission information, the tandem Party, as the subsequent billing company (SBC), will provide the end office Party, as the initial billing company (IBC), detailed Exchange Access usage data (EMI Category 11-01) within thirty (30) calendar days of the end of the billing period. The IBC will perform its responsibilities as defined by MECAB, and will provide to the SBC summary usage data (EMI Category 11-50) within ninety (90) calendar days of the detail recording, or within ten (10) business days after the date that the IBC renders a bill to the IXC(s), whichever date is sooner.

5.7.1.2 WINSTAR and Verizon shall work cooperatively to coordinate rendering of Meet-Point bills to Customers, and shall reciprocally provide each other usage data and related information at the appropriate charge.

5.7.2 Compensation. Initially, billing to Access Service Customers for the Switched Access Services jointly provided by WINSTAR and Verizon via the MPB arrangement shall be according to the multiple-bill method as described in the MECAB guidelines. This means each Party will bill the Access Service Customer for the portion of service it provided at the appropriate tariff, or price list.

Subsequently, WINSTAR and Verizon may mutually agree to implement one of the following options for billing to third parties for the Switched Access Services jointly provided by WINSTAR and Verizon via the MPB arrangement: single-bill/single tariff method; single-bill/multiple tariff method; or to continue the multiple-bill method. Should either Party prefer to change among these billing methods, that Party shall notify the other Party of such a request in writing, ninety (90) Business Days in advance of the date on which such change is desired to be implemented. Such changes then may be made in accordance with MECAB guidelines and, if the Parties mutually agree, the change will be made.

**APPENDIX A TO THE INTERCONNECTION ATTACHMENT
RATES AND CHARGES FOR TRANSPORT AND TERMINATION OF TRAFFIC**

General. The rates contained in this Appendix A are the rates as defined in the Interconnection Attachment and are subject to change resulting from future Commission or other proceedings, including but not limited to any generic proceeding to determine Verizon's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered Verizon costs (including Verizon's interim Universal Service Support Surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other litigation.

Each Party will bill the other Party as appropriate:

- A. The Local Interconnection rate element that applies to Local Traffic on a minute of use basis that each Party switches for termination purposes at its wire centers. The local interconnection rate is **\$0.0067094**.
- B. The Tandem Switching rate element that applies to tandem routed Local Traffic on a minute of use basis. The tandem switching rate is **\$0.0048171**.
- C. The Common Transport Facility rate element that applies to tandem routed Local Traffic on a per minute/per mile basis. The Common Transport Facility rate is **\$0.0000350**.
- D. The Common Transport Termination element that applies to tandem routed Local Traffic on a per minute/per termination basis. The Common Transport Termination rate is **\$0.0002195**

- E. The Tandem Transiting Charge is comprised of the following rate elements.

| | | |
|---|---|--------------------|
| Tandem Switching: | = | \$0.0048171 |
| Tandem Transport (10 mile average): 10 x \$0.0000350 | = | \$0.0003500 |
| Transport Termination (2 Terminations): 2 x \$0.0002195 | = | \$0.0004390 |
| Transiting Charge: | | \$0.0056061 |

- F. Initial Factors:

| | | |
|----|------------------------------------|------------|
| 1. | PLU | 95% |
| 2. | Initial Proportionate Share Factor | 50% |
| 3. | Exempt Factor | 5% |

RESALE ATTACHMENT

General.

This Resale Attachment (Attachment), together with Articles I and II, defines the Telecommunication Services (including exchange Services, related Vertical Features and other services that may be purchased from Verizon and resold by WINSTAR) and sets forth 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. Verizon will make available to WINSTAR for resale any Telecommunications Service that Verizon currently offers, or may offer hereafter, on a retail basis to Customers that are not telecommunications carriers, except as qualified by Section 3.2.2 below. Verizon will provide resold Services at retail less the avoided cost discount as defined in Section 4.1.1. The resale Services described in this Attachment, shall be referred to herein collectively as "Services", or each individually as "Service". Verizon shall provide dialing and service parity to WINSTAR for its resale offerings to the extent required by Applicable Law

Services.

1.1 Local Exchange Services.

Resold basic exchange Service includes, but is not limited to, the following elements:

- 1.1.1 Voice Grade Local Exchange Access Line - includes a telephone number and dial tone;
- 1.1.2 Local Calling - at local usage measured rates if applicable to the Customer;
- 1.1.3 Access to long distance carriers;
- 1.1.4 E-911 Emergency Dialing;
- 1.1.5 Access to Service Access Codes - e.g., 800, 888, 900;
- 1.1.6 Use of AIN Services (those Currently Available to Customers);
- 1.1.7 Customer Private Line Services;
- 1.1.8 Listing of telephone number in appropriate "white pages" directory;
- 1.1.9 Copy of "White Pages" and "Yellow Pages" directories for the appropriate Verizon service area; and
- 1.1.10 IntraLATA toll.

1.2 Other Services Available for Resale.

Subject to the limitations enumerated in this Attachment, the type of Services made available to WINSTAR are those Telecommunications Services described in Verizon's retail tariffs, as amended from time to time. Any new retail Services that Verizon offers in such tariffs to Customers who are not telecommunications carriers may also be available to WINSTAR for resale under the same terms and conditions contained in this Agreement.

1.3 Promotional Offerings.

Verizon shall make available for resale, those promotional offerings that are greater than 90 calendar days in duration and the special promotional rate will be subject to the applicable resale discount. Verizon also shall make available for resale those promotional offerings that are 90 calendar days or less in duration, provided, however, that no resale discount applies to the special promotional rate of such offerings

1.4 Grandfathered Services.

Services identified in Verizon tariffs as grandfathered in any manner are available for resale only to Customers that already have such grandfathered Service. An existing Customer may not move a grandfathered Service to a new service location. Grandfathered Services are subject to a resale discount.

1.5 Operator Services (OS) and Directory Assistance (DA).

OS for local and toll assistance (e.g., call completion, busy line verification and emergency interruption) and DA (e.g., 411 calls) are provided as a part of exchange Services offered for resale. Verizon may brand this Service as Verizon. WINSTAR will be billed in accordance with Verizon's retail tariff. If WINSTAR requests branding or unbranding, Verizon will provide such unbranding or rebranding with WINSTAR's name using customized routing as described in Section 3.7. For those offices that WINSTAR has requested Verizon to rebrand and/or unbrand OS and DA, Verizon will provide it where Verizon performs its own OS and DA Service subject to capability and capacity limitations where customized routing is Currently Available. If Verizon uses a third-party contractor to provide OS or DA, Verizon will not provide branding nor will Verizon negotiate it with a third-party on behalf of WINSTAR. WINSTAR must negotiate with the third party. In these instances, WINSTAR will need to purchase customized routing and dedicated trunking to differentiate its OS/DA traffic from Verizon's. Verizon shall include a WINSTAR Customer listing in its DA database as part of the LSR process. Verizon will honor WINSTAR Customer's preferences for listing status, including non-published and unlisted, and will enter the listing in the Verizon database which is used to perform DA functions as it appears on the LSR.

1.6 Telephone Relay Service.

Local and intraLATA telephone relay service (TRS) enables deaf, hearing-impaired, or speech-impaired TRS users to reach other telephone users. With respect to resold Services, WINSTAR's Customers will have access to the state authorized TRS Provider to the extent required by the Commission, including any applicable compensation surcharges.

Operations and Administrative Matters.

1.7 Service Ordering, Service Provisioning, and Billing.

1.7.1 GTE Guide and CLEC Profile. WINSTAR will order Services for resale directly from Verizon through an electronic interface or fax. Except as specifically provided otherwise in this Agreement, Service preordering, ordering, provisioning, billing, maintenance and electronic interfaces shall be governed by the GTE Guide. In accordance with Article I, Section 3.1, Verizon will not process resale orders until the WINSTAR Profile has been completed and returned; and, if required, an advanced deposit paid.

- 1.7.2 Local Service Request. Orders for Services will be placed utilizing standard LSR forms. Verizon will continue to participate in industry forums for developing service order/disconnect order formats and will incorporate appropriate industry standards. Complete and accurate forms (containing the requisite Customer information as described in the GTE Guide) must be provided by WINSTAR before a request can be processed. Verizon will accept orders for As-Is Transfers (AIT) of Services from Verizon to WINSTAR where Verizon is the Customer's current local exchange company. Verizon cannot provide an AIT of service from another CLEC selling Verizon's Services to WINSTAR.
- 1.7.3 Letter of Authorization (LOA). Verizon will not release the Customer service record (CSR) or inquiry containing Customer proprietary network information (CPNI) to WINSTAR on Verizon Customer accounts unless WINSTAR first provides to Verizon a written LOA. Such LOA may be a blanket LOA or other form agreed upon between Verizon and WINSTAR authorizing the release of such information to WINSTAR or if state or federal law provides otherwise, in accordance with such law. An LOA will be required before Verizon will process an order for Services provided in cases in which the Customer currently receives local exchange or Exchange Access service from Verizon or from a CLEC other than WINSTAR. Such LOA may be a blanket LOA or such other form as agreed upon between Verizon and WINSTAR.
- 1.7.4 Unauthorized Changes. If WINSTAR submits an order for resold Services under this Agreement in order to provide Service to a Customer that, at the time the order is submitted, is obtaining its local Services from Verizon or another LEC using Verizon Services, and the Customer notifies Verizon that the Customer did not authorize WINSTAR to provide local exchange Services to the Customer, WINSTAR must provide Verizon with written documentation of authorization from that Customer within thirty (30) Business Days of notification by Verizon. If WINSTAR cannot provide written documentation of authorization within such time frame, WINSTAR must within three (3) Business Days thereafter:
- 1.7.4.1 notify Verizon to change the Customer back to the LEC providing Service to the Customer before the change to WINSTAR was made; and
 - 1.7.4.2 provide any Customer information and billing records WINSTAR has obtained relating to the Customer to the LEC previously serving the Customer; and
 - 1.7.4.3 notify the Customer and Verizon that the change back to the previous LEC has been made.
- 1.7.5 Transfers Between WINSTAR and Another Reseller of Verizon Services. When WINSTAR has obtained a Customer from another reseller of Verizon Services, WINSTAR will inform Verizon of the transfer by submitting standard LSR forms to Verizon. Verizon cannot accept an order for AIT of service from one CLEC reselling Verizon Services to another reseller of Verizon Services.

1.8 Regulations and Restrictions.

- 1.8.1 General Regulations. General regulations, terms and conditions governing rate applications, technical parameters, service availability, definitions and feature interactions, as described in the appropriate Verizon intrastate local, toll and access tariffs, apply to retail Services made available by Verizon to WINSTAR for resale provided by Verizon to WINSTAR, when appropriate, unless otherwise specified in this Agreement. As applied to Services offered under this

Agreement, the term "Customer" contained in the Verizon retail tariff shall be deemed to mean "WINSTAR" as defined in this Agreement.

- 1.8.2 Restrictions on Resale. The following restrictions shall apply to the resale of retail Services by WINSTAR.
- 1.8.2.1 WINSTAR shall not resell to one class of Customers a Service that is offered by Verizon only to another class of Customers in accordance with state requirements (e.g., R1 to B1, disabled Services or lifeline Services to non-qualifying Customers);
- 1.8.2.2 WINSTAR shall not resell lifeline Services and Services for the disabled. Where WINSTAR desires to provide lifeline Services or Services for the disabled to its Customer, Verizon will resell the Customer's line as a R-1 (with applicable resale discount) and WINSTAR shall be responsible for recertifying the line pursuant to applicable law and for participating in the lifeline or disabled Services discount pool without the assistance of Verizon. In no event shall Verizon be responsible for recovering or assisting in the recovery of lifeline or disabled Services discounts on behalf of WINSTAR.
- 1.8.3 Restrictions on Discount. The discount specified in Section 4.1.1 herein shall apply to all retail Services except for the following:
- 1.8.3.1 WINSTAR may resell promotional offerings of 90 calendar days or less in duration; provided, however, no retail discount applies to the special promotional rate.
- 1.8.3.2 WINSTAR may resell Services that are provided at a volume discount in accordance with terms and conditions of applicable tariff. WINSTAR shall not aggregate Customer lines and/or traffic in order to qualify for volume discount.
- 1.8.3.3 WINSTAR may resell ICB/Contract Services without a discount and only to Customers that already have such Services.
- 1.8.3.4 WINSTAR may resell Customer owned coin operated telephone (COCOT) coin or coinless line; however, no discount applies.
- 1.8.3.5 WINSTAR may resell special access; however, no discount applies.
- 1.8.3.6 WINSTAR may resell operator Services and directory assistance as specified in Section 2.5 however, no discount applies unless otherwise specified in Appendix A.
- 1.8.4 Resale to Other Carriers. Services available for resale may not be used by WINSTAR to provide access to the local network as an alternative to tariffed switched and special access by other carriers, including, but not limited to: interexchange carriers, wireless carriers, competitive access providers, or other retail telecommunications providers.

1.9 Maintenance.

Verizon will provide repair and maintenance Services to WINSTAR and its Customers for resold Services in accordance with the same standards, same schedule and same

charges used for such Services provided to Verizon Customers. Verizon will not initiate a maintenance call or take action in response to a trouble report from a WINSTAR Customer until such time as trouble is reported to Verizon by WINSTAR. WINSTAR must provide to Verizon all Customer information necessary for the installation, repair and servicing of any facilities used for resold Services according to the procedures described in the GTE Guide.

1.10 Information Services Traffic

Verizon shall route traffic for information Services (i.e., 900-976, Internet, weather lines, sports providers, etc.) that originates on its network to the appropriate information service platform. In the event Verizon performs switching of information service provider (ISP) traffic associated with resale for WINSTAR, Verizon shall provide to WINSTAR the same call detail records that Verizon records for its own Customers, so as to allow WINSTAR to bill its Customers. Verizon shall not be responsible or liable to WINSTAR or ISP for billing and collection and/or any receivables of ISP.

1.11 Originating Line Number Screening (OLNS).

Upon request, Verizon 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).

1.12 Misdirected Calls.

The Parties will employ the following procedures for handling any misdirected calls (e.g., business office, repair bureau, etc.):

1.12.1 To the extent the correct provider can be determined, each Party will refer misdirected calls to the proper provider of local exchange Service. When referring such calls, both Parties agree to do so in a courteous manner at no charge.

1.12.2 For misdirected repair calls, the Parties will provide their respective repair bureau contact number to each other on a reciprocal basis and provide the Customer the correct contact number.

1.12.3 In responding to misdirected calls, neither Party shall make disparaging remarks about each other, nor shall they use these calls as a basis for internal referrals or to solicit Customers or to market Service.

1.13 Customized Routing.

Where Currently Available and upon receipt of a written request from WINSTAR, Verizon agrees to provide customized routing for the following types of calls:

- 0-
- 0+Local
- 0+411
- 1+411
- 0+HNPA-555-1212 (intraLATA, only when intraLATA presubscription is not available)
- 1+HNPA-555-1212 (intraLATA, only when intraLATA presubscription is not available).

Upon request, Verizon will provide WINSTAR a list of switches that can provide customized routing using line class codes or similar method (regardless of current capacity limitations). WINSTAR will return a list of these switches ranked in priority order. Verizon will return to WINSTAR a schedule for customized routing in the switches with existing capabilities and capacity. In response to the written request from WINSTAR, Verizon will provide WINSTAR with applicable charges, and terms and conditions, for providing OS and DA, branding, and customized routing. Subject to the above provisions, Verizon will choose the method of implementing customized routing of OS and DA calls. When Verizon agrees to provide customized routing to WINSTAR, WINSTAR will be responsible for the transport to route OS/DA traffic to the designated platform.

1.14 900-976 Call Blocking.

Verizon shall not unilaterally block 900-976 traffic in which Verizon performs switching associated with resale. Verizon will block 900-976 traffic when requested to do so, in writing, by WINSTAR. WINSTAR shall be responsible for all costs associated with the 900-976 call blocking request. Verizon reserves the right to block any and all calls which may harm or damage its network.

Financial Matters.

1.15 Rates and Charges.

1.15.1 Calculation of Rates. The prices charged to WINSTAR for local Services shall be calculated as follows:

1.15.1.1 Avoided cost discount as shown in Appendix A shall apply to all retail Services except those Services listed in Sections 3.2.3.

1.15.1.2 The discount dollar amount calculated under Section 4.1.1.1 will be deducted from the retail rate.

1.15.1.3 The resulting rate is the resale rate.

1.15.2 Nonrecurring Charges. WINSTAR 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.

1.15.3 Access. Verizon retains all revenue due from other carriers for access to Verizon facilities, including both switched and special access charges.

1.15.4 Switch-Back Charge. Verizon will bill WINSTAR fifty dollars (\$50.00) per affected line to compensate Verizon for switching the Customer back to the original LEC as set forth in Section 3.1.4.

This Section 4.1.4 shall also apply in the case when the Customer notifies WINSTAR that the Customer did not authorize Verizon to provide local exchange services to the Customer.

1.15.5 Branding. Verizon shall provide to WINSTAR the applicable charges for unbranding or rebranding and customized routing as set forth in Section 3.7.

1.16 Billing.

1.16.1 General. Verizon will utilize CBSS to produce the required bills for resold Services. CBSS will create a bill to WINSTAR along with a summary bill master. State or sub-state level billing will include up to thirty (30) summary bill accounts.

1.16.2 Alternate Billed Calls. Verizon shall record usage data originating from WINSTAR Customers that Verizon records with respect to its own retail Customers, using Services ordered by WINSTAR. On resale accounts, Verizon will provide usage in EMR format per existing file exchange schedules. Incollects are calls that are placed using the Services of Verizon or another LEC and billed to a resale service line of WINSTAR. Outcollects are calls that are placed using a WINSTAR resale Service line and billed to a Verizon line or line of another LEC or LSP. Examples of an incollect or an outcollect are collect, credit card calls.

1.16.2.1 Incollects. Verizon will provide the rated record it receives from the CMDS network, or which Verizon records (non-intercompany), to WINSTAR for billing to WINSTAR's end-users. Verizon will settle with the earning company, and will bill WINSTAR the amount of each incollect record less the billing and collection (B&C) fee for Customer billing of the incollects. The B&C credit will be \$.05 per billed message. Any additional message processing fees associated with WINSTAR's incollect messages that are incurred by Verizon will be billed to WINSTAR on the monthly statement.

1.16.2.2 Outcollects. When the Verizon end-office switch from which the resale line is served utilizes a Verizon operator Services platform, Verizon will provide to WINSTAR the unrated message detail that originates from a WINSTAR resale Service line but which is billed to a telephone number other than the originating number (e.g., calling card, bill-to-third number, etc.). WINSTAR as the LSP will be deemed the earning company and will be responsible for rating the message at WINSTAR rates and WINSTAR will be responsible for providing the billing message detail to the billing company for Customer billing. WINSTAR will pay to Verizon charges as agreed to for Services purchased, and WINSTAR will be compensated by the billing company for the revenue which WINSTAR is due.

When a non-Verizon entity provides operator Service to the Verizon end office from which the resale line is provisioned, WINSTAR must contract with the operator Services provider to get any EMR records which WINSTAR requires.

1.16.3 Local Calling Detail. Except for those Services and in those areas where measured rate local Service is available to Customers, monthly billing to WINSTAR does not include local calling detail. However, WINSTAR may request and Verizon 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.

1.16.4 LIDB. For resale Services, the LSR will generate updates to Verizon's LIDB for validation of calling card, collect, and third number billed calls.

1.16.5 Timing of Messages. With respect to Verizon 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.

**APPENDIX A TO THE RESALE ATTACHMENT
SERVICES AVAILABLE FOR RESALE**

General. The rates for resold services are based upon an avoided cost discount from Verizon's retail rates. The avoided cost discount is based upon Verizon'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 Verizon's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered Verizon costs (including Verizon's interim Universal Service Support Surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other litigation.

The following bold provisions ("Provisions") are inoperable in this Agreement because the Commission has rejected them consistently in previously submitted Agreements. Based upon such previous Commission action, Verizon concludes that the Provisions must likewise be made inoperable in this Agreement. Nevertheless, Verizon believes the Provisions are required by the law, and are consistent with Sections 252(e) of the Telecommunications Act of 1996. Thus, Verizon reserves the right to challenge the necessity and appropriateness of the Provisions in the future.

Interim Universal Service Charge. It is Verizon's position that Verizon'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 Verizon's local service but does not resell Verizon's intraLATA toll service. Verizon believes that this interim surcharge is required by state and federal law. The lawfulness of Verizon's interim surcharge is being addressed (or will be addressed) by the Commission or a court of competent jurisdiction. Verizon will offer for resale basic 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:

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

WINSTAR neither agrees with such assertions or contentions of Verizon with regard to the Interim Universal Service Charge, nor waives and hereby expressly reserves all of its rights to oppose or continue to oppose any and all such assertions or contentions by Verizon.

The avoided cost discount for OS/DA is 1.9%. The avoided cost discount for all services, excluding OS/DA, is 12.4%.

Non-Recurring Charges (NRCs) for Resale Services

Pre-ordering

CLEC Account Establishment Per CLEC

\$ 273.17

Customer Record Search Per Account \$ 11.69

Ordering and Provisioning

Engineered Initial Service Order (ISO) - New Service \$ 305.87
Engineered Initial Service Order - As Specified \$ 106.86
Engineered Subsequent Service Order \$ 65.25

Non-Engineered Initial Service Order - New Service \$ 42.76
Non-Engineered Initial Service Order - Changeover \$ 21.53
Non-Engineered Initial Service Order - As Specified \$ 65.95
Non-Engineered Subsequent Service Order \$ 19.35

Central Office Connect \$ 9.49

Outside Facility Connect \$ 65.14

Manual Ordering Charge \$ 12.05

Product Specific

NRCs, other than those for Pre-ordering, Ordering and Provisioning, and Custom Handling as listed in this Appendix, will be charged from the appropriate retail tariff. No discount applies to such NRCs.

Custom Handling

Service Order Expedite:
Engineered \$ 29.85
Non-Engineered \$ 11.45

Coordinated Conversions:
ISO \$ 16.38
Central Office Connection \$ 9.91
Outside Facility Connection \$ 8.83

Hot Coordinated Conversion First Hour (Only Available for 2 Wire Analog Loops):
ISO \$ 28.01
Central Office Connection \$ 39.65
Outside Facility Connection \$ 35.33

Hot Coordinated Conversion per Additional Quarter Hour (Only Available for 2 Wire Analog Loops):
ISO \$ 5.81
Central Office Connection \$ 9.91
Outside Facility Connection \$ 8.83

Application of NRCs

Pre-ordering:

CLEC Account Establishment is a one-time charge applied the first time that WINSTAR orders any service from this Agreement.

Customer Record Search applies when WINSTAR requests a summary of the services currently

subscribed to by the end-user

Ordering and Provisioning:

Engineered Initial Service Order - New Service applies per Local Service Request (LSR) when engineering work activity is required to complete the order, e.g. digital loops.

Non-Engineered Initial Service Order - New Service applies per LSR when no engineering work activity is required to complete the order, e.g. analog loops.

Initial Service Order - As Specified (Engineered or Non-Engineered) applies only to Complex Services for services migrating from Verizon to WINSTAR. Complex Services are services that require a data gathering form or has special instructions.

Non-Engineered Initial Service Order - Changeover applies only to Basic Services for services migrating from Verizon to WINSTAR. End-user service may remain the same or change

Central Office Connect applies in addition to the ISO when physical installation is required at the central office.

Outside Facility Connect applies in addition to the ISO when incremental field work is required

Manual Ordering Charge applies to orders that require Verizon to manually enter WINSTAR's order into Verizon's Secure Integrated Gateway System (SIGS), e.g. faxed orders and orders sent via physical or electronic mail.

Custom Handling (These NRCs are in addition to any Preordering or Ordering and Provisioning NRCs):

Service Order Expedite (Engineered or Non-Engineered) applies if WINSTAR requests service prior to the standard due date intervals.

Coordinated Conversion applies if WINSTAR requests notification and coordination of service cut over prior to the service becoming effective.

Hot Coordinated Conversion First Hour applies if WINSTAR requests real-time coordination of a service cut-over that takes one hour or less.

Hot Coordinated Conversion Per Additional Quarter Hour applies, in addition to the Hot Coordinated Conversion First Hour, for every 15-minute segment of real-time coordination of a service cut-over that takes more than one hour.

Universal Service Fund (USF) Support Surcharge

| | |
|------------------------|---------|
| Residential (per line) | \$ 3.49 |
| Business (per line) | \$ 2.18 |

UNBUNDLED NETWORK ELEMENTS (UNEs) ATTACHMENT

1. General.

On January 25, 1999, the Supreme Court of the United States issued its decision in AT&T v. Iowa Utilities Board, 119 S. Ct. 721 (1999). Among other things, the Court vacated the FCC's list of unbundled network elements (UNEs) set forth in Rule 51.319, holding that the FCC failed to apply the Act's "necessary" or "impair" standard in creating its list. On November 5, 1999, the FCC issued an order establishing a new Rule 51.319 that reflects a new list of UNEs (the "UNE Remand Order"). On December 9, 1999, the FCC released a separate order that adds the high frequency portion of the local loop, or "line sharing," to this list (the "Line Sharing Order"). With the exception of dark fiber loops, subloops, inside wire, packet switching, dark fiber transport, access to the calling name, 911 and E911 databases, access to loop qualification information and line sharing (collectively, the "additional UNEs"), the UNEs established by the FCC in its new Rule 51.319 pursuant to the UNE Remand and Line Sharing Orders became effective February 17, 2000. With the exception of line sharing, the Additional UNEs become effective May 17, 2000. Verizon may not be able to make line sharing available as a UNE before June 6, 2000.

This UNE Attachment (Attachment), together with Articles I and II, sets forth the terms and conditions under which Verizon will provide UNEs to WINSTAR pursuant to this Agreement. Unless otherwise specified in this Attachment, the ordering, provisioning, billing and maintenance of UNEs will be governed by the GTE Guide. Verizon will provide UNE offerings pursuant to this Attachment only to the extent they are Currently Available in Verizon's network. It is Verizon's position that it will not construct new facilities to offer any UNE or combination of UNEs .

Notwithstanding anything to the contrary in this Attachment, Verizon does not waive, and hereby expressly reserves, its rights: (a) to challenge the legality of Rule 51.319, the UNE Remand and Line Sharing Orders and/or any other related FCC orders or rules; (b) to continue to prosecute the current appeal of the FCC pricing rules pending before the Eight Circuit Court of Appeals, (c) to assert or continue to assert that certain provisions of the FCC's First and Second Report and Order in FCC Docket No. 96-98 and other FCC orders or rules are unlawful, illegal and improper; and (d) to take any appropriate action, including, without limitation, requiring retroactive pricing adjustments relating to the offering of UNEs and UNE combinations, based on the outcome of any of the actions or challenges described in subparagraphs (a)-(c) above or any other actions.

General regulations, terms and conditions governing rate applications, technical parameters, service availability, definitions and feature interactions, as described in the appropriate Verizon intrastate local, toll and access tariffs, apply to retail services made available by Verizon to WINSTAR for UNEs provided by Verizon TO WINSTAR, when appropriate, unless otherwise specified in this Agreement. As applied to UNEs offered under this Agreement, the term "Customer" contained in the Verizon Retail Tariff shall be deemed to mean "WINSTAR" as defined in this Agreement. The UNEs, including combinations of UNEs, hereunder shall only be made available and shall only be used, for the provision of Telecommunication Service, as that term is defined by the Act.

2. Description of Individual UNE Offerings.

Verizon will provide WINSTAR with the following UNEs pursuant to this Attachment:

2.1 Local Loops

The local loop UNE is defined as the transmission facility (or channel or group of channels on such facility) that extends from a Main Distribution Frame (MDF), or its equivalent, in a Verizon end office or wire center up to and including the loop "demarcation point", including inside wire owned by Verizon. The loop demarcation point is that point on the loop facility where Verizon's ownership and control end and the

subscriber's ownership and control begin. Generally, loops are provisioned as 2-wire or 4-wire copper pairs running from the end office MDF to the subscriber's premises. However, a loop may be provided via other means, including radio frequencies, as a channel on a high-capacity feeder/distribution facility which may, in turn, be distributed from a node location to the subscriber's premises via a copper or coaxial drop or other facility. The loop includes all features, functions and capabilities of such transmission facilities, including attached electronics (except those electronics used for the provision of advanced services, such as digital subscriber line access multiplexers ("DSLAMs")) and line conditioning.

2.1.1 Types of Loops. The types of unbundled loops made available to WINSTAR under this Attachment are:

- 2.1.1.1 "2-Wire Analog Loop" is a voice grade transmission facility that is suitable for transporting analog voice signals between approximately 300-3000 Hz, with loss not to exceed 8.5 db. A 2-wire analog loop may include load coils, bridge taps, etc. This facility also may include carrier derived facility components (i.e., pair gain applications, loop concentrators/multiplexers). This type of unbundled loop is commonly used for local dial tone services. Verizon does not guarantee data modem speeds on a 2-wire analog loop. In addition, Verizon does not guarantee CLASS features will perform properly on a 2-wire analog loop provisioned over subscriber analog carrier.
- 2.1.1.2 "4-Wire Analog Loop" conforms to the characteristics of a 2-wire voice grade loop and, in addition, can support simultaneous independent transmission in both directions. Verizon does not guarantee data modem speeds on a 4-wire analog loop. In addition, Verizon does not guarantee CLASS features will perform properly on a 4-wire analog loop provisioned over subscriber analog carrier.
- 2.1.1.3 "2-Wire Digital Loop" is a transmission facility capable of transporting digital signals up to 160 kbps, with no greater loss than 38 db. end-to-end, measured at 40 kHz. At WINSTAR's request, line extension equipment may be added, in which case loss will be no greater than 76 db. at 40 kHz (ISDN-BRI). When utilizing ADSL technology, WINSTAR is responsible for limiting the Power Spectral Density (PSD) of the signal to levels specified in Clause 6.13 of ANSI T1.413 ADSL Standards.
- 2.1.1.4 "4-Wire Digital Loop" is a transmission facility that is suitable for the transport of digital signals at rates up to 1.544 Mbps. 4-wire digital loops are only provisioned on copper facilities. When a 4-wire digital loop is used by WINSTAR to provision HDSL technology, the insertion loss, measured between 100W termination at 200 kHz, in which case loss should be less than 34 db. The DC resistance of a single wire pair should not exceed 1100 ohms.
- 2.1.1.5 "DS-1 Loops" will support a digital transmission rate of 1.544 Mbps. The DS-1 loop will have no bridge taps or load coils and will employ special line treatment. DS-1 loops will include midspan line repeaters where required, office terminating repeaters, and DSX cross connects.
- 2.1.1.6 "DS-3 Loops" will support the transmission of isochronous bipolar serial data at a rate of 44.736 Mbps. The DS-3 loop provides the equivalent of 28 DS-1 channels and shall include the electronics at either end.
- 2.1.1.7 "Dark Fiber Loops" consist of fiber that has not been activated through connection to the electronics that "light" it, and thereby render it capable of carrying communications services. In accordance with Rule 51.319(a)(1), Verizon will not make dark fiber loops available as an UNE before May 17, 2000. Upon written request by WINSTAR or Verizon, the Parties shall engage in further good faith negotiations regarding the

implementation of dark fiber as an UNE.

- 2.2 Subloops. The subloop UNE is defined as any portion of the loop, including inside wire, that is technically feasible to access at the drop pedestal, cross connect box and pair gain in Verizon's outside plant. In accordance with Rule 51.319(a)(2), Verizon will not make subloops available as an UNE before May 17, 2000. Upon written request by WINSTAR or Verizon, the Parties shall engage in further good faith negotiations regarding the implementation of subloops as an UNE.
- 2.3 Inside wire. The inside wire UNE is defined as all loop plant owned by Verizon on an end-user Customer premises as far as the point of demarcation. In accordance with Rule 51.319(a)(2), Verizon will not make inside wire available as an UNE before May 17, 2000. Upon written request by WINSTAR or Verizon, the Parties shall engage in further good faith negotiations regarding the implementation of inside wire as an UNE.
- 2.4 Network Interface Device (NID). The NID UNE is defined as any means of interconnection of end-user Customer inside wiring to Verizon's distribution plant. To gain access to an end-user's inside wiring, WINSTAR may connect its own loop directly to Verizon's NID where WINSTAR uses its own facilities to provide local service to an end-user formerly served by Verizon, as long as such direct connection does not adversely affect Verizon's network. Verizon shall have the right to deny WINSTAR's ability to connect its own loop directly to Verizon's NID.
- 2.5 Local Circuit Switching. The local circuit switching UNE is defined as: (i) line-side facilities, which include, but are not limited to, the connection between a loop termination at a main distribution frame and a switch line card; (ii) trunk-side facilities, which include, but are not limited to, the connection between trunk termination at a trunk-side cross-connect panel and a switch trunk card; and (iii) all features, functions and capabilities of the switch. Verizon reserves the right not to provide circuit switching and shared transport as a UNE under the circumstances described in Rule 51.319(c)(2).
- 2.5.1 Types of Local Circuit Switching. At WINSTAR's request, Verizon will make available the following types of Circuit Switching as UNEs:
- 2.5.1.1 Analog Line Side Port. An analog line side port¹ is a line side switch connection used to provide basic residential- and business-type exchange services.
- 2.5.1.2 ISDN BRI Digital Line Side Port. An ISDN BRI digital line side port is a basic rate interface (BRI) line side switch connection used to provide ISDN exchange services.
- 2.5.1.3 Coin Line Side Port. A coin line side port is a line side switch connection used to provide coin services.
- 2.5.1.4 DS-1 Digital Trunk Side Port. A DS-1 digital trunk side port is a trunk side switch connection used to provide the equivalent of 24 analog incoming trunk ports.
- 2.5.1.5 ISDN PRI Digital Trunk Side Port. An ISDN PRI digital trunk side port is a primary

¹A Port provides for the interconnection of individual Loops to the switching components of GTE's network. In general, the port is a line card or trunk card and associated peripheral equipment on a GTE end office switch that serves as the hardware termination for the end-user's Exchange Service on that switch, generates dial tone, and provides the end-user access to the Public Switched Telecommunications Network (PSTN). Each line-side port is typically associated with one (or more) telephone numbers(s), which serve as the end-user's network address. A port also includes local switching, which provides the basic switching functions to originate, route and terminate traffic and any signaling deployed in the switch. When WINSTAR orders an unbundled port, the WINSTAR has the option to submit a Directory Service Request (DSR) to have the listings included in GTE's Directory Assistance database. The applicable ordering charge will be applied for processing the DSR. GTE will honor WINSTAR Customers' preferences for listing status, including non-published and unlisted, and will enter the listing in the GTE database which is used to perform DA functions as it appears on the LSR.

rate interface (PRI) trunk side switch connection used to provide ISDN exchange services.

- 2.6 Local Tandem Switching. The local tandem switching UNE is defined as: (i) trunk-connect facilities, which include, but are not limited to, the connection between trunk termination at a cross connect panel and switch trunk card; (ii) the basic switch trunk function of the connecting trunks to trunks; and (iii) the functions that are centralized in tandem switches (as distinguished from separate end office switches).
- 2.7 Packet Switching. The packet switching UNE is defined as the basic packet switching function of routing or forwarding packets, frames, cells or other data units based on address or other routing information contained in the packets, frames, cells or other data units, and the functions that are performed by the DSLAM. Verizon reserves the right not to provide packet switching as a UNE under the circumstances described in Rule 51.319(c)(5). In accordance with Rule 51.319(c)(5), Verizon will not make packet switching available as a UNE before May 17, 2000. Upon written request by WINSTAR or Verizon, the Parties shall engage in further good faith negotiations regarding the implementation of packet switching as a UNE.
- 2.8 Dedicated Transport. The dedicated transport UNE is defined as Verizon interoffice transmission facilities, including all technically feasible capacity-related services, including, but not limited to, DS1, DS3 and OCN levels, dedicated to a particular Customer or carrier, that provide telecommunications between wire centers owned by Verizon or WINSTAR, between switches owned by Verizon or WINSTAR.
- 2.9 Dark Fiber Transport. The dark fiber transport UNE is defined as Verizon optical interoffice transmission facilities without attached multiplexing, aggregation or other electronics. In accordance with Rule 51.319(d), Verizon will not make dark fiber available as a UNE before May 17, 2000. Upon written request by WINSTAR or Verizon, the Parties shall engage in further good faith negotiations regarding the implementation of dark fiber transport as a UNE.
- 2.10 Shared Transport. The shared transport UNE is defined as interoffice transmission facilities shared by more than one carrier, including Verizon, between end office switches, between end office switches and tandem switches, and between tandem switches, in Verizon's network. shared transport (also known as common transport) provides the shared use of interoffice trunk groups and tandem switching that are used to transport switched traffic, originating or terminating on a Verizon port, between central office switching entities. Shared transport will include tandem switching if Verizon's standard network configuration includes tandem routing for traffic between these points. Shared transport is provided automatically in conjunction with port and local circuit switching. Verizon reserves the right not to provide circuit switching and shared transport as a UNE under the circumstances described in Rule 51.319(c)(2).
- 2.11 Signaling Networks. The signaling network UNE is defined as access to Verizon signaling networks and signaling transfer points. SS7 transport and signaling shall be provided in accordance with the terms and conditions of a separately executed agreement, or via GTOC Tariff FCC No. 1.
- 2.12 Call-Related Databases. The call-related database UNE is defined as a database, other than OSS, that are used in signaling networks for billing and collection, or the transmission, routing, or other provision of a telecommunications service. These databases include the calling name database, 911 database, E-911 database, line information database, toll free calling database, advanced intelligent network database and downstream number portability databases by means of physical access at the signaling transfer point linked to the unbundled databases. LIDB services and database

800 type services shall be provided in accordance with the rates, terms and conditions of GTOC Tariff FCC No. 1. In accordance with Rule 51.319(e)(2)(i), Verizon will not make the calling name database, 911 database or E-911 database as an UNE before May 17, 2000. Upon written request by WINSTAR or Verizon, the Parties shall engage in further good faith negotiations regarding the implementation of such databases as an UNE. In addition, Verizon reserves the right not to unbundle the services created in the AIN platform and architecture that qualify for proprietary treatment.

- 2.13 Service Management Systems. The service management system database system UNE is defined as a computer database or system not part of the public switched network that: (i) interconnects to the service control point and sends to that service control point the information and call processing instructions needed for a network switch to process and complete a telephone call and (ii) provides telecommunications carriers with the capability of entering and storing data regarding the processing and completing of a telephone call.
- 2.14 OS/DA. OS/DA is defined as: (a) any automatic or live assistance to a consumer to arrange for billing or completion, or both, of a telephone call (OS); and (b) a service that allows subscribers to retrieve telephone numbers of other subscribers (DA). In accordance with Rule 51.319(f), Verizon will not provide OS/DA as a UNE when it offers customized routing. Where WINSTAR provides its own OS/DA platform, WINSTAR is required to route its OS/DA traffic to its platform over customized routing. Upon request, Verizon will provide WINSTAR a list of switches that can provide customized routing using line class codes or similar method (regardless of current capacity limitations). WINSTAR will return a list of these switches ranked in priority order. Verizon will return to WINSTAR a schedule for customized routing in the switches with existing capabilities and capacity. In response to the written request from WINSTAR, Verizon will provide WINSTAR with applicable charges, and terms and conditions, for providing OS and DA, branding, and customized routing. Subject to the above provisions, Verizon will choose the method of implementing customized routing of OS/DA calls. When Verizon offers customized routing to WINSTAR, WINSTAR will be responsible for the transport to route OS/DA traffic to the designated platform. If a dedicated transport UNE is used to route OS/DA traffic to the designated platform, WINSTAR must purchase a trunk side port and establish a collocation arrangement in accordance with the Collocation Attachment. If the dedicated transport UNE used to route OS/DA traffic to the designated platform is ordered out of the applicable access tariff, no collocation arrangement or trunk side port is required.
- 2.15 OSS. The OSS UNE is defined as operations support system functions consisting of pre-ordering (including nondiscriminatory access to the same detailed information about loop qualification information that is available to Verizon), ordering, provisioning, maintenance and repair, and billing functions supported by Verizon's databases and information. In accordance with Rule 51.319(g), Verizon will not make the loop qualification information available as an UNE before May 17, 2000. Upon written request by WINSTAR or Verizon, the Parties shall engage in further good faith negotiations regarding the implementation of such information as an UNE.
- 2.16 Line Sharing. The line sharing UNE is defined as the frequency range above the voiceband on a copper loop facility that is being used to carry analog circuit-switched voiceband transmissions. Upon written request by WINSTAR or Verizon, the Parties shall engage in further good faith negotiations regarding, and take all reasonable steps necessary to ensure, the implementation of line sharing as an UNE. In accordance with par. 161 of the Line Sharing Order, Verizon may not be able to make Line Sharing available as an UNE before June 6, 2000.

3. Combinations.

Verizon will offer combinations of UNEs (UNE-P) where the elements are already combined in Verizon's network, subject to the limitations, requirements and restrictions of Applicable Law, including, without limitation, Rule 51.319, the Line Sharing Order, the UNE Remand Order and the Act. Verizon is no longer required to provide OS/DA as a UNE where Verizon offers customized routing. Nevertheless, Verizon will continue to provide OS/DA based on market rates (see Appendix A) until the Parties negotiate a separate OS/DA agreement. In the alternative, WINSTAR can obtain an alternative provider. In addition, WINSTAR may not use any UNE combination as a substitute for special access service pending the FCC's resolution of this issue in its Fourth FNPRM in Docket No. 96-98. WINSTAR shall not have physical access to the combined UNEs in Verizon's premises. However, WINSTAR may use UNE combinations to provide a significant amount of local exchange service, in addition to exchange access service, to a particular Customer, as permitted by Applicable Law. The following are not offered in UNE-P arrangements: (a) Frame Relay; (b) ATM; (c) ADSL; and (d) AIN. WINSTAR may order the following standard UNE-Ps pursuant to this Attachment:

3.1 UNE Basic Analog Voice Grade Platform, which consists of:

- 3.1.1 UNE 2-Wire Loop;
- 3.1.2 UNE Basic Analog Line Side Port; and
- 3.1.3 UNE Shared Transport.

3.2 UNE ISDN BRI Platform, which consists of:

- 3.2.1 UNE 2-Wire Digital Loop;
- 3.2.2 UNE ISDN BRI Digital Line Side Port; and
- 3.2.3 UNE Shared Transport.

3.3 UNE ISDN PRI Platform, which consists of:

- 3.3.1 UNE DS-1 Loop;
- 3.3.2 UNE ISDN PRI Digital Trunk Side Port; and
- 3.3.3 UNE Shared Transport.

3.4 UNE DS-1 Platform, which consists of:

- 3.4.1 UNE DS-1 Loop;
- 3.4.2 UNE DS-1 Digital Trunk Side Port; and
- 3.4.3 UNE Shared Transport.

4. Operations Matters.

4.1 Ordering.

The ordering procedures for UNEs and UNE-P's are described in the GTE Guide found on Verizon's wise website <http://www.gte.com/wise>). Verizon will continue to participate in industry forums for developing service order/disconnect order formats and will incorporate appropriate industry standards. Complete and accurate forms (containing the

requisite end-user information as described in the Guide) must be provided by WINSTAR before a request can be processed. ASRs and/or LSRs submitted by WINSTAR will be reviewed by Verizon for validation and correction of errors. Errors will be referred back to WINSTAR. WINSTAR will then correct any errors that Verizon has identified and resubmit the request to Verizon electronically through a supplemental ASR/LSR.

4.2 Unauthorized Changes

If WINSTAR submits an order for UNEs or UNE-Ps 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 Verizon or another LEC using Verizon resold services or unbundled elements, and the end-user notifies Verizon that the end-user did not authorize WINSTAR to provide local exchange services to the end-user, WINSTAR must provide Verizon with written documentation of authorization from that end-user within thirty (30) Business Days of notification by Verizon. If WINSTAR cannot provide written documentation of authorization within such time frame, WINSTAR must within three (3) Business Days thereafter:

- 4.2.1 notify Verizon to change the end-user back to the LEC providing service to the end-user before the change to WINSTAR was made;
- 4.2.2 provide any end-user information and billing records WINSTAR has obtained relating to the end-user to the LEC previously serving the end-user; and
- 4.2.3 notify the end-user and Verizon that the change back to the previous LEC has been made

Furthermore, Verizon will bill WINSTAR fifty dollars (\$50.00) per affected line to compensate Verizon for switching the end-user back to the original LEC.

- 4.3 This Section 4.3 shall also apply in the case when the Customer notifies WINSTAR that the Customer did not authorize Verizon to provide local exchange services to the Customer. Letter of Authorization

Verizon will not release the Customer service record (CSR) containing Customer proprietary network information (CPNI) to WINSTAR on Verizon end-user Customer accounts unless WINSTAR first provides to Verizon a written Letter of Authorization (LOA). Such LOA may be a blanket LOA or other form agreed upon between Verizon and WINSTAR authorizing the release of such information to WINSTAR or if state or federal law provides otherwise, in accordance with such law. An LOA will be required before Verizon will process an order for UNEs or UNE-Ps provided in cases in which the subscriber currently receives local exchange or Exchange Access service from Verizon or from a local service provider other than WINSTAR. Such LOA may be a blanket LOA or such other form as agreed upon between Verizon and WINSTAR.

4.4 Provisioning.

Verizon agrees to provide UNEs and UNE-Ps in a timely manner, considering the need and volume of requests, pursuant to agreed upon service provisioning intervals. Verizon shall provide power to ordered UNEs and UNE-Ps on the same basis as Verizon provides power to itself. UNEs and UNE-Ps will be provided only when facilities are Currently Available. If facilities are not Currently Available, WINSTAR will be notified and the order will be rejected. The determination of whether or not facilities are Currently Available will be made on a case-by-case basis. WINSTAR may use the Bona Fide Request (BFR) process to request Verizon to construct facilities at WINSTAR's expense.

Verizon will use the following guidelines to determine if facilities are Currently Available to provision a requested UNE or UNE-P.

- 4.4.1 Verizon will not place new interoffice facilities or outside plant feeder or distribution facilities.
- 4.4.2 Verizon will not breach existing interoffice facilities, outside plant feeder or distribution facilities or central office cabling or wiring to install new electronics or housing for plug-in electronic cards or modules. Verizon will install new plug-in cards or modules when the housing already exists and is wired into the network.
- 4.4.3 In most circumstances, Verizon will install drops and NIDs to connect outside plant facilities to an end-user's premises to provide a UNE loop. Verizon will use the same procedures its uses to determine when a drop would routinely be installed for a Verizon Customer to determine if a drop will be installed for a UNE loop. Drops will not be installed when conditions such as excessive length, size of cable or use of fiber optics would require Verizon outside plant construction personnel to install the drop.
- 4.4.4 Verizon will not install new switches or augment switching capacity.
- 4.4.5 Verizon will not install new software or activate software requiring a new right to use fee in switching equipment. Verizon will activate software that is currently loaded in a switch but is not in use.
- 4.4.6 In certain situations, Verizon utilizes pair gain technology, such as Integrated Digital Loop Carrier (IDLC)² or analog carrier, to provision facilities. Verizon may not be able to provision a loop UNE in such cases. Where Verizon can provision a loop UNE using pair gain technology, the capabilities of such loop UNE may be limited. If WINSTAR orders a loop UNE that would normally be provisioned over facilities using pair gain technology, Verizon will use alternate facilities to provision the loop UNE if alternate facilities are Currently Available. If alternate facilities are not Currently Available, Verizon will advise WINSTAR that facilities are not available to provision the requested loop UNE.

4.5 Connections.

- 4.5.1 With the exception of shared transport, the UNEs specified above may be directly connected to WINSTAR facilities or to a third-party's facilities designated by WINSTAR to the extent technically feasible. Direct access to loops, port and local switching, and dedicated transport, that terminate in a Verizon Wire Center or other Verizon premises, must be accomplished via a collocation arrangement in that Wire Center or premise. In circumstances where collocation cannot be accomplished in the Wire Center or premise, the Parties agree to negotiate for possible alternative arrangements. Removal of existing cable pairs required for WINSTAR to connect service is the responsibility of WINSTAR.
- 4.5.2 In order to minimize adverse effects to Verizon's network, the following procedures shall apply regarding NID connection:
 - 4.5.2.1 When connecting its own loop facility directly to Verizon's NID for a residence or business Customer, WINSTAR must make a clean cut on the Verizon drop wire at the NID so that no bare wire is exposed. WINSTAR shall not remove or

² See Telcordia Technologies TR-TSY-000008, Digital Interface Between the SLC-96 Digital Loop Carrier System and Local Digital Switch and TR-TSY-000303, Integrated Digital Loop Carrier (IDLC) Requirements, Objectives and Interface

disconnect Verizon's drop wire from the NID or take any other action that might cause Verizon's drop wire to be left lying on the ground.

- 4.5.2.2 At multi-tenant Customer locations, WINSTAR must remove the jumper wire from the distribution block (i.e., the NID) to the Verizon cable termination block. If WINSTAR cannot gain access to the cable termination block, WINSTAR must make a clean cut at the closest point to the cable termination block. At WINSTAR's request and discretion, Verizon will determine the cable pair to be removed at the NID in multi-tenant locations. WINSTAR will compensate Verizon for the trip charge necessary to identify the cable pair to be removed.
- 4.5.2.3 Verizon loop elements leased by WINSTAR will be required to terminate only on a Verizon NID. If WINSTAR leasing a Verizon loop wants to connect such loop to a WINSTAR NID, WINSTAR also will be required to lease a Verizon NID for the direct loop termination and effect a NID-to-NID cross connection.
- 4.5.2.4 Rather than connecting its own loop directly to Verizon's NID, WINSTAR also may elect to install its own NID and effect a NID-to-NID cross connection to gain access to the end-user's inside wiring.
- 4.5.2.5 If WINSTAR provides its own loop facilities, WINSTAR may elect to move all inside wire terminated on a Verizon NID to one provided by WINSTAR. In this instance, a NID-to-NID cross connection will not be required. WINSTAR, or the end-user premise owner, can elect to leave the disconnected Verizon NID in place, or to remove the Verizon NID from the premises and dispose of it entirely.
- 4.5.2.6 Verizon agrees to offer its NIDs to WINSTAR for lease, but not for sale. Therefore, WINSTAR may remove Verizon identification from any Verizon NID to which it connects a WINSTAR loop, but WINSTAR shall not place its own identification on such NID.
- 4.5.2.7 Verizon shall have the right to deny any access by WINSTAR to Verizon's NID.

4.6 Conditioning.

At WINSTAR's request, and for the charge(s) described on Appendix A, Verizon will condition those lines that are unbundled pursuant to this Attachment to remove load coils, bridge taps, low pass filters, range extenders and other devices to allow such lines to be provisioned in a manner that will allow for the transmission of digital signals required for ISDN and ADSL services, or, in the case of analog lines, to meet specific transmission parameters (e.g., Type C, Type DA, Improved C). dedicated transport may be conditioned for DS-1 clear channel capability

4.7 Line Testing.

Upon WINSTAR's request, and for the charge(s) described on Appendix A, Verizon will test and report trouble for all features, functions, and capabilities of conditioned lines, subject to all of the following limitations and conditions:

- 4.7.1 Such testing must be technically feasible.
- 4.7.2 If WINSTAR has directly connected its facilities to a loop, Verizon will not perform routine testing of the loop for maintenance purposes. WINSTAR will be required to perform its own testing and notify Verizon of service problems. Verizon will perform repair and maintenance once trouble is identified by WINSTAR. If the loop is combined with dedicated transport, WINSTAR will not have access to the loop in the wire center. In this

case, Verizon will perform routine testing of the loop and perform repair and maintenance once trouble is identified

- 4.7.3 All loop facilities provided by Verizon on the premises of WINSTAR's end-users, up to the network interface or demarcation point, are the property of Verizon. Verizon must have access to all such facilities for network management purposes. Verizon employees and agents may enter said premises at any reasonable hour to test and inspect such facilities in conjunction with such purposes or, upon termination or cancellation of the loop, to remove such facility
- 4.7.4 If WINSTAR leases loops that are conditioned to transmit digital signals, as part of that conditioning, Verizon will test the loop UNE and provide recorded test results to WINSTAR. In maintenance and repair cases, if loop tests are performed, Verizon will provide any recorded readings to WINSTAR at the time the trouble ticket is closed in the same manner as Verizon provides the same to itself and/or its end-users.

4.8 Loop Interference and Maintenance.

If WINSTAR's deployment of service enhancing technology interferes with existing or planned service enhancing technologies deployed by Verizon or other CLECs in the same cable sheath, Verizon will so notify WINSTAR and WINSTAR will immediately remove such interfering technology and shall reimburse Verizon for all costs and expenses incurred related to this interference. When WINSTAR provides its own loop and connects directly to Verizon's NID, Verizon does not have the capability to perform routine maintenance. WINSTAR can perform routine maintenance via its loop and inform Verizon once the trouble has been isolated to the Verizon NID and Verizon will repair (or replace) the NID, or, at WINSTAR's option, effect a NID-to-NID cross connection, using the Verizon NID only to gain access to the inside wire at the Customer location.

5 Financial Matters.

5.1 Rates and Charges.

The monthly recurring charges (MRCs) and non-recurring charges (NRCs) applicable for the UNEs and UNE-Ps, and related services made available under this Attachment are set forth in Appendix A attached hereto and made a part of this Attachment. Compensation arrangements for the exchange of switched traffic between WINSTAR and Verizon when WINSTAR uses a Verizon port, local switching and shared transport shall be as set forth in Appendix A.

5.2 Billing.

Verizon will utilize CBSS to produce the required bills for UNEs ordered via the LSR process. This includes NIDs, loops, loops combined with port, ports and local switching and shared transport. State or sub-state level billing will include up to thirty (30) summary bill accounts. Timing of messages applicable to Verizon's port and circuit switching UNEs (usage sensitive services) will be recorded based on originating and terminating access. Verizon will utilize CABS to produce the required bills for UNEs and UNE-Ps ordered via the ASR process. This includes dedicated transport and loops combined with dedicated transport. Incollects are calls that are placed using the services of Verizon or another LEC or local service provider and billed to a UNE port, INP number, or LNP number of WINSTAR. Outcollects are calls that are placed using a WINSTAR UNE port and billed to a Verizon line or the line of another LEC or local service provider. Examples of an incollect or an outcollect are collect and credit card calls.

- 5.2.1 Incollects. Verizon will provide the rated record it receives from the CMDS network, or which Verizon records (non-intercompany), to WINSTAR for billing to WINSTAR's end-users. Verizon will settle with the earning company, and will bill WINSTAR the amount of each incollect record less the Billing & Collection (B&C) fee for end-user billing of the incollects. The B&C credit associated with WINSTAR's incollect messages that are incurred by Verizon will be billed to WINSTAR on the monthly statement.
- 5.2.2 Outcollects. When the Verizon end office switch from which the UNE port is served utilizes a Verizon operator services platform, Verizon will provide to WINSTAR the unrated message detail that originates from a WINSTAR resale service line or UNE port, but which is billed to a telephone number other than the originating number (e.g., calling card, bill-to-third number, etc.). As the local service provider, WINSTAR will be deemed the earning company and will be responsible for rating the message at WINSTAR's rates and for providing the billing message detail to the billing company for end-user billing. WINSTAR will pay to Verizon charges as agreed to for services purchased, and WINSTAR will be compensated by the billing company for the revenue due to WINSTAR. When a non-Verizon entity provides operator services to the Verizon end office from which the resale line or UNE port is provisioned, WINSTAR must contract with the operator services provider to obtain any EMI records required by WINSTAR.

5.3 Measurement of Originating Usage.

Verizon shall record usage data originating from WINSTAR Customers that Verizon records with respect to its own retail Customers, using services order by WINSTAR. On UNE port accounts, Verizon will provide usage in EMI format per existing file exchange schedules.

5.4 Measurement of Terminating Usage.

Until such time as industry standards are implemented for recording and measuring terminating local calls, the Parties agree to use factors to estimate terminating usage based on originating usage. Where originating usage cannot be measured, the Parties agree to use assumed minutes. The applicable factors and assumed minutes are set forth in Appendix A.

5.5 Switched Access Usage.

Verizon will provide WINSTAR switched access usage records (AURs) in EMI Category 11 format for those UNEs which contain this switched access usage component. WINSTAR agrees to follow applicable industry standards for the meet-point billing of switched access usage as defined in MECAB.

**APPENDIX A TO THE UNBUNDLED NETWORK ELEMENTS ATTACHMENT
PRICES FOR UNBUNDLED NETWORK ELEMENTS**

General The rates contained in this Appendix A are the rates as defined in the UNE Attachment and are subject to change resulting from future Commission or other proceedings, including but not limited to any generic proceeding to determine Verizon's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered Verizon costs (including Verizon's interim Service Support Surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other litigation. Verizon will offer unbundled loops and ports under the following conditions:

The following bold provisions ("Provisions") are inoperable in this Agreement because the Commission has rejected them consistently in previously submitted Agreements. Based upon such previous Commission action, Verizon concludes that the Provisions must likewise be made inoperable in this Agreement. Nevertheless, Verizon believes the Provisions are required by the law, and are consistent with Sections 252(e) of the Telecommunications Act of 1996. Thus, Verizon reserves the right to challenge the necessity and appropriateness of the Provisions in the future.

Interim Universal Service Support Charge. Verizon assesses a separate interim universal service fund surcharge for loops and ports to provide continued universal service support that is implicit in Verizon's current retail services prices; and to respect the careful distinctions Congress has drawn between access to UNEs, on the one hand, and the purchase at wholesale rates of Verizon services on the other. This surcharge is being addressed (or will be addressed) by the Commission or a court of competent jurisdiction. The parties agree that Verizon will offer the port and loop UNEs at the rates set forth below in Appendix A without the interim surcharge, but subject to the following terms and conditions:

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

WINSTAR neither agrees with such assertions or contentions of Verizon with regard to the Interim Universal Service Charge, nor waives and hereby expressly reserves all of its rights to oppose or continue to oppose any and all such assertions or contentions by Verizon.

Local Loop

| | |
|--|-----------|
| 2 Wire Analog Loop (inclusive of NID) | |
| Zone 1 | \$ 13.63 |
| Zone 2 | \$ 35.45 |
| Zone 3 | \$ 78.77 |
| 4 Wire Analog Loop (inclusive of NID) | |
| Zone 1 | \$ 19.83 |
| Zone 2 | \$ 50.81 |
| Zone 3 | \$ 112.89 |
| 2 Wire Digital Loop (inclusive of NID) | |

| | | |
|--|----|----------|
| Zone 1 | \$ | 13.63 |
| Zone 2 | \$ | 35.45 |
| Zone 3 | \$ | 78.77 |
| 4 Wire Digital Loop (inclusive of NID) | | |
| Zone 1 | \$ | 19.83 |
| Zone 2 | \$ | 50.81 |
| Zone 3 | \$ | 112.89 |
| DS-1 Loop | \$ | 126.39 |
| DS-3 Loop | \$ | 1,584.00 |
| Supplemental Features: | | |
| ISDN-BRI Line Loop Extender | | TBD |
| DS1 Clear Channel Capability | \$ | 24.00 |

Subloop

| | | |
|---------------------|----|-------|
| 2-Wire Feeder | \$ | 11.90 |
| 2-Wire Distribution | \$ | 22.11 |
| 4-Wire Feeder | \$ | 23.16 |
| 4-Wire Distribution | \$ | 43.01 |
| 2-Wire Drop | \$ | 4.42 |
| 4-Wire Drop | \$ | 8.60 |
| Inside Wire | | BFR |

Network Interface Device (leased separately)

| | | |
|--------------------|----|------|
| Basic NID | \$ | .82 |
| Complex (12 x) NID | \$ | 1.10 |

Switching

| | | |
|----------------------------------|----|--------|
| Port | | |
| Basic Analog Line Side Port | \$ | 6.16 |
| Coin Line Side Port | \$ | 11.76 |
| ISDN BRI Digital Line Side Port | \$ | 29.50 |
| DS-1 Digital Trunk Side Port | \$ | 212.83 |
| ISDN PRI Digital Trunk Side Port | \$ | 417.48 |

Vertical Features See Attached List

Usage Charges (must purchase Port)

| | | |
|--|-------------|--|
| Local Central Office Switching | | |
| (Overall Average MOU) | \$0.0067094 | |
| Common Shared Transport | | |
| Transport Facility (Average MOU/ALM) | \$0.0000350 | |
| Transport Termination (Average MOU/Term) | \$0.0002195 | |
| Tandem Switching (Average MOU) | \$0.0048171 | |

| | |
|----------------------------------|------|
| Terminating to Originating Ratio | 1.00 |
| Assumed Minutes | TBD |

Operator and Directory Assistance Services (OS/DA)

| | |
|----------------------------------|-------------|
| National DA | \$0.5500000 |
| DA | \$0.4500000 |
| Mechanized Operator Calling Card | \$0.0890000 |

| | |
|-----------------------------------|-------------|
| Live Operator | \$0.4490000 |
| Originating Line Number Screening | \$0.0180000 |
| Call Detail Record | \$0.0200000 |
| Busy Line Verify | \$0.9900000 |
| Busy Line Interrupt | \$1.0500000 |

Dedicated Transport Facilities

| | |
|------------------------------------|-----------|
| CLEC Dedicated Transport | |
| CDT 2 Wire | \$ 39.80 |
| CDT 4 Wire | \$ 61.46 |
| CDT DS1 | \$ 118.90 |
| CDT DS3 Optical Interface | \$ 675.00 |
| CDT DS3 Electrical Interface | \$ 900.00 |
| Interoffice Dedicated Transport | |
| IDT DS0 Transport Facility per ALM | \$.50 |
| IDT DS0 Transport Termination | \$ 11.86 |
| IDT DS1 Transport Facility per ALM | \$ 2.86 |
| IDT DS1 Transport Termination | \$ 71.88 |
| IDT DS3 Transport Facility per ALM | \$ 13.20 |
| IDT DS3 Transport Termination | \$ 174.45 |
| Multiplexing | |
| DS1 to Voice Multiplexing | \$ 204.03 |
| DS3 to DS1 Multiplexing | \$ 845.56 |
| DS1 Clear Channel Capability | \$ 24.00 |

Unbundled Dark Fiber

| | |
|--|----------|
| Unbundled Dark Fiber Loops/Subloops | |
| Dark Fiber Loop | \$ 67.13 |
| Dark Fiber Subloop - Feeder | \$ 53.17 |
| Dark Fiber Subloop - Distribution | \$ 13.96 |
| Unbundled Dark Fiber Dedicated Transport | |
| Dark Fiber IDT -Facility | \$ 24.80 |
| Dark Fiber IDT -Termination | \$ 6.34 |

Packet Switching BFR

Call Related Database BFR

Service Management System BFR

OSS BFR

UNE-P Pricing

MRCs. The MRC for a UNE-P will generally be equal to the sum of the MRCs for the combined UNEs (e.g. the total of the UNE loop charge plus the UNE port charges in the Agreement (see Note A) plus UNE local switching (per minute originating usage plus T/O factor to determine terminating minutes) based on UNE local switching rates in the Agreement plus UNE shared transport and tandem switching (based on factors for percent interoffice and tandem switch usage, plus assumed transport mileage of 10

miles and 2 terms) based on UNE shared transport rates in the Agreement plus UNE Vertical Services charges (optional per line charges, if allowed by the Agreement).

(Note A): UNE platforms are available in four loop/port configurations as shown below. If the price for any component of these platforms is not set forth herein, Verizon will use the ICB process to determine the appropriate price and TBD pricing shall apply.

UNE Basic Analog Voice Grade Platform consists of the following components:

- UNE 2-wire Analog loop; and
- UNE Basic Analog Line Side port

UNE ISDN BRI Platform consists of the following components:

- UNE 2-wire Digital loop; and
- UNE ISDN BRI Digital Line Side port

UNE ISDN PRI Platform consists of the following components.

- UNE DS1 loop; and
- UNE ISDN PRI Digital Trunk Side port

UNE DS1 Platform consists of the following components:

- UNE DS1 loop; and
- UNE DS1 Digital Trunk Side port

NRCs. On an interim basis, until NRCs specific to UNE-P have been established, the Initial Service Order Charge for ports will be billed for all UNE combination orders. Central Office Line Connection or Outside Facility Fieldwork charges will be applied as incurred on UNE combination orders. Verizon reserves the right to apply new NRCs specific to UNE-P when such NRCs have been developed.

Optional NRCs will apply as ordered by the CLEC including such charges as Expedites, Coordinated Conversions, loop Conditioning, etc.

Operator Services and Directory Assistance Services (OS/DA). If WINSTAR does not initially utilize available customized routing services to re-route OS/DA calls to its own or another party's operator services platform, Verizon will bill the CLEC for OS/DA calls at a market-based ICB rate pending WINSTAR's completion of a separate OS/DA agreement.

Universal Service Support Surcharge

| | |
|----------|----------|
| Per Loop | \$ 15.53 |
| Per Port | \$ 15.53 |

TEXAS UNBUNDLED VERTICAL FEATURES

| VERTICAL FEATURES | | (Filed 8/14/98 Subject to Availability) |
|---|------------------|--|
| Three Way Calling | \$/Feature/Month | \$1.51 |
| Call Forwarding Variable | \$/Feature/Month | \$0.45 |
| Cust. Changeable Speed Calling 1-Digit | \$/Feature/Month | \$0.28 |
| Cust. Changeable Speed Calling 2-Digit | \$/Feature/Month | \$0.39 |
| Call Waiting | \$/Feature/Month | \$0.17 |
| Cancel Call Waiting | \$/Feature/Month | \$0.06 |
| Automatic Callback | \$/Feature/Month | \$0.25 |
| Automatic Recall | \$/Feature/Month | \$0.13 |
| Calling Number Delivery | \$/Feature/Month | \$0.13 |
| Calling Number Delivery Blocking | \$/Feature/Month | \$0.43 |
| Distinctive Ringing / Call Waiting | \$/Feature/Month | \$0.54 |
| Customer Originated Trace | \$/Feature/Month | \$0.16 |
| Selective Call Rejection | \$/Feature/Month | \$0.64 |
| Selective Call Forwarding | \$/Feature/Month | \$0.82 |
| Selective Call Acceptance | \$/Feature/Month | \$0.97 |
| Call Forwarding Variable CTX | \$/Feature/Month | \$0.38 |
| Call Forwarding Incoming Only | \$/Feature/Month | \$0.35 |
| Call Forwarding Within Group Only | \$/Feature/Month | \$0.21 |
| Call Forwarding Busy Line | \$/Feature/Month | \$0.21 |
| Call Forwarding Don't Answer All Calls | \$/Feature/Month | \$0.25 |
| Remote Call Forward | \$/Feature/Month | \$2.72 |
| Call Waiting Originating | \$/Feature/Month | \$0.11 |
| Call Waiting Terminating | \$/Feature/Month | \$0.17 |
| Cancel Call Waiting CTX | \$/Feature/Month | \$0.02 |
| Three Way Calling CTX | \$/Feature/Month | \$0.61 |
| Call Transfer Individual All Calls | \$/Feature/Month | \$0.24 |
| Add-on Consultation Hold Incoming Only | \$/Feature/Month | \$0.21 |
| Speed Calling Individual 1-Digit | \$/Feature/Month | \$0.11 |
| Speed Calling Individual 2-Digit | \$/Feature/Month | \$0.21 |
| Direct Connect | \$/Feature/Month | \$0.10 |
| Distinctive Alerting / Call Waiting Indicator | \$/Feature/Month | \$0.08 |
| Call Hold | \$/Feature/Month | \$0.34 |
| Semi-Restricted (Orig/Term) | \$/Feature/Month | \$1.79 |
| Fully-Restricted (Orig/Term) | \$/Feature/Month | \$1.79 |
| Toll Restricted Service | \$/Feature/Month | \$0.23 |
| Call Pick-up | \$/Feature/Month | \$0.12 |
| Directed Call Pick-up w/Barge-In | \$/Feature/Month | \$0.12 |
| Directed Call Pick-up w/o Barge-In | \$/Feature/Month | \$0.13 |
| Special Intercept Announcements | \$/Feature/Month | \$7.91 |
| Conference Calling - 6-Way Station Cont. | \$/Feature/Month | \$29.79 |
| Station Message Detail Recording | \$/Feature/Month | \$12.96 |
| Station Message Detail Recording to Premises | \$/Feature/Month | \$32.62 |

| VERTICAL FEATURES | | (Filed 8/14/98 Subject to Availability) |
|--|------------------|--|
| Fixed Night Service - Key | \$/Feature/Month | \$4.13 |
| Attendant Camp-on (Non-DI Console) | \$/Feature/Month | \$0.67 |
| Attendant Busy Line Verification | \$/Feature/Month | \$20.14 |
| Control of Facilities | \$/Feature/Month | \$0.03 |
| Fixed Night Service - Call Forwarding | \$/Feature/Month | \$2.57 |
| Attendant Conference | \$/Feature/Month | \$79.17 |
| Circular Hunting | \$/Feature/Month | \$2.71 |
| Preferential Multiline Hunting | \$/Feature/Month | \$0.05 |
| Uniform Call Distribution | \$/Feature/Month | \$7.84 |
| Stop Hunt Key | \$/Feature/Month | \$6.36 |
| Make Busy Key | \$/Feature/Month | \$6.38 |
| Queuing | \$/Feature/Month | \$11.61 |
| Automatic Route Selection | \$/Feature/Month | \$2.37 |
| Facility Restriction Level | \$/Feature/Month | \$0.29 |
| Expansive Route Warning Tone | \$/Feature/Month | \$0.03 |
| Time-of-Day Routing Control | \$/Feature/Month | \$11.10 |
| Foreign Exchange Facilities | \$/Feature/Month | \$9.18 |
| Anonymous Call Rejection | \$/Feature/Month | \$4.73 |
| Basic Business Group Sta-Sta ICM | \$/Feature/Month | \$0.60 |
| Basic Business Group CTX | \$/Feature/Month | \$0.13 |
| Basic Business Group DOD | \$/Feature/Month | \$0.06 |
| Basic Business Auto ID Outward Dialing | \$/Feature/Month | \$0.00 |
| Basic Business Group DID | \$/Feature/Month | \$0.00 |
| Business Set Group Intercom All Calls | \$/Feature/Month | \$5.38 |
| Dial Call Waiting | \$/Feature/Month | \$0.19 |
| Loudspeaker Paging | \$/Feature/Month | \$8.82 |
| Recorded Telephone Dictation | \$/Feature/Month | \$10.10 |
| On-Hook Queuing for Outgoing Trunks | \$/Feature/Month | \$0.36 |
| Off-Hook Queuing for Outgoing Trunks | \$/Feature/Month | \$0.03 |
| Teen Service | \$/Feature/Month | \$0.07 |
| Bg - Automatic Call Back | \$/Feature/Month | \$0.16 |
| Voice/Data Protection | \$/Feature/Month | \$0.00 |
| Authorization Codes for Afr | \$/Feature/Month | \$0.10 |
| Account Codes for Afr | \$/Feature/Month | \$0.33 |
| Code Restriction Diversion | \$/Feature/Month | \$0.32 |
| Code Calling | \$/Feature/Month | \$12.05 |
| Meet-Me Conference | \$/Feature/Month | \$9.10 |
| Call Park | \$/Feature/Month | \$0.15 |
| Executive Busy Override | \$/Feature/Month | \$0.09 |
| Last Number Redial | \$/Feature/Month | \$0.10 |
| Direct Inward System Access | \$/Feature/Month | \$0.14 |
| Authorization Code Immediate Dialing | \$/Feature/Month | \$0.00 |
| Bg - Speed Calling Shared | \$/Feature/Month | \$0.01 |
| Attendant Recall from Satellite | \$/Feature/Month | \$3.89 |

| VERTICAL FEATURES | | (Filed 8/14/98 Subject to Availability) |
|---|------------------|--|
| Bg - Speed Calling 2-Shared | \$/Feature/Month | \$0.02 |
| Business Set - Call Pick-up | \$/Feature/Month | \$0.09 |
| Authorization Code for Mdr | \$/Feature/Month | \$0.00 |
| Locked Loop Operation | \$/Feature/Month | \$0.00 |
| Attendant Position Busy | \$/Feature/Month | \$2.11 |
| Two-Way Splitting | \$/Feature/Month | \$6.56 |
| Call Forwarding - All (Fixed) | \$/Feature/Month | \$0.44 |
| Business Group Call Waiting | \$/Feature/Month | \$0.00 |
| Music on Hold | \$/Feature/Month | \$1.12 |
| Automatic Alternate Routing | \$/Feature/Month | \$0.45 |
| DTMF Dialing | \$/Feature/Month | \$0.08 |
| BG DTMF Dialing | \$/Feature/Month | \$0.07 |
| Business Set Access to Paging | \$/Feature/Month | \$2.79 |
| Call Flip-Flop (Ctx-A) | \$/Feature/Month | \$0.47 |
| Selective Calling Waiting (Class) | \$/Feature/Month | \$0.34 |
| Direct Inward Dialing | \$/Feature/Month | \$8.98 |
| Customer Dialed Account Recording | \$/Feature/Month | \$1.44 |
| Deluxe Automatic Route Selection | \$/Feature/Month | \$24.29 |
| MDC Attendant Console | \$/Feature/Month | \$29.72 |
| Warm Line | \$/Feature/Month | \$0.02 |
| Calling Name Delivery | \$/Feature/Month | \$0.35 |
| Call Forwarding Enhancements | \$/Feature/Month | \$0.00 |
| Caller ID Name and Number | \$/Feature/Month | \$1.06 |
| InContact | \$/Feature/Month | \$1.68 |
| Call Waiting ID | \$/Feature/Month | \$0.09 |
| Att'd ID on Incoming Calls | \$/Feature/Month | \$5.12 |
| Privacy Release | \$/Feature/Month | \$0.51 |
| Display Calling Number | \$/Feature/Month | \$0.26 |
| Six-Port Conference | \$/Feature/Month | \$43.27 |
| Business Set Call Back Queuing | \$/Feature/Month | \$0.01 |
| ISDN Code Calling - Answer | \$/Feature/Month | \$0.28 |
| Att'd Call Park | \$/Feature/Month | \$2.60 |
| Att'd Autodial | \$/Feature/Month | \$1.27 |
| Att'd Speed Calling | \$/Feature/Month | \$2.15 |
| Att'd Console Test | \$/Feature/Month | \$0.14 |
| Att'd Delayed Operation | \$/Feature/Month | \$0.00 |
| Att'd Lockout | \$/Feature/Month | \$0.00 |
| Att'd Multiple Listed Directory Numbers | \$/Feature/Month | \$0.00 |
| Att'd Secrecy | \$/Feature/Month | \$1.04 |
| Att'd Wildcard Key | \$/Feature/Month | \$0.43 |
| Att'd Flexible Console Alerting | \$/Feature/Month | \$0.00 |
| Att'd VFG Trunk Group Busy on Att'd Console | \$/Feature/Month | \$0.22 |
| Att'd Console Act/Deact of CFU/CFT | \$/Feature/Month | \$1.96 |
| Att'd Display of Queued Calls | \$/Feature/Month | \$0.04 |

| | | |
|------------------------------|------------------|--|
| VERTICAL FEATURES | | (Filed 8/14/98 Subject to Availability) |
| Att'd Interposition Transfer | \$/Feature/Month | \$0.28 |
| Att'd Automatic Recall | \$/Feature/Month | \$0.89 |

**APPENDIX A-1 TO THE UNBUNDLED NETWORK ELEMENTS ATTACHMENT
PRICES FOR UNBUNDLED NETWORK ELEMENTS (NON-RECURRING CHARGES)**

| LOCAL WHOLESALE SERVICES | Ordering 100% Manual | Ordering Semi- Mech. | Provisioning Initial Unit | Provisioning Addtl Unit |
|--|-------------------------------------|-------------------------------------|--|--|
| UNBUNDLED LOOP | | | | |
| Exchange - Basic - Initial | \$ 38.75 | \$ 27.60 | \$ 42.17 | \$ 38.81 |
| Exchange - Basic - Subsequent | \$ 17.44 | \$ 12.55 | \$ 14.49 | \$ 13.53 |
| Exchange - Complex Nondigital - Initial | \$ 40.56 | \$ 25.03 | \$107.58 | \$ 26.61 |
| Exchange - Complex Nondigital - Subsequent | \$ 18.87 | \$ 13.98 | \$ 14.49 | \$ 13.53 |
| Exchange - Complex Digital - Initial | \$ 40.56 | \$ 25.03 | \$ 96.76 | \$ 26.53 |
| Exchange - Complex Digital - Subsequent | \$ 18.87 | \$ 13.98 | \$ 14.49 | \$ 13.53 |
| Advanced - Basic - Initial | \$ 36.18 | \$ 25.03 | \$573.73 | \$202.79 |
| Advanced - Complex - Initial | \$ 40.56 | \$ 25.03 | \$569.13 | \$303.39 |
| UNBUNDLED PORT | | | | |
| Exchange - Basic - Initial | \$ 33.04 | \$ 21.89 | \$ 31.29 | \$ 29.38 |
| Exchange - Basic - Subsequent (Port Feature) | \$ 19.78 | \$ 14.89 | \$ 1.14 | \$ 1.14 |
| Exchange - Basic - Subsequent (CO Interconnection) | \$ 19.78 | \$ 14.89 | \$ 14.49 | \$ 13.53 |
| Exchange - Complex Nondigital - Initial | \$ 43.54 | \$ 28.01 | \$ 75.32 | \$ 38.01 |
| Exchange - Complex Nondigital - Subsequent (Port Feature) | \$ 25.90 | \$ 21.01 | \$ 6.23 | \$ 6.23 |
| Exchange - Complex Nondigital - Subsequent (Switch Feature Group) | \$ 30.28 | \$ 21.01 | \$ 23.06 | \$ - |
| Exchange - Complex Nondigital - Subsequent (CO Interconnection) | \$ 25.90 | \$ 21.01 | \$ 14.49 | \$ 13.53 |
| Exchange - Complex Digital - Initial | \$ 43.54 | \$ 28.01 | \$129.72 | \$ 32.97 |
| Exchange - Complex Digital - Subsequent (Port Feature) | \$ 25.90 | \$ 21.01 | \$ 5.45 | \$ 5.45 |
| Exchange - Complex Digital - Subsequent (Switch Feature Group) | \$ 30.28 | \$ 21.01 | \$ 23.06 | \$ - |
| Exchange - Complex Digital - Subsequent (CO Interconnection) | \$ 25.90 | \$ 21.01 | \$ 14.49 | \$ 13.53 |
| Advanced - Basic - Initial | TBD | TBD | TBD | TBD |
| Advanced - Complex - Initial | TBD | TBD | TBD | TBD |
| Advanced - Basic - Subsequent | TBD | TBD | TBD | TBD |
| Advanced - Complex - Subsequent | TBD | TBD | TBD | TBD |
| UNBUNDLED NID | | | | |
| Exchange - Basic | \$ 27.06 | \$ 18.83 | \$ 33.99 | N/A |
| SUBLOOP | | | | |
| Exchange - MDF Interconnection - Initial | \$ 36.32 | \$ 26.88 | \$ 48.65 | \$ 34.50 |
| Exchange - MDF Interconnection - Subsequent | \$ 15.01 | \$ 11.83 | \$ 14.18 | \$ 13.22 |
| Exchange - FDI Feeder Interconnection - Initial | \$ 36.32 | \$ 26.88 | \$ 46.20 | \$ 24.97 |
| Exchange - FDI Feeder Interconnection - Subsequent | \$ 15.01 | \$ 11.83 | \$ 16.99 | \$ 7.22 |
| Exchange - FDI Distribution Interconnection - Initial | \$ 36.32 | \$ 26.88 | \$ 61.90 | \$ 30.36 |
| Exchange - FDI Distribution Interconnection - Subsequent | \$ 15.01 | \$ 11.83 | \$ 16.99 | \$ 7.22 |

| | | | | |
|--|----------|----------|----------|----------|
| Exchange - Serving Terminal Interconnection - Initial | \$ 36.32 | \$ 26.88 | \$ 28.99 | \$ 15.51 |
| Exchange - Serving Terminal Interconnection - Subsequent | \$ 15.01 | \$ 11.83 | \$ 13.23 | \$ 6.41 |

DARK FIBER

| | | | | |
|--|----------|----------|----------|----------|
| Advanced - Service Inquiry Charge | \$405.87 | \$405.65 | N/A | N/A |
| Advanced - Interoffice Dedicated Transport - Initial | \$ 64.80 | \$ 64.57 | \$267.28 | \$224.68 |
| Advanced - Unbundled Loop - Initial | \$ 64.80 | \$ 64.57 | \$261.86 | \$220.43 |
| Advanced - Subloop Feeder - Initial | \$ 64.80 | \$ 64.57 | \$261.86 | \$220.43 |
| Advanced - Subloop Distribution - Initial | \$ 64.80 | \$ 64.57 | \$264.84 | \$216.19 |

ENHANCED EXTENDED LINK

| | | | | |
|-------------------------------|----------|----------|----------|-----|
| Advanced - Basic - Initial | \$ 88.39 | \$ 56.13 | \$397.31 | N/A |
| Advanced - Basic - Subsequent | \$ 38.02 | \$ 21.89 | \$ 49.53 | N/A |
| DS0 - Initial | \$ 88.39 | \$ 56.13 | \$482.99 | N/A |
| DS0 - Subsequent | \$ 38.02 | \$ 21.89 | \$ -- | N/A |
| DS1/DS3 - Initial | \$ 97.94 | \$ 65.68 | \$384.08 | N/A |
| DS1/DS3 - Subsequent | \$ 38.02 | \$ 21.89 | \$ 9.90 | N/A |

LOOP CONDITIONING

(No charge for loops 12,000 feet or less)

| | | | | |
|---|-----|-----|----------|----------|
| Loop Conditioning - Bridged Tap | N/A | N/A | \$318.71 | \$ 35.75 |
| Loop Conditioning - Load Coils | N/A | N/A | \$249.91 | \$ 47.03 |
| Loop Conditioning - Load Coils / Bridged Tap | N/A | N/A | \$568.62 | \$ 82.77 |
| Loop Conditioning - Feeder - Bridged Tap | TBD | TBD | TBD | TBD |
| Loop Conditioning - Feeder - Load Coils | TBD | TBD | TBD | TBD |
| Loop Conditioning - Feeder - Load Coils / Bridged Tap | TBD | TBD | TBD | TBD |
| Loop Conditioning - Distribution - Bridged Tap | TBD | TBD | TBD | TBD |
| Loop Conditioning - Distribution - Load Coils | TBD | TBD | TBD | TBD |
| Loop Conditioning - Distribution - Load Coils / Bridged Tap | TBD | TBD | TBD | TBD |

UNE PLATFORM

| | | | | |
|---|----------|----------|----------|----------|
| Exchange - Basic - Initial | \$ 31.57 | \$ 22.13 | \$ 28.23 | \$ 26.58 |
| Exchange - Basic - Subsequent | \$ 16.44 | \$ 13.26 | \$ 1.08 | \$ 1.08 |
| Exchange - Basic - Changeover | \$ 19.93 | \$ 15.54 | \$ 0.90 | \$ 0.90 |
| Exchange - Complex Nondigital - Initial | \$ 41.35 | \$ 27.53 | \$162.41 | \$ 31.70 |
| Exchange - Complex Nondigital - Subsequent (Port Feature) | \$ 16.44 | \$ 13.26 | \$ 5.89 | \$ 5.89 |
| Exchange - Complex Nondigital - Subsequent (Switch Feature Group) | \$ 20.82 | \$ 13.26 | \$ 22.73 | \$ 22.73 |
| Exchange - Complex Nondigital - Changeover (As Is) | \$ 22.35 | \$ 17.96 | \$ 3.61 | \$ 3.61 |
| Exchange - Complex Nondigital - Changeover (As Specified) | \$ 30.08 | \$ 21.31 | \$ 20.97 | \$ 3.61 |
| Exchange - Complex Digital - Initial | \$ 41.35 | \$ 27.53 | \$205.75 | \$ 28.18 |
| Exchange - Complex Digital - Subsequent (Port Feature) | \$ 16.44 | \$ 13.26 | \$ 5.15 | \$ 5.15 |
| Exchange - Complex Digital - Subsequent (Switch Feature Group) | \$ 20.82 | \$ 13.26 | \$ 22.73 | \$ 22.73 |
| Exchange - Complex Digital - Changeover (As Is) | \$ 22.35 | \$ 17.96 | \$ 4.18 | \$ 4.18 |
| Exchange - Complex Digital - Changeover (As Specified) | \$ 30.08 | \$ 21.31 | \$ 80.98 | \$ 4.18 |
| Advanced - Complex - Initial | \$ 48.35 | \$ 34.53 | \$681.24 | \$303.66 |
| Advanced - Complex - Subsequent | \$ 20.82 | \$ 13.26 | \$ 65.81 | \$ 48.47 |

| | | | | |
|--|----------|----------|----------|----------|
| Advanced - Complex - Changeover (As Is) | \$ 24.06 | \$ 19.67 | \$ 51.51 | \$ 34.17 |
| Advanced - Complex - Changeover (As Specified) | \$ 37.08 | \$ 28.31 | \$ 82.31 | \$ 64.97 |

DEDICATED TRANSPORT

| | | | | |
|---------------------------------|----------|----------|----------|-----|
| Advanced - Basic - Initial | \$ 95.49 | \$ 63.01 | \$428.58 | N/A |
| Advanced - Basic - Subsequent | \$ 45.12 | \$ 28.77 | \$ 58.20 | N/A |
| Advanced - Complex - Initial | \$105.04 | \$ 72.56 | \$584.49 | N/A |
| Advanced - Complex - Subsequent | \$ 45.12 | \$ 28.77 | \$ 86.80 | N/A |

SIGNALING SYSTEM 7 (SS7)

| | | | | |
|--|----------|----------|----------|-----|
| Facilities and Trunks - Initial | \$237.67 | \$205.19 | \$568.54 | N/A |
| Facilities and Trunks - Subsequent (with Engineering Review) | \$ 71.58 | \$ 55.23 | \$213.12 | N/A |
| Facilities and Trunks - Subsequent (w/o Engineering Review) | \$ 71.58 | \$ 55.23 | \$ 67.28 | N/A |

SIGNALING SYSTEM 7 (SS7) (cont'd)

| | | | | |
|--|----------|----------|----------|-----|
| Trunks Only - Initial | \$126.13 | \$ 93.65 | \$505.41 | N/A |
| Trunks Only - Subsequent (with Engineering Review) | \$ 49.46 | \$ 33.11 | \$202.03 | N/A |
| Trunks Only - Subsequent (w/o Engineering Review) | \$ 49.46 | \$ 33.11 | \$ 67.28 | N/A |
| STP Ports (SS7 Links) | \$237.67 | \$205.19 | \$438.81 | N/A |
| Entrance Facility/Dedicated Transport DS0 - Initial | \$ 95.49 | \$ 63.01 | \$390.08 | N/A |
| Entrance Facility/Dedicated Transport DS0 - Subsequent | \$ 45.12 | \$ 28.77 | \$ 58.20 | N/A |
| Entrance Facility/Dedicated Transport DS1/DS3 - Initial | \$105.04 | \$ 72.56 | \$515.03 | N/A |
| Entrance Facility/Dedicated Transport DS1/DS3 - Subsequent | \$ 45.12 | \$ 28.77 | \$ 86.80 | N/A |

COORDINATED CONVERSIONS

| | | | | |
|--|----------|----------|-----|-----|
| Exchange - Standard Interval - Per Qtr. Hour | \$ 30.72 | \$ 30.50 | N/A | N/A |
| Exchange - Additional Interval - Per Qtr. Hour | \$ 26.97 | \$ 26.75 | N/A | N/A |
| Advanced - Standard Interval - Per Qtr. Hour | \$ 22.92 | \$ 22.69 | N/A | N/A |
| Advanced - Additional Interval - Per Qtr. Hour | \$ 21.12 | \$ 20.89 | N/A | N/A |

**HOT-CUT COORDINATED CONVERSIONS
(Only available for 2-wire analog loops)**

| | | | | |
|--|----------|----------|-----|-----|
| Exchange - Standard Interval - Per Hour | \$108.80 | \$108.57 | N/A | N/A |
| Exchange - Additional Interval - Per Qtr. Hour | \$ 26.97 | \$ 26.75 | N/A | N/A |
| Advanced - Standard Interval - Per Hour | \$ 83.43 | \$ 83.20 | N/A | N/A |
| Advanced - Additional Interval - Per Qtr. Hour | \$ 21.12 | \$ 20.89 | N/A | N/A |

CUSTOMIZED ROUTING

BFR BFR BFR BFR

EXPEDITES

| | | | | |
|-------------------|----------|----------|-----|-----|
| Exchange Products | \$ 3.36 | \$ 3.36 | N/A | N/A |
| Advanced Products | \$ 25.80 | \$ 25.80 | N/A | N/A |

OTHER

| | | | | |
|---|----------|----------|----------|----------|
| Customer Record Search (per account) | \$ 4.21 | \$ - | N/A | N/A |
| CLEC Account Establishment (per CLEC) | \$166.32 | \$166.32 | N/A | N/A |
| LINE SHARING - CLEC OWNED SPLITTER | | | | |
| CLEC Splitter Connection - Initial | \$ 32.05 | \$ 22.38 | \$ 73.54 | \$ 53.64 |
| CLEC Splitter Connection - Subsequent | \$ 13.10 | \$ 9.69 | \$ 18.21 | \$ 15.17 |
| PACKET SWITCHING | TBD | TBD | TBD | TBD |
| CALL RELATED DATABASE | TBD | TBD | TBD | TBD |
| SERVICE MANAGEMENT SYSTEM | TBD | TBD | TBD | TBD |
| OSS | TBD | TBD | TBD | TBD |

Application of NRCs

Preordering:

CLEC Account Establishment is a one-time charge applied the first time that WINSTAR orders any service from this Agreement.

Customer Record Search applies when WINSTAR requests a summary of the services currently subscribed to by the end-user.

Ordering and Provisioning:

Initial Service Order (ISO) applies to each Local Service Request (LSR) and Access Service Request (ASR) for new service. Charge is Manual (e.g. for a faxed order) or Semi-Mechanized (e.g. for an electronically transmitted order) based upon the method of submission used by the CLEC.

Subsequent Service Order applies to each LSR/ASR for modifications to an existing service. Charge is Manual or Semi-Mechanized based upon the method of submission used by the CLEC.

Advanced ISO applies per LSR/ASR when engineering work activity is required to complete the order.

Exchange ISO applies per LSR/ASR when no engineering work activity is required to complete the order.

Provisioning – Initial Unit applies per ISO for the first unit installed. The Additional Unit applies for each additional unit installed on the same ISO.

Basic Provisioning applies to services that can be provisioned using standard network components maintained in inventory without specialized instructions for switch translations, routing, and service arrangements.

Complex Provisioning applies to services that require special instruction for the provisioning of the service to meet the customer's needs

Examples of services and their Ordering/Provisioning category that applies:

Exchange-Basic: 2-Wire Analog, 4-Wire Analog, Standard Subloop Distribution, Standard Subloop Feeder, Drop and NID.

Exchange-Complex: Non-loaded Subloop Distribution, Non-load Subloop Feeder, Loop Conditioning, Customized Routing, ISDN BRI Digital Line Side Port and Line Sharing.

Advanced-Basic: 2-Wire Digital Loop, 4-Wire Digital Loop

Advanced-Complex: DS1 Loop, DS3 Loop, Dark Fiber, EELs, and ISDN PRI Digital Trunk Side Port

Conditioning applies in addition to the ISO, for each Loop or Subloop UNE for the installation and grooming of Conditioning requests.

DS1 Clear Channel Capability applies in addition to the ISO, per DS1 for the installation and grooming of DS1 Clear Channel Capability requests.

Changeover Charge applies to UNE-P and EEL orders when an existing retail, resale, or special access service is already in place.

Service Inquiry – Dark Fiber applies per service inquiry when a CLEC requests Verizon to determine the availability of dark fiber on a specific route.

Custom Handling (These NRCs are in addition to any Preordering or Ordering and Provisioning NRCs):

Service Order Expedite applies if WINSTAR requests service prior to the standard due date intervals and the expedite request can be met by Verizon.

Coordinated Conversion applies if WINSTAR requests notification and coordination of service cut-over prior to the service becoming effective.

Hot Coordinated Conversion First Hour applies if WINSTAR requests real-time coordination of a service cut-over that takes one hour or less.

Hot Coordinated Conversion Per Additional Quarter Hour applies, in addition to the Hot Coordinated Conversion First Hour, for every 15-minute segment of real-time coordination of a service cut-over that takes more than one hour.

**APPENDIX B TO THE UNBUNDLED NETWORKS ELEMENTS ATTACHMENT
COMPENSATION FOR EXCHANGE OF TRAFFIC USING UNBUNDLED ELEMENTS**

This Appendix describes the compensation terms that apply for exchanging local, intraLATA, toll and interexchange traffic when WINSTAR uses Verizon-provided unbundled ports, local switching and shared transport to provide service to WINSTAR's end-users. Reciprocal compensation does not apply in a resale environment.

Compensation for WINSTAR's Purchase of Verizon's unbundled local switching.

- 1.1 For local intra-switch calls between lines connected to Verizon's switch where WINSTAR has purchased Verizon's unbundled local switching, the Parties agree to impose no call termination charges on each other. Verizon's local switching charge will apply as described below where the call is:
 - 1.1.1 Originated by WINSTAR's customer using Verizon's unbundled local switching and completed to a Verizon customer:
 - 1.1.1.1 (For use of the local switch): local switching charge the originating office will apply to WINSTAR.
 - 1.1.2 Originated by WINSTAR's customer using Verizon's unbundled local switching and completed to the customer of a third party LEC (not affiliated with WINSTAR) using Verizon's unbundled local switching.
 - 1.1.2.1 (For use of the local switch): local switching charge at the originating office will apply to WINSTAR.
 - 1.1.3 Originated by WINSTAR's customer using Verizon's unbundled local switching and completed to another WINSTAR's customer using Verizon's unbundled local switching.
 - 1.1.3.1 (For use of the local switch): local switching charge at the originating office will apply to WINSTAR.
 - 1.1.4 Originated by a Verizon customer and terminated to WINSTAR's customer using Verizon's unbundled local switching.
 - 1.1.4.1 No local switching charge will apply to WINSTAR.
 - 1.1.5 Originated by the customer of a third-party LEC (not affiliated with WINSTAR) using Verizon's unbundled local switching and terminated to WINSTAR's customers using Verizon's unbundled local switching.
 - 1.1.5.1 No local switching charge will apply to WINSTAR.
- 1.2 For local inter-switch calls where WINSTAR has purchased Verizon's unbundled local switching, Verizon's charges will apply to CLEC as described below where the call is:
 - 1.2.1 Originated from WINSTAR's end-user customer using Verizon's unbundled local switching and completed to a Verizon customer:
 - 1.2.1.1 (For use of the local switch): local switching charge at the originating office.

- 1.2.1.2 A mileage-based transport charge will apply when WINSTAR uses Verizon's transport.
- 1.2.1.3 Tandem Switching, if applicable
- 1.2.1.4 (For call termination). Charges for local interconnection/call termination, when applicable
- 1.2.2 Originated from WINSTAR's customer using Verizon's unbundled local switching and completed to a third-party LEC (not affiliated with WINSTAR) customer using Verizon's unbundled local switching.
 - 1.2.2.1 (For use of the local switch): local switching charge at the originating office.
 - 1.2.2.2 A mileage-based transport charge will apply when WINSTAR uses Verizon's transport.
 - 1.2.2.3 Tandem Switching, if applicable.
- 1.2.3 Originated from WINSTAR's customer using Verizon's unbundled local switching and completed to the interconnected network of a third-party LEC (not affiliated with WINSTAR).
 - 1.2.3.1 (For use of the local switch): local switching charge at the originating office.
 - 1.2.3.2 A mileage-based transport charge will apply when WINSTAR uses Verizon's transport, and mileage shall be measured between the originating office and the IP of the Third Party's network.
 - 1.2.3.3 Tandem Switching, if applicable.
- 1.2.4 Originated from WINSTAR's customer using Verizon's unbundled local switching and completed to WINSTAR's customer using Verizon's unbundled local switching.
 - 1.2.4.1 (For use of the local switch): local switching charge at the originating office.
 - 1.2.4.2 A mileage-based transport charge will apply when WINSTAR uses Verizon's transport.
 - 1.2.4.3 Tandem Switching, if applicable.
 - 1.2.4.4 (For use of the local switch): Local switching charge at the terminating office.
- 1.2.5 Originated by a Verizon customer and terminated to WINSTAR's customer using Verizon's unbundled local switching.
 - 1.2.5.1 (For use at local switch): local switching charge at the terminating office.
 - 1.2.5.2 (For call termination): WINSTAR shall charge Verizon for local interconnection/call termination, when applicable.

- 1.2.6 Originated by a customer of a third-party LEC using Verizon's unbundled local switching and terminated to WINSTAR's customer using Verizon's unbundled local switching.
 - 1.2.6.1 (For use of the local switch). local switching charge at the terminating office.
- 1.2.7 Originated by a customer of the interconnected network of a third-party LEC and terminated to WINSTAR's customers using Verizon's unbundled local switching.
 - 1.2.7.1 (For use of the local switch): local switching charge at the terminating office.
- 1.3 For intraLATA toll calls where WINSTAR has purchased Verizon's unbundled local switching, charges shall apply as follows:
 - 1.3.1 Originated by WINSTAR's customer and completed to a Verizon customer:
 - 1.3.1.1 (For use of the local switch): local switching charge at the originating office
 - 1.3.1.2 Shared transport charge between the two offices will apply when WINSTAR uses Verizon's transport.
 - 1.3.1.3 Tandem Switching, if applicable.
 - 1.3.1.4 (For call termination): End Office Switching charge at the terminating office (Switched Access Rate).
 - 1.3.2 Originated by WINSTAR's customer and completed to the customer of a third-party LEC using Verizon's unbundled local switching in a distant end office.
 - 1.3.2.1 (For use of the local switch): local switching charge at the originating office.
 - 1.3.2.2 Shared transport charge between the two offices will apply when WINSTAR uses Verizon's transport.
 - 1.3.2.3 Tandem Switching, if applicable.
 - 1.3.3 Originated by WINSTAR's customer and completed to the network of a third-party LEC interconnected with Verizon's network.
 - 1.3.3.1 (For use of the local switch): local switching charge at the originating office.
 - 1.3.3.2 Common transport charge will apply when WINSTAR uses Verizon's transport, and mileage shall be measured between the originating office and the IP of the Third Party's network.
 - 1.3.3.3 Tandem Switching, where applicable
 - 1.3.4 Originated by WINSTAR's customer and completed by another of WINSTAR's customers being served through Verizon's unbundled local switching in a distant office.

- 1.3.4.1 (For use of the local switch). local switching charge at the originating office
- 1.3.4.2 Shared transport charge between the two offices will apply when WINSTAR uses Verizon's transport.
- 1.3.4.3 Tandem Switching, if applicable.
- 1.3.4.4 (For use of the local switch): local switching charge at the terminating office.
- 1.3.5 Originated by a Verizon customer and terminated to WINSTAR's customer using Verizon's unbundled local switching.
 - 1.3.5.1 (For use of the local switch): local switching charge at the terminating office.
 - 1.3.5.2 (For call termination) WINSTAR will charge Verizon local switching at the terminating office.
- 1.3.6 Originated by a customer of a third-party LEC (not affiliated with WINSTAR) using Verizon's unbundled local switching in a distant end office and terminated to WINSTAR's customers using Verizon's unbundled local switching.
 - 1.3.6.1 (For use of the local switch): local switching charge at the terminating office.
- 1.3.7 Originated by a customer of the network of a third-party LEC interconnected with Verizon's network and terminated to WINSTAR's customers using Verizon's unbundled local switching.
 - 1.3.7.1 (For use of the local switch): local switching charge at the terminating office.
- 1.4 For intrastate Switched Access calls where WINSTAR is using Verizon's unbundled local switching for calls originated from or terminated to an IXC for completion:
 - 1.4.1 For calls originated from WINSTAR's customer to an IXC switch for completion.
 - 1.4.1.1 (For use of the local switch): local switching charge at the office.
 - 1.4.1.2 Shared Transport;
 - 1.4.1.3 Tandem Switching
 - 1.4.2 For calls terminating to WINSTAR's end-user customer from an IXC switch for completion.
 - 1.4.2.1 (For use of the local switch): local switching charge at the terminating office.
 - 1.4.2.2 Shared Transport;
 - 1.4.2.3 Tandem Switching

- 1.5 For interstate Switched Access calls where WINSTAR is using Verizon's unbundled local switching for calls originated from or terminated to an IXC for completion:
 - 1.5.1 For calls originated from WINSTAR's customer to an IXC switch for completion.
 - 1.5.1.1 (For use of the local switch): local switching charge at the originating office.
 - 1.5.1.2 Shared Transport;
 - 1.5.1.3 Tandem Switching
 - 1.5.2 For calls terminating to WINSTAR's customer from an IXC switch for completion
 - 1.5.2.1 (For use of the local switch): local switching charge at the terminating office.
 - 1.5.2.2 Shared Transport;
 - 1.5.2.3 Tandem Switching

Unbundled local switching will be billed on a per minute of use basis and applied to all originating and interswitch terminating traffic, including, but not limited to local, toll, operator services, directory assistance, 911/E-911, 500, 700, 800/888, 900, 950, 976, busy calls, no answer, incomplete. Where non-conversation time cannot be measured, the parties will mutually agree on the appropriate measure and charge. Where measurement of terminating local switching minutes is not available, the number of minutes billed for terminating usage will be equal to the number of originating minutes. The Parties will mutually agree on a method and procedure to periodically sample and validate or adjust the ratio of originating to terminating minutes for billing purposes.

COLLOCATION

1. Verizon's Provision of Collocation

Verizon shall provide to WINSTAR, in accordance with this Agreement (including, but not limited to, Verizon's applicable Tariffs) and the requirements of Applicable Law, Collocation for the purpose of facilitating WINSTAR's interconnection with facilities or services of Verizon or access to Unbundled Network Elements of Verizon, provided, that notwithstanding any other provision of this Agreement, Verizon shall be obligated to provide Collocation to WINSTAR only to the extent required by Applicable Law and may decline to provide Collocation to WINSTAR to the extent that provision of Collocation is not required by Applicable Law. Subject to the foregoing, Verizon shall provide Collocation to WINSTAR in accordance with the rates, terms and conditions set forth in Verizon's Collocation tariff, and Verizon shall do so regardless of whether or not such rates, terms and conditions are effective.

2. Microwave Collocation

2.1 Verizon will provide microwave collocation via the BFR process pursuant to the FCC Rules, Section 51.323(d)(4), and Section 251(c)(6) of the Telecommunications Act. As a point of coordination, an acceptable BFR request for microwave would be provisioned in parallel with a collocation request. Additionally, Verizon will be creating an Internet site containing guidelines for provisioning microwave collocation. This Internet site is currently scheduled to be available for use during fourth quarter, 2000.

2.2 The Parties agree that WINSTAR will use non-penetrating roof-top mounts to secure its roof-top antennas, unless other methods are agreed upon by the Parties.

The monthly recurring roof-top space rental fee shall be on a per square foot basis.