

PAGING FACILITIES AGREEMENT

by and between

Moraine Radio

and

SBC Wisconsin

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Appendix – Pricing (Paging)

PAGING INTERCONNECTION AGREEMENT

This Agreement is by and between SBC Wisconsin ("Telco") and Moraine Radio ("Carrier") (collectively, the "Parties") for Facilities used for Interconnection for a paging Commercial Mobile Radio Services provider under Sections 251 and 252 of the Act.

WHEREAS, Telco is a Local Exchange Carrier authorized to provide Telephone Exchange Service and Exchange Access in all or portions of the State;

WHEREAS, Carrier holds authority from the Federal Communications Commission to provide Paging Authorized Services in the State;

WHEREAS, the Parties desire to enter into an agreement for use by Carrier for Paging Authorized Services, only;

WHEREAS, the Parties desire to enter into an agreement for the interconnection of their respective networks within the portions of the State in which both Parties are authorized to operate and deliver traffic for the provision of Telecommunications Service;

WHEREAS, the Parties desire to enter into an agreement to establish financial responsibility for facilities used to deliver Local Calls from Telco to Carrier; and,

WHEREAS, although Carrier is a Telecommunications Carrier, because of economic feasibility, desires not to establish reciprocal compensation arrangements for the termination of Paging Authorized Services Telecommunications Traffic.

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein contained, the Parties, intending to be legally bound, hereby agree as follows:

1. DEFINITIONS

- 1.1 For purposes of this Agreement, including any and all Appendices and other attachments, the terms set forth below are defined as follows. Unless the context clearly indicates otherwise, any term defined or used in the singular will include the plural. The words "will" and "shall" are used interchangeably throughout this Agreement and the use of either connotes a mandatory requirement. The use of one or the other will not mean a different degree of right or obligation for either Party. A defined word intended to convey its special meaning is capitalized when used. Other terms that are capitalized and not defined in this Agreement will have the meaning in the Act or, in the absence of their inclusion in the Act, their customary usage in the telecommunications industry as of the Effective Date of this Agreement.
- 1.2 "**Act**" means the Communications Act of 1934 [47 U.S.C. 153], as amended by the Telecommunications Act of 1996, Public Law 104-104, 110 Stat. 56 (1996) codified throughout 47 U.S.C.
- 1.3 "**Affiliate**" is as defined in the Act.
- 1.4 "**Applicable Laws**" means all laws, statutes, common law, regulations, ordinances, codes, rules, guidelines, orders, permits, tariffs and approvals, including without limitation those relating to the environment or health and safety, of any Governmental Authority that apply to the Parties or the subject matter of this Agreement.
- 1.5 "**ASR**" ("Access Service Request") is an industry standard form used by the Parties to add, establish, change or disconnect trunks for the purposes of Interconnection.
- 1.6 "**Telcordia**" means Telcordia Technologies, Inc.
- 1.7 "**Business Day**" means Monday through Friday, excluding holidays on which Telco does not provision new retail services and products.

- 1.8 **“CCS”** means Common Channel Signaling, which is the signaling system developed for use between switching systems with stored-program control, in which all of the signaling information for one or more Trunk Groups is transmitted over a dedicated high-speed data link rather than on a per-Trunk basis and, unless otherwise agreed by the Parties, the CCS used by the Parties shall be Signaling System 7 (“SS7”).
- 1.9 **“Central Office Switch”** means a switch, including, but not limited to an End Office Switch, a Tandem Switch and/or a combination End Office/Tandem Switch.
- 1.10 **“Claim”** means any pending or threatened claim, action, proceeding or suit.
- 1.11 **“CMRS”** means Commercial Mobile Radio Service as defined by the FCC and the Commission.
- 1.12 **“Commission”** means the applicable State agency with regulatory authority over Telecommunications.
- 1.13 **“End User”** means the end user purchaser of Telecommunications Service from Telco or Carrier. As used herein, the term “End User” does not include any of the Parties to this Agreement with respect to any item or service obtained under this Agreement.
- 1.14 **“Day”** means calendar Day unless “Business Day” is specified.
- 1.15 **“End Office Switch”** is a switch from which Telco’s End Users’ Telephone Exchange Services are directly connected and offered.
- 1.16 **“Internet Service Provider” (“ISP”)** shall be given the same meaning as used in the FCC Order on Remand and Report and Order; *In the Matter of Implementation of the Local Competition Provisions in the Federal Telecommunications Act of 1996, Intercarrier Compensation for ISP-Bound Traffic*; CC Docket Nos. 96-98 and 99-68; FCC Order No. 01-131, released April 27, 2001.
- 1.17 **“Facility”** means the wire, line, circuit, and/or cable used to transport traffic between the Parties’ respective networks.
- 1.18 **“FCC”** means the Federal Communications Commission.
- 1.19 **“Governmental Authority”** means any federal, state, local, foreign, or international court, government, department, commission, board, bureau, agency, official, or other regulatory, administrative, legislative, or judicial authority with jurisdiction over the subject matter at issue.
- 1.20 **“Intellectual Property”** means copyrights, patents, trademarks, trade secrets, mask works and all other intellectual property rights.
- 1.21 **“Interconnection”** is as defined in the Act. This Agreement does not address rates, terms and conditions of Interconnection, except for the shared cost of Interconnection Facilities.
- 1.22 **“IXC”** means Interexchange Carrier, a carrier other than a CMRS provider or a LEC that provides, directly or indirectly, interLATA and /or intraLATA for hire Telecommunications Service.
- 1.23 **“InterMTA Traffic”** means traffic that, at the beginning of the call, originates on Telco’s network in one MTA and terminates on Carrier’s network in another MTA.
- 1.23.1 For Telco, the origination point of a call shall be the End Office Switch that serves the calling party at the beginning of the call.
- 1.23.2 For Carrier, the termination point of a call shall be Carrier’s Paging Terminal, which serves the called party at the beginning of the call.
- 1.24 **“LATA”** means Local Access and Transport Area as defined in the Act.
- 1.25 **“LEC”** means a Local Exchange Carrier as defined in the Act.
- 1.26 **“LERG”** means Local Exchange Routing Guide, a Telcordia Technologies, Inc. Reference Document used by Telecommunications Carriers to identify NPA-NXX routing and homing information as well as network element and equipment designations.

- 1.27 **“Local Calls”** for the purpose of Facilities compensation, are Paging Authorized Services Completed Pages that originate on Telco’s network, that terminate on Carrier’s network, that are exchanged directly between the Parties and that, at the beginning of the call, originate and terminate within the same MTA.
- 1.28 **“Loss” or “Losses”** means any and all losses, costs (including court costs), claims, damages (including fines, penalties, and criminal or civil judgments and settlements), injuries, liabilities and expenses (including attorneys’ fees).
- 1.29 **“MTA”** means “Major Trading Area” as defined by 47 C.F.R. § 24.202(a).
- 1.30 **“NANP”** means North American Numbering Plan, the system of telephone numbering employed in the United States, Canada, and certain Caribbean countries.
- 1.31 **“NPA”** means Numbering Plan Area, referred to as an area code and the three digit indicator that is defined by the “A”, “B” and “C” digits of a 10-digit telephone number within the NANP.
- 1.32 **“NXX”** means the three-digit switch entity indicator that is defined by the “D”, “E”, and “F” digits of a 10-digit telephone number within the NANP. Each NXX contains 10,000 station numbers.
- 1.33 **“Paging Authorized Services”** means those one-way paging services (*i.e.*, one-way Telco-to-Carrier traffic) which Carrier may lawfully provide pursuant to Applicable Laws, including the Act, and that are considered to be CMRS. Paging Authorized Services does not include ISP traffic.
- 1.34 **“Paging Terminal”** means Carrier’s mechanism that receives calls that originate on Telco’s network and transmits the calls to the pager of the called party. **A Paging Terminal is not used to perform originating functions for termination of traffic on Telco’s network.**
- 1.35 **“Party”** means either Telco or Carrier. “Parties” means both Telco and Carrier.
- 1.36 **“POI”** means a Point of Interconnection, or the physical location at which the Parties’ networks meet for the purpose of establishing Interconnection. POIs include a number of different technologies and technical interfaces based on the Parties mutual agreement.
- 1.37 **“Rate Center”** means the specific geographic point and corresponding geographic area that have been identified by a LEC. NPA-NXXs that have been assigned to a Telecommunications Carrier for its provision of Telephone Exchange Services are associated with specific Rate Centers for the purpose of rating calls.
- 1.38 **“Rating Point”** means the vertical and horizontal (“V&H”) coordinates assigned to a Rate Center and associated with a particular telephone number for rating purposes. The Rating Point must be in the same LATA as the Routing Point of the associated NPA-NXX as designated in the LERG, but need not be in the same location as the Routing Point.
- 1.39 **“Routing Point”** means the V&H coordinates that a Telecommunications Carrier has designated as the destination for traffic inbound to services provided by that Telecommunications Carrier that bear a certain NPA-NXX designation. The Routing Point need not be the same as the Rating Point, but it must be in the same LATA as the Rating Point. Central Office Switches are Routing Points for traffic to end users identified by numbers drawn from NPA-NXX designations, as stated in the LERG. Where Carrier has not established Routing Points for its Dedicated NPA-NXXs in its own network, the Routing Point shall be the Telco Tandem Switch where traffic to Telco NXXs in the same NPA is homed.
- 1.40 **“SAC Code”** means Service Access Code, a non-geographic NPA typically associated with a specialized telecommunications service which may be provided across multiple geographic NPA areas, for example, 500, Toll Free Service NPAs (8YY), 700 and 900.
- 1.41 **“State”** means the state(s) individually for which the Parties intend to Interconnect under this Agreement, as listed on Appendix – State (Paging). Although this Agreement may apply to more than one state, it shall be applied separately as to each covered state and tariff references shall be to the tariffs that apply to operations in the particular state.

- 1.42 **"Switched Access Services"** means an offering of access to Telco's network for the purpose of the origination or the termination of traffic from or to Telephone Exchange Service customers in a given area pursuant to a Switched Access Services tariff. Switched Access Services include: Feature Group A ("FGA"), Feature Group B ("FGB"), Feature Group D ("FGD"), Toll Free Service and 900 access.
- 1.43 **"Tandem Switch"** means an access tandem switch or other tandem switch equipped to provide Interconnection between CMRS providers and LECs that is used to connect and switch traffic between and among Central Office Switches and other Telecommunications Carriers' networks for the purpose of providing Telephone Exchange Service and Switched Access Services.
- 1.44 **"Telecommunications Carrier"** is as defined in the Act.
- 1.45 **"Telecommunications Service"** is as defined in the Act.
- 1.46 **"Telephone Exchange Service"** is as defined in the Act.
- 1.47 **"Toll Free Service"** means service provided with a dialing sequence that invokes toll-free, (i.e., 800-like) service processing. Toll Free Service includes calls to the Toll Free Service 8YY NPA SAC codes.
- 1.48 **"Transiting Service"** means switching and intermediate transport of traffic between two Telecommunications Carriers, one of which is a Party to this Agreement and one of which is not, carried by the other Party to this Agreement that neither originates nor terminates that traffic on its network but instead acts as an intermediary.
- 1.49 **"Transit Traffic"** means traffic handled by a Telecommunications Carrier when providing Transiting Service.
- 1.50 **"Trunk" or "Trunk Group"** means the switch port interfaces(s) used and the communications path created to connect Carrier's network with Telco's network for the purpose of exchanging Paging Authorized Services Local Calls for the purposes of Interconnection.
- 1.51 **"Trunk Side"** refers to a Central Office Switch interface that is capable of, and has been programmed to treat the Facility as, connecting to another switching entity (for example, another Central Office Switch). A Trunk Side interface offers 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.
- 1.52 **"Type 1"** means a type of Trunk interface as technically defined in Telcordia Technical Reference GR-145-CORE and TA-NPL-000912 as TSMT and as provided in accordance with this Agreement. Type 1 is a two or four wire one-way or two-way Trunk connection between Carrier's network and Telco's End Office Switch.
- 1.53 **"Type 2A"** means a type of Trunk interface as technically defined in Telcordia Technical Reference GR-145-CORE and as provided in accordance with this Agreement.
- 1.54 **"Type 2B"** means a type of Trunk interface as technically defined in Telcordia Technical Reference GR-145-CORE and as provided in accordance with this Agreement.
- 1.55 **"TSMT"** means Trunk Side Message Trunk.
- 1.56 **"Wire Center"** denotes a building or space within a building that serves as an aggregation point on a given Telecommunications Carrier's network, where transmission Facilities are connected and switched. Telco's Wire Center can also denote a building in which one or more Central Office Switches, used for the provision of Telephone Exchange Services and Switched Access Services, are located.

2. INTERCONNECTION

- 2.1 **Technical Provisions.** This Section provides for the physical connection of Carrier's and Telco's networks within the State for the transmission and routing of Telco to Carrier Paging Authorized Services traffic consistent with the requirements of 47 C.F.R. § 51.305. Telco and Carrier will physically connect their networks and exchange traffic originating from Telco's End Users and terminating to Carrier's End Users

over their networks in connection with Carrier's Paging Authorized Services in accordance with the provisions of this Agreement.

- 2.1.1 **Paging Authorized Services Interconnection.** Paging Authorized Services Interconnection shall be available at the trunk side of a Telco End Office Switch via Type 1 Paging Authorized Services Interconnection (and via Type 2B Paging Authorized Services Interconnection, when and where available); and at the trunk connection points for a Telco Tandem Switch via Type 2A Paging Authorized Services Interconnection. Paging Authorized Services Interconnection shall also be provided at other technically feasible points in Telco's network at the request of Carrier and subject to the negotiation of acceptable provisioning arrangements and compensation arrangements that will provide for the recovery of Telco's costs of providing such Interconnection to the extent that such recovery is due. The Parties will attach or incorporate as amendments to this Agreement technical descriptions, and if required, descriptions of associated compensation arrangements to cover any such additional Interconnection.
- 2.1.2 **Type 2.** Carrier will obtain from the NXX Code administrator an NXX consistent with established industry guidelines for use with Type 2A and/or Type 2B interfaces. For calls in the Telco to Carrier direction, Carrier must utilize the NXX. The administration of the NXX, once assigned, including updates to the LERG, will be the responsibility of Carrier.
- 2.1.3 **Type 1.** Telco provided Type 1 interfaces shall be as described in the definition and in the referenced technical specifications. Any non-TSMT form of Type 1 interface will be eliminated within 90 Days of the Effective Date.
- 2.1.4 Interconnection shall be provided at a level of quality equal to that which such Party provides to itself, a subsidiary, an Affiliate, or any other Telecommunications Carrier.
- 2.1.5 Each Party shall be responsible for providing its own or leased transport Facilities to route calls to and from each other's network.
- 2.1.6 **POI Options.** Carrier and Telco shall mutually agree on a POI for each Trunk Group utilized to carry traffic between their respective networks. A POI may be located at:
 - a. Carrier's network where the Facility terminates for Paging Authorized Services traffic, or
 - b. another mutually agreeable location.
- 2.1.7 A POI shall not be located across a LATA boundary, nor more than a distance of 14 miles (or the State's defined local calling area, whichever is greater), from the Telco Central Office Switch where the Facility connection is established. WSP is responsible for the cost of Facilities beyond 14 miles.
- 2.1.8 **Interconnection Options.** Carrier may order Trunk Side Interconnection in the configurations described below:
 - 2.1.8.1 **Type 1 or Type 2B – End Office Switch Interface.** The Parties may establish Trunk Groups at a Telco End Office Switch using a Type 1 interface (or a Type 2B interface, when and where available).
 - 2.1.8.2 **Type 2A – Tandem Switch Interface.** Carrier may establish Trunk Groups at a Telco Tandem Switch using a Type 2A interface.
 - 2.1.8.3 In the event that Telco deploys new Tandem Switches after the Effective Date, Telco will provide Carrier with reasonable advance notice of such a change and Telco will work cooperatively with Carrier to accomplish all necessary network changes.
- 2.1.9 Carrier may designate the interface it wants to receive from the following combinations: Trunk Side terminations at voice grade, DS0 or DS1 level. Subject to limitations provided in this Agreement, Telco shall provide the Facility from the designated End Office Switch or Tandem Switch to the POI associated with it. Only one Trunk Group will be provided by Telco in connection with each such Facility.

3. SIGNALING

- 3.1 Signaling Protocol. Carrier does not currently employ SS7 Signaling in its network. If and when Carrier is prepared to convert to SS7, the Parties will negotiate SS7 provisions and amend this Agreement accordingly. Where multi-frequency signaling is currently used, the Parties agree, below, to Interconnect their networks using multi-frequency ("MF") or ("DTMF") signaling, subject to availability at the End Office Switch or Tandem at which Interconnection occurs. The Parties acknowledge that the use of MF signaling may not be optimal. Telco will not be responsible for correcting any undesirable characteristics, service problems or performance problems that are associated with MF/SS7 inter-working or the signaling protocol required for Interconnection with Carrier employing MF signaling.

4. NPA-NXX

- 4.1 Each NPA-NXX associated with a Trunk Group using a Type 2A interface must have a single Rating Point and that Rating Point must be associated with a Telco End Office Switch homing on the Telco Tandem Switch where the Trunk Group is located; provided however, the Rating Point may be designated anywhere in the LATA when there is a final Commission ruling in a proceeding binding Telco. The Rating Point does not have to be the same as the Routing Point.
- 4.2 Telco shall deliver traffic destined for Carrier's network in accordance with the serving arrangements defined in the LERG except when Carrier's Paging Terminal serves NPA-NXXs, some of which home on a Telco Tandem Switch, and some of which home on a non-Telco Tandem Switch. In this case, Telco may establish Facilities and Trunks directly between Telco's Tandem Switch and Carrier's Paging Terminal for the completion of all Telco to Carrier calls destined to terminate to such NXXs.
- 4.3 It is the responsibility of Carrier to negotiate Interconnection and traffic transport and termination arrangements directly with other Telecommunication Carriers. Telco will deliver traffic destined to Carrier regardless of the Telecommunication Carrier originating the traffic. Other than delivery, Telco has no responsibility for traffic routed from or through another Telecommunication Carrier's network to Telco's Tandem Switch destined for Carrier's Paging Terminal.

5. TRUNKS

- 5.1 Unless otherwise agreed herein, Carrier and Telco will interconnect directly in each LATA in which they exchange Local Calls and Switched Access Services traffic.
- 5.2 Installation/Provisioning
- 5.2.1 Carrier will be responsible for designing, ordering and provisioning all Trunks. Carrier will engineer and maintain the appropriate type of and sizing for Facilities and Trunk's according to sound engineering practice, as mutually agreed to by the Parties.
- 5.2.2 Telco will provide non-discriminatory installation and maintenance intervals that are consistent with the like type services which it provides to itself.
- 5.2.3 Orders from Carrier to Telco to establish, add, change, or disconnect Trunks shall be submitted using Telco's applicable ordering system.
- 5.2.4 Orders that comprise a major project that directly impacts the other Party will be jointly planned and coordinated. Major projects are those that require the coordination and execution of multiple orders, or related activities between and among Telco and Carrier work groups, including but not limited to the initial establishment of Interconnection in an area, designated NPA-NXX relocations, re-homes, Facility grooming or major network rearrangements.
- 5.3 Servicing
- 5.3.1 The Parties will jointly manage the capacity of Trunk Groups. Telco will send a request to Carrier to trigger changes Telco desires to the Trunk Groups based on Telco's capacity assessment. Carrier will issue an ASR to Telco's Wireless Interconnection Service Center:

- 5.3.1.1 Within ten (10) Business Days after receipt of the request, upon review of and in response to Telco's request; or
- 5.3.1.2 At any time as a result of Carrier's own capacity management assessment, to begin the provisioning process.
- 5.3.2 Each Party will be responsible for engineering and maintaining its network and any Facilities and Trunks it provides.
- 5.3.3 When Carrier incurs separate charges for Trunks, Carrier shall, upon request, be credited an amount for the period during which Trunks are out of service in accordance with Telco's applicable state Switched Access Services tariff for Feature Group D service.
- 5.4 Design Blocking Criteria
 - 5.4.1 Forecasting trunk projections and servicing trunk requirements for Interconnection Trunks shall be based on the average time-consistent busy hour load of the busy season, determined from the highest twenty (20) consecutive average Business Days. The average grade-of-service for Interconnection final Trunk Groups shall be the industry standard of one percent (1%) blocking, within the time-consistent twenty day average busy hour of the busy season. Trunk projections and requirements shall be determined by using the industry standard Neil Wilkinson B.01M Trunk Group capacity algorithms for grade-of-service Trunk Groups. (Prior to obtaining actual traffic data measurements, a medium day-to-day variation and 1.0 peakedness factor shall be used to determine projections and requirements.)
 - 5.4.2 The engineered blocking objective for common transport Trunk Groups (CTTG) from Telco End Office Switches to the Access Tandem Switch is one-half of one percent (0.5%). The engineered blocking objective for alternate final (AF) Trunk Groups from Telco End Office Switches to the local Tandem Switch is one percent (1%). The engineered blocking objective for direct Trunk Groups from Telco End Office Switches to Carrier's network is one percent (1%) for direct final (DF) Trunk Groups economic ccs for primary high usage groups. The engineered blocking objective for the Trunk Group from the Telco Tandem Switch to Carrier's network is one percent (1%).
 - 5.4.3 When Trunks exceed measured blocking thresholds on an average time consistent busy hour for a twenty (20) Business Day study period, the Parties shall cooperate to increase the Trunks to the foregoing blocking criteria in a timely manner. The Parties agree that twenty (20) Business Days is the study period duration objective.
 - 5.4.4 Direct Trunking of Carrier to Telco Traffic. If traffic from a Telco End Office delivered over a Type 2A interface at any time requires twenty-four (24) or more Trunks, Carrier shall, within sixty (60) Days of the occurrence, establish a Type 2B interface at that Telco End Office, when and where available.
 - 5.4.5 If a Trunk Group is under seventy-five percent (75%) of busy hour centum call seconds (ccs) capacity on a monthly average basis for each month of any consecutive six (6) month period, either Party may contact the other to discuss resizing the Trunk Group. Neither Party will unreasonably refuse a request to resize the Trunk Group.
 - 5.4.6 Each Party shall provide the other with a specific point of contact for planning, forecasting and Trunk servicing purposes.

6. TRUNK FORECASTING

- 6.1 To permit orderly growth and network management, Carrier shall forecast the volume of traffic of each Trunk associated with each POI. Carrier forecast information must be provided to Telco upon request, as often as twice a year. When extraordinary changes are anticipated, Carrier shall provide additional timely forecasts to account for such changes. The forecasts shall include:
 - 6.1.1 Yearly forecasted Trunk quantities (which include measurements that reflect actual Tandem and End Office Switch Paging Authorized Services Interconnection and Trunks and Tandem-subtending

Paging Authorized Services Interconnection End Office Switch equivalent Trunk requirements) for two (2) years (current year and one (1) additional year) by quarter;

- 6.1.2 Identification of each Trunk by the from and to Common Language Location Identifiers ("CLLI"), which are described in Telcordia Technologies, Inc. documents BR 795-100-100 and BR 795-400-100;
- 6.1.3 A description of major system projects. Major system projects include Trunking or system rearrangements, shifts in anticipated traffic patterns, or other activities by Carrier that are reflected by a significant increase or decrease in Trunk demand for the following forecasting period.

7. COMPENSATION FOR LOCAL PAGING AUTHORIZED SERVICES INTERCONNECTION

- 7.1 Reciprocal Compensation for Paging Authorized Services is not provided in this Agreement, and shall only be charged under separate agreement or pursuant to Amendment hereto.

8. TERMS AND COMPENSATION FOR USE OF FACILITIES

- 8.1 Each Party shall be responsible for providing its own or leased transport Facilities to route calls to and from the POI. Each Party may construct its own Facilities, it may purchase or lease these Facilities from a third party, or it may purchase or lease these Facilities from the other Party, if available, pursuant to tariff or separate contract. Facilities between the Parties' respective networks will not be provided pursuant to this Agreement.
- 8.2 The Parties will connect their networks using digital Facilities of at least DS-1 transmission rates, where available.
- 8.3 The following shall apply solely for Facilities dedicated for transport of one-way Telco-to-Carrier Paging Authorized Services Interconnection traffic.
 - 8.3.1 Telco may use its own Facilities or may, at its sole discretion, use Facilities provided by Carrier, subject to the following:
 - 8.3.1.1 Telco shall be responsible for applicable Facility charges to the extent Facilities are used to deliver Local Calls. Carrier shall be responsible for applicable Facility charges to the extent Facilities are used to deliver non-Local Calls, *i.e.*, the sum of the Transiting Factor and the InterMTA Traffic Factor as referenced in sections 9 and 10.
 - 8.3.1.2 Carrier provision of Facilities obtained from Telco will be in accordance with Telco's applicable Access Services tariff or separate contract.
 - 8.3.1.3 Carrier provision of Facilities not obtained from Telco will be provided upon terms and conditions that similar Facilities are provided by Telco, and at rates equivalent to the rates Carrier pays for such Facilities (but no greater than the rates that similar Facilities are available from Telco).
 - 8.3.1.4 Notwithstanding Section 8.3.1.1 or any other provisions of this agreement, Carrier shall be solely responsible for all nonrecurring and recurring charges for Facilities used to transport traffic to paging telephone numbers that have a Rating Point within the Telco local calling area where the paging calls originate on Telco's network, when such traffic is transported to Carrier's Paging Terminal geographically located in a different local calling area.
 - 8.3.2 Telco reserves the right to discontinue the use, for delivering Interconnection traffic from its network, of all, or a portion, of the Facilities provided by Carrier. This provision does not negate any obligations either Party may have regarding such Facilities, such as, but not limited to term and notice provisions. Nothing herein will obligate Telco to reimburse Carrier for Facilities obtained from a third party.
 - 8.3.3 Carrier is responsible for transport facilities on its side of the POI.

- 8.4 In the event any Governmental Authority rules that Telco is entitled to recover all or any portion of its charges for Facilities provided by Telco to Carrier beyond what is provided for herein, the Parties shall amend this Agreement, within thirty (30) Days of a written request to do so, in order to provide for the payment of charges for Facilities retroactively to the Effective Date of this Agreement.

9. TRANSIT TRAFFIC

- 9.1 Telco's Transiting Service allows Carrier to receive traffic from a third party network through Telco's Tandem Switch ("Transit Traffic").

Transit Traffic Percentage. The transit traffic percentage contained in this Section is based on Carrier-specific, state-specific information available to Telco and/or supplied by Carrier. The transit traffic percentage contained in this Section will not apply to other carriers who may adopt this Agreement; such carriers must provide their own-carrier-specific, state-specific information to establish the appropriate transit traffic percentage. Accordingly, the Parties agree that 10% of the traffic delivered hereunder shall be deemed Transit Traffic. After the expiration of the Initial Term hereof, the percentage of traffic exchanged hereunder deemed Transit Traffic during the Initial Term shall remain in effect thereafter unless either Party provides new Transit Traffic Information to the other Party. In such case, the Parties shall use that new Transit Traffic Information to renegotiate in good faith a new revised percentage of traffic exchanged hereunder deemed Transit Traffic. Renegotiation of the percentage of traffic exchanged hereunder deemed Transit Traffic after the Initial Term shall occur no more frequently than once every twenty-four (24) months.

10. INTERMTA TRAFFIC

- 10.1 InterMTA Traffic Factor. As of the Effective Date hereof, the Parties cannot accurately measure the amount of Telco-to-Carrier InterMTA Traffic. Accordingly, for purposes of this Agreement, the Parties agree that two percent (2%) of the Telco-to-Carrier traffic shall be deemed InterMTA Traffic. Notwithstanding the foregoing, should either Party provide to the other Party State-specific, Carrier-specific network engineering information, a State-specific, Carrier-specific InterMTA Traffic study, and/or other support in complete and appropriate form (determined in good faith) ("InterMTA Traffic Information"), the Parties shall use such InterMTA Traffic Information to negotiate in good faith a mutually acceptable percentage of Telco-to-Carrier traffic that is deemed InterMTA Traffic. If such InterMTA Traffic Information is provided within ninety (90) days after this Agreement is executed by duly authorized representatives of both Parties, then any revised percentage of traffic deemed InterMTA Traffic, which is derived using such InterMTA Traffic Information, shall be effective as of the date such InterMTA Traffic Information was provided to the other Party, but no earlier than the Effective Date of this Agreement; otherwise, such revised percentage of traffic deemed InterMTA Traffic, which is derived using such InterMTA Traffic Information, shall be effective as of the date such InterMTA Traffic Information was provided in complete and appropriate form (determined in good faith) to the other Party. Any revised percentage of traffic deemed InterMTA Traffic that becomes effective during the Initial Term of this Agreement will remain in effect during the Initial Term hereof. After the expiration of the Initial Term, the percentage of traffic deemed InterMTA Traffic during the Initial Term shall remain in effect thereafter until either Party provides new InterMTA Traffic Information to the other Party. In such case, the Parties shall use the new InterMTA Traffic Information to renegotiate in good faith a new revised percentage of deemed InterMTA Traffic. Renegotiation of the percentage of deemed InterMTA Traffic after the Initial Term shall occur no more frequently than once every twenty-four (24) months.

11. BILLING AND PAYMENT

- 11.1 Telco will reimburse its proportionate share of the cost of Facilities and Trunks in accordance with this Agreement.
- 11.2 Carrier shall not default bill Telco when Telco transits unidentified traffic terminating to Carrier, unless otherwise provided for in this Agreement.
- 11.3 Charges and Payment.

- 11.3.1 Each Party agrees to pay the other all undisputed billed amounts by the earlier of (i) the payment date, which may be set no earlier than thirty (30) Days after the bill date, or (ii) the next bill date (i.e. the same date in the following month as the bill date). The undisputed portions of all bills are to be paid when due. All Facilities and serving arrangement charges shall be billed monthly in advance, except those charges due for the initial month, or a portion of the initial month during which new items are provided, in which case charges will be included in the next bill rendered. If the date on which a bill is due as provided above is on a Day other than a Business Day, payment will be made on the next Business Day. Payments will be made in U.S. dollars.
- 11.3.2 Usage-sensitive charges hereunder shall be billed monthly in arrears by both Parties.
- 11.3.3 All non-usage-sensitive monthly charges shall be billed by Telco monthly in advance, except those charges due for the initial month, or a portion of the initial month during which new items are provided, will be included in the next bill rendered.
- 11.3.4 All Facilities charges owed to Carrier by Telco as provided herein shall be billed by Carrier to Telco thirty (30) Days following receipt by Carrier of Telco's invoice.
- 11.3.5 Late Payment Charge. Bills will be considered past due 30 Days after the bill date or by the next bill date (i.e., same date as the bill date in the following month), whichever occurs first, and are payable in immediately available U.S. funds. If the amount billed is received by the billing Party after the payment due date, or if any portion of the payment is received by the billing Party in funds which are not immediately available to the billing Party, then a late payment charge will apply to the unpaid balance. The late payment charge will be as set forth in Telco's applicable state tariff. When there is no applicable tariff in the State, any undisputed amounts not paid when due shall accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1½%) per month or (ii) the highest rate of interest that may be charged under Applicable Law, compounded daily from the number of Days from the Bill Due Date to and including the date that payment is actually made.
- 11.3.6 Billing Disputes. The billed Party has sixty (60) Days after the receipt of the invoice to officially dispute, in writing, the charges which have been withheld from the billing Party. Such billing dispute will include specific invoice and dispute detail for the billing Party to be able to properly investigate the dispute. If the appropriate billing contacts are unable to resolve the dispute within sixty (60) Days after receipt of the written billing dispute, the issue may be escalated to appropriate business representatives who will then have thirty (30) Days to resolve the dispute. In the event that the billing dispute cannot be resolved by the appropriate business representatives, either Party may commence a dispute resolution in accordance with the Dispute Resolution provisions set forth in this Agreement.
- 11.3.7 Backbilling. Charges for all services or Trunks provided pursuant to this Agreement may be billed by the billing Party for up to one (1) year after the initial date such item was furnished. This Section shall not apply to backbilling that would be appropriate where changes are not evident other than through an audit pursuant to Audit provisions of this Agreement.
- 11.3.8 Backcredits. Neither Party may request credit for any billing by the other Party pursuant to this Agreement more than one (1) year after the date of the bill on which the service or Trunk was billed. Any such request will be in writing and contain sufficient detail to allow the other Party to properly investigate the request. If the request for credit leads to a billing dispute, such dispute shall be handled in accordance with Section 10.2.6 above. This Section shall not apply to requests for credit in the following situations: when the true-ups are provided for in this Agreement, or where changes are not evident other than through an audit pursuant to Audit provisions of this Agreement.
- 11.3.9 Tariffed Items. Where charges specifically refer to tariffed rates, those tariffed rates and those alone shall be deemed amended to conform to any authorized modifications that may hereafter occur to those tariffed rates. Such amendments shall become effective upon the effective date of tariff modifications.

11.4 Invoices

- 11.4.1 Invoices shall comply with nationally accepted standards agreed upon by the Ordering and Billing Forum (OBF) for billing access traffic.
- 11.4.2 Parties agree that each will perform the necessary call recording and rating for its respective portions of an exchanged call in order to invoice the other Party.
- 11.4.3 Invoices between the Parties shall include, but not be limited to the pertinent following information.
 - Identification of the monthly bill period (from and through dates)
 - Current charges
 - Past due balance
 - Adjustments
 - Credits
 - Late payment charges
 - Payments
 - Contact telephone number for billing inquiries

The Parties will provide a remittance document with each invoice identifying:

- Remittance address
 - Invoice number and/or billing account number
 - Summary of charges
 - Amount due
 - Payment due date (at least thirty (30) Days from the bill date)
- 11.4.4 Invoices between the Parties will be provided on paper and will be the primary bill, unless a mechanized format is mutually agreed upon and subsequently designated in writing by both Parties as the primary bill.
 - 11.4.5 Invoices will be based on paging calls or Conversation MOU, as provided under Appendix – Pricing (Paging) for all completed calls and, as to Conversation MOUs, if applicable, are measured in total conversation time seconds, which are totaled (by originating and terminating CLLI code) for the monthly billing cycle and then rounded up to the next whole minute.
 - 11.4.6 Telco may bill Carrier for Facilities and/or Trunks based on the Parties proportionate use, as stated within Section 9. When Telco is unable to bill for Facilities and/or Trunks based on the Parties proportionate use, Carrier will bill Telco under separate invoice for Telco's proportionate share of Facilities and/or Trunks, as stated within Section 9.
 - 11.4.7 Carrier will bill Telco by LATA, by state, based on the terminating location of the call. Carrier will display the CLLI code(s) associated with the Trunk through which the exchange of traffic between Telco and Carrier takes place as well as the number of calls and Conversation MOUs for each inbound Facility route. Telco will bill Carrier by LATA and by the End Office/Tandem Switch, based on the terminating location of the call and will display and summarize the number of calls and Conversation MOUs, for each terminating office.

- 11.5 Unless specifically provided in this Agreement, there will be no netting by the billed Party of payments due herein against any other amount owed by one Party to the other.

12. AMENDMENTS, CHANGES, AND MODIFICATIONS: WAIVER

- 12.1 If either Party proposes to make any permanent changes in the arrangements provided for in this Agreement, or any Attachments, or any permanent change in its operations that would affect the other Party's operations or services once the Trunks, apparatus, equipment, or any other item furnished by the Parties under this Agreement are installed, the changing Party shall give reasonable advance written notice to the other Party of such changes, advising when such changes will be made. All such changes shall be

coordinated with the non-changing Party. Nothing in this Section 12.1 shall affect the Parties' rights and obligations under this Agreement.

- 12.2 Subject to specific provisions herein to the contrary, each Party shall be solely responsible, at its expense, for the overall design of its services and for any redesigning or rearrangement of its services that may be required because of changes in Facilities, Trunks, operations or procedures of the other Party, minimum network protection criteria, or operating or maintenance characteristics of the Trunks.
- 12.3 No provision of this Agreement shall be deemed waived, amended, or modified by either Party, unless such waiver, amendment, or modification is in writing and signed by the authorized representatives of both Parties. Neither Party shall be bound by any amendment, modification or additional terms unless it is reduced to writing and signed by an authorized representative of the Party sought to be bound. Neither Party shall be bound by any preprinted terms additional to or different from those in this Agreement that may appear subsequently in the other Party's form documents, purchase orders, quotations, acknowledgments, invoices or other communications, unless agreed to by the receiving Party in writing.
- 12.4 The failure of either Party to enforce or insist that the other Party comply with the terms or conditions of this Agreement, or the waiver by either Party in a particular instance of any of the terms or conditions of this Agreement, shall not be construed as a continuing, future or general waiver or relinquishment of the terms, conditions, rights or privileges, but this Agreement shall be and remain at all times in full force and effect.

13. ASSIGNMENT

- 13.1 Neither Party may assign, subcontract, or otherwise transfer its rights or obligations under this Agreement except under such terms and conditions as are mutually acceptable to the other Party and with such Party's prior written consent, which consent shall not be unreasonably withheld; provided that each Party may assign this Agreement to an Affiliate or an entity under its common control or an entity acquiring all or substantially all of its assets or equity by providing prior written notice to the other Party of such assignment or transfer. Notwithstanding the foregoing, Carrier may not assign nor transfer this Agreement (or any rights or obligations hereunder) to its Affiliate if that Affiliate is party to another agreement with Telco under Section 251/252 of the Act. Any attempted assignment or transfer that is not permitted is void ab initio. Nothing in this Section 14.1 is intended to impair the right of either Party to utilize subcontractors.
- 13.2 This Agreement will be binding on and inure to the benefit of the Parties' respective successors and permitted assigns.

14. AUDITS

- 14.1 Each Party to this Agreement will be responsible for the accuracy and quality of its data as submitted to the respective Parties involved.
- 14.2 Upon reasonable written notice and at its own expense, each Party or its authorized representative (providing such authorized representative does not have a conflict of interest related to other matters involving one of the Parties) shall have the right to conduct an audit of the other Party, which audit shall be limited to the sole purpose of determining compliance with the provisions of this Agreement. Neither Party may request more than one (1) such audit per state within any twelve (12) month period. This includes on-site audits at the other Party's or the other Party's vendor locations.
- 14.3 Each Party, whether or not in connection with an audit, shall maintain reasonable records for a minimum of twenty-four (24) months and provide the other Party with reasonable access to such information as is necessary to determine amounts receivable or payable under this Agreement.
- 14.4 Each Party's right to access information for audit purposes is limited to data not in excess of twenty-four (24) months in age.
- 14.5 The audited Party may require the auditing Party to use the services of a third Party independent auditor instead of its own employees for such audit if reasonably necessary to protect Proprietary Information.

- 14.6 If any audit confirms any undercharge or overcharge, then the audited Party will (i) for any overpayment, promptly correct any billing error, including making refund of any overpayment by the auditing Party in the form of a credit on the invoice for the first full billing cycle after the Parties have agreed upon the accuracy of the audit results and (ii) for any undercharge caused by the actions of or failure to act by the audited Party, immediately compensate the auditing Party for such undercharge, in each case with interest at the lesser of (a) one and one-half percent (1½%) per month, or (b) the highest rate of interest that may be charged under Applicable Law, compounded daily, for the number of Days from the date on which such undercharge or overcharge originated until the date on which such credit is issued or payment is made and available, as the case may be.

15. AUTHORIZATION

- 15.1 Telco represents and warrants that it is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation, that SBC Telecommunications, Inc. has full power and authority to execute and deliver this Agreement as agent for Telco, and that Telco has full power and authority to perform its obligations hereunder.
- 15.2 Carrier represents and warrants that it is a corporation duly organized, validly existing and in good standing under the laws of the state of its incorporation, and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder.
- 15.3 Each Party warrants that it has obtained or will obtain prior to operating under this Agreement, all necessary jurisdictional licenses, authorizations and/or certifications required in those jurisdictions in which it will order services or Facilities or will operate under this Agreement. Upon request, each Party shall provide proof of such licenses, authorizations and/or certification.
- 15.4 The complete list of Carrier's Access Carrier Name Abbreviation (ACNA) codes covered by this Agreement is listed below. Any addition, deletion or change in name associated with these listed ACNA codes requires notice to Telco. Notice must be received before orders can be processed under a new or changed ACNA code.

ACNA List: MRR

16. COMPLETE TERMS

- 16.1 This Agreement, together with its appendices and any other attachments, constitutes the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written. Appendices and any other attachments referred to herein or attached hereto are deemed incorporated by this reference.

17. COMPLIANCE

- 17.1 Party will comply, at its own expense, with all Applicable Laws relating to its performance under this Agreement, including but not limited to safety and health regulations relating to one Party's activities at the other Party's locations, and to indemnify and hold the other Party harmless for any judgments, citations, fines, or other penalties which are assessed against such other Party as the result solely of the first Party's failure to comply with any Applicable Law.
- 17.2 Trunks and services provided under this Agreement will not be used knowingly for any purpose or in any manner, directly or indirectly, in violation of law or in aid of any unlawful act or undertaking. Nothing in this Agreement shall be construed as requiring or permitting either Party to contravene any mandatory requirement of Applicable Law.

18. CONFIDENTIAL INFORMATION

- 18.1 For the purposes of this Agreement, confidential information ("Confidential Information") means confidential or proprietary technical or business information given or made available by one Party (the "Discloser") to

- the other (the "Recipient"). All information, which is disclosed by one Party to the other in connection with this Agreement, during negotiations and the term of this Agreement will be deemed proprietary to the Discloser and subject to this Section 19 when marked at the time of delivery as "Confidential" or "Proprietary," or, if communicated orally, identified as "Confidential" or "Proprietary" (i) at the time of delivery, or (ii) in writing within ten (10) Days thereafter. The Recipient agrees (i) to use Confidential Information only for the purpose of performing under this Agreement, (ii) to use the same degree of care (a) to hold such Confidential Information in confidence and (b) to not disclose it to anyone other than its employees and attorneys having a need to know for the purpose of performing under this Agreement, as the recipient uses for its own confidential information of similar importance, but in no event less than reasonable care, and (iii) to safeguard it from unauthorized use or disclosure using at least the same degree of care with which the Recipient safeguards its own Confidential Information of similar importance, but in no event less than reasonable care. If the Recipient wishes to disclose the Discloser's Confidential Information to a third-party agent or consultant, the agent or consultant must have executed a written agreement to abide by the terms of this Section 18.
- 18.2 Recipient may make copies of Confidential Information only as reasonably necessary to perform its obligations under this Agreement. All such copies will be subject to the same restrictions and protections as the original and will bear the same copyright and proprietary rights notices as are contained on the original.
- 18.3 The Recipient agrees to return all Confidential Information in tangible form received from the Discloser, including any copies made by the Recipient, within thirty (30) Days after a written request is delivered to the Recipient, or to destroy all such Confidential Information if directed to do so by Discloser, except for Confidential Information that the Recipient reasonably requires to perform its obligations under this Agreement. The Recipient shall certify destruction by written letter to the Discloser. If either Party loses or makes an unauthorized disclosure of the other Party's Confidential Information, it will notify such other Party immediately and use its best efforts to retrieve the lost or wrongfully disclosed information.
- 18.4 The Recipient shall have no obligation to safeguard Confidential Information that: (i) was, at the time of receipt, already known to the Recipient free of any obligation to keep confidential and evidenced by written records prepared prior to delivery by the Discloser; (ii) is, or becomes publicly known through no wrongful act of the Recipient; (iii) is rightfully received from a third person having no direct or indirect secrecy or confidentiality obligation to the Discloser with respect to such information; (iv) is independently developed by an employee, agent, or contractor of the Recipient which individual is not involved in any manner with the provision of services pursuant to this Agreement and does not have any direct or indirect access to the Proprietary Information; (v) is disclosed to a third person by the Discloser without similar restrictions on such third person's rights; (vi) is approved for release by written authorization of the Discloser; is required to be made public by the Recipient pursuant to applicable law or regulation provided that the Recipient shall furnish the Discloser with written notice of such requirement as soon as possible and prior to such disclosure. The Discloser may then either seek appropriate protective relief from all or part of such requirement or, if it fails to successfully do so, it shall be deemed to have waived the Recipient's compliance with this Section 18 with respect to all or part of such requirement. The Recipient shall use all commercially reasonable efforts to cooperate with the Discloser in attempting to obtain any protective relief that such Discloser chooses to obtain.
- 18.5 Either Party will have the right to disclose Confidential Information to any mediator, arbitrator, state or federal regulatory body, or a court in the conduct of any mediation, arbitration or approval of this Agreement, as long as, in the absence of an applicable protective order, the Discloser has been previously notified by the Recipient in time sufficient for the Recipient to undertake all lawful measures to avoid disclosing such information and for Discloser to have reasonable time to seek or negotiate a protective order before or with any applicable mediator, arbitrator, state or regulatory body or a court.
- 18.6 The Parties recognize that an individual end user may simultaneously seek to become or be a End User of both Parties. Nothing in this Agreement is intended to limit the ability of either Party to use customer specific information lawfully obtained from End Users or sources other than the Discloser.

- 18.7 Each Party's obligations to safeguard Confidential Information disclosed prior to expiration or termination of this Agreement will survive such expiration or termination without renewal for a period of two years.
- 18.8 Except as otherwise specifically provided herein, no license is hereby granted under any patent, trademark, or copyright, nor is any such license implied solely by virtue of the disclosure of any Confidential Information.
- 18.9 Notwithstanding any other provision of this Agreement, the Confidential Information provisions of this Agreement shall apply to all information furnished by either Party to the other in furtherance of the purpose of this Agreement, even if furnished before the date of this Agreement and each Party's obligation to safeguard Confidential Information disclosed prior to expiration or termination of this Agreement will survive such expiration or termination.
- 18.10 Pursuant to Section 222(b) of the Act, both Parties agree to limit their use of Confidential Information received from the other to the permitted purposes identified in the Act.
- 18.11 Notwithstanding any of the foregoing, Telco shall be entitled to disclose Confidential Information on a confidential basis to regulatory agencies upon request for information as to Telco's activities under the Act and Telco need not provide prior written notice of such disclosure to Carrier if Telco has obtained an appropriate order for protective relief or other reliable assurance that confidential treatment shall be accorded to such Confidential Information.
- 18.12 Each Party agrees that the Discloser may be irreparably injured by a disclosure in breach of this Agreement by the Recipient or its representatives and the Discloser will be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any breach or threatened breach of the confidentiality provisions of this Agreement. Such remedies will not be deemed to be the exclusive remedies for a breach of this Agreement, but will be in addition to all other remedies available at law or in equity.

19. DISCLAIMER OF WARRANTIES

- 19.1 EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT, NEITHER PARTY MAKES OR RECEIVES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE INTERCONNECTION, FUNCTIONS, PRODUCTS AND SERVICES IT PROVIDES UNDER THIS AGREEMENT AND EACH PARTY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE. ADDITIONALLY, NEITHER PARTY TO THIS AGREEMENT ASSUMES ANY RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY ANY OTHER PARTY TO THIS AGREEMENT WHEN SUCH DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD PARTY.

20. DISPUTE RESOLUTION

- 20.1 Finality of Disputes. Except as otherwise specifically provided for in this Agreement, no Claims will be brought for disputes arising from this Agreement more than 24 months from the date the occurrence which gives rise to the dispute is discovered or reasonably should have been discovered with the exercise of due care and attention.
- 20.2 Alternative to Litigation. Except as otherwise specifically provided for in this Agreement, the Parties desire to resolve disputes arising out of this Agreement without court litigation. Accordingly, the Parties agree to use the following Dispute Resolution procedure with respect to any controversy or Claim arising out of or relating to this Agreement or its breach.
- 20.3 Commencing Dispute Resolution. Dispute Resolution shall commence upon the sending from one Party to the other of written notice of a controversy or Claim arising out of or relating to this Agreement or its breach. No Party may pursue any Claim unless such written notice has first been given to the other Party.
- 20.4 Informal Resolution of Disputes. When such written notice has been given, as required by Section 21.3, each Party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith

- to resolve any dispute arising under this Agreement. The location, form, frequency, duration, and conclusion of these discussions will 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 the correspondence among the representatives for purposes of settlement are exempt from discovery and production and will not be admissible in the arbitration described below or in any lawsuit without the prior written concurrence of both Parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and, if otherwise admissible, may be admitted in evidence in the arbitration or lawsuit.
- 20.5 Formal Dispute Resolution. If the Parties are unable to resolve the dispute through the informal procedure described above in Section 21.4, then either Party may invoke the following formal Dispute Resolution procedures by submitting to the other Party a written demand for arbitration. Unless agreed upon by the Parties, formal dispute resolution procedures described below, including arbitration or other procedures as appropriate, may be invoked not earlier than sixty (60) Days after the date of the letter initiating dispute resolution under Section 21.3.
- 20.5.1 Claims Subject to Mandatory Arbitration. The following Claims, if not settled through informal dispute resolution, will be subject to mandatory arbitration pursuant to Section 20.6 below. All unresolved billing disputes involving amounts (whether billed by Carrier to Telco or Telco to Carrier) equal to or less than one (1) percent of the amounts billed to Carrier by Telco under this Agreement during the calendar year in which the dispute arises. For any calendar year in which Telco does not issue a bill to Carrier each month, the Parties, in determining whether this Section applies, will annualize the bills issued for that calendar year.
- 20.5.2 Claims Subject to Elective Arbitration. All Claims not described in Section 20.5.1 above will be subject to arbitration if, and only if, the Claim is not settled through informal dispute resolution and both parties agree to arbitration. If both parties do not agree to arbitration, then either party may proceed with any remedy available to it pursuant to law, equity or agency mechanism.
- 20.6 Arbitration. Disputes subject to mandatory or elective arbitration under the provisions of this Agreement will be submitted to a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association or pursuant to such other provider of arbitration services or rules as the Parties may agree. Each arbitration will be held in the city identified in Appendix – Arbitration Location (Paging) for the State, unless the parties agree otherwise. The arbitration hearing will be requested to commence within sixty (60) Days of the demand for arbitration. The arbitrator will control the scheduling so as to process the matter expeditiously. The Parties may submit written briefs upon a schedule determined by the arbitrator. The Parties will request that the arbitrator rule on the dispute by issuing a written opinion within thirty (30) Days after the close of hearings. The Federal Arbitration Act, 9 U.S.C. §§ 1-16, not state law, shall govern the arbitrability of all disputes. The arbitrator will have no authority to award punitive damages, exemplary damages, consequential damages, multiple damages, or any other damages not measured by the prevailing party's actual damages, and may not, in any event, make any ruling, finding or award that does not conform to the terms and conditions of the Agreement. The arbitrator shall be knowledgeable of telecommunications issues. The times specified in this Section 20.6 may be extended or shortened upon mutual agreement of the Parties or by the arbitrator upon a showing of good cause. Each Party will bear its own costs of these procedures, including attorneys' fees. The Parties will equally split the fees of the arbitration and the arbitrator. The arbitrator's award shall be final and binding and may be entered in any court having jurisdiction thereof. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.
- 20.7 Resolution of Billing Disputes. The following provisions apply specifically to the resolution of billing disputes.
- 20.7.1 When a billing dispute is resolved in favor of the billed Party the following will occur within thirty (30) Days:

- 20.7.1.1 Interest will be paid by the billing Party on any amounts paid in excess of the amount found to be due according to the Dispute Resolution.
 - 20.7.1.2 Payments made in excess of the amount found to be due according to the Dispute Resolution will be reimbursed by the billing Party.
- 20.7.2 When a billing dispute is resolved in favor of the billing Party, the following will occur within thirty (30) Days:
 - 20.7.2.1 Late payment charges will be paid by the billed Party on any amount not paid that was found to be due according to the Dispute Resolution.
 - 20.7.2.2 Any amounts not paid but found to be due according to the Dispute Resolution will be paid to the billing Party.
- 20.8 No Conflict. The Dispute Resolution procedures set forth in this Agreement are not intended to conflict with applicable requirements of the Act or the state commission with regard to procedures for the resolution of disputes arising out of this Agreement.
- 20.9 Carrier elects to incorporate Appendix – Merger as an additional provision pursuant to the provisions stated therein.

21. EFFECTIVE DATE

- 21.1 This Agreement shall become effective upon approval by the Commission.

22. FORCE MAJEURE

- 22.1 Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, equipment failure, cable cuts, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities or acts or omissions of transportation carriers. In such event, the Party affected shall, upon giving prompt notice to the other Party, be excused from such performance on a Day-to-Day basis to the extent of such interference (and the other Party shall likewise be excused from performance of its obligations on a Day-for-Day basis to the extent such Party's obligations related to the performance so interfered with). The affected Party shall use its best efforts to avoid or remove the cause of nonperformance and both Parties shall proceed to perform with dispatch once the causes are removed or cease.

23. GOVERNING LAW

- 23.1 The validity of this Agreement, the construction and enforcement of its terms, and the interpretation of the rights and duties of the Parties will be governed by the Act, FCC rules and regulations, Commission rules and regulations, and the domestic laws of the State, without regard to its conflicts of laws principles.

24. HEADINGS

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

25. INDEMNITY

- 25.1 Except as otherwise expressly provided herein or in specific appendices, each Party shall be responsible only for the Interconnection, functions, products, Facilities, Trunks and services which are provided by that Party, its authorized agents, subcontractors, or others retained by such parties, and neither Party shall bear any responsibility for the Interconnection, functions, products and services provided by the other Party, its agents, subcontractors, or others retained by such parties.

- 25.2 Except as otherwise expressly provided herein or in specific appendices, and to the extent not prohibited by Applicable Law and not otherwise controlled by tariff, each Party (the "Indemnifying Party") shall release, defend and indemnify the other Party (the "Indemnified Party") and hold such Indemnified Party harmless against any Loss to a third party arising out of the negligence or willful misconduct ("Fault") of such Indemnifying Party, its agents, its End Users, contractors, or others retained by such parties, in connection with the Indemnifying Party's provision of Interconnection, functions, products and services under this Agreement; provided, however, that (i) with respect to employees or agents of the Indemnifying Party, such Fault occurs while performing within the scope of their employment, (ii) with respect to subcontractors of the Indemnifying Party, such Fault occurs in the course of performing duties of the subcontractor under its subcontract with the Indemnifying Party, and (iii) with respect to the Fault of employees or agents of such subcontractor, such Fault occurs while performing within the scope of their employment by the subcontractor with respect to such duties of the subcontractor under the subcontract.
- 25.3 In the case of any Loss alleged or claimed by a End User of either Party, the Party whose End User alleged or claimed such Loss (the "Indemnifying Party") shall defend and indemnify the other Party (the "Indemnified Party") against any and all such Claims or Losses by its End User regardless of whether the underlying Interconnection, function, product or service giving rise to such Claim or Loss was provided or provisioned by the Indemnified Party, unless the Claim or Loss was caused by the gross negligence or willful misconduct of the Indemnified Party.
- 25.4 A Party (the "Indemnifying Party") shall defend, indemnify and hold harmless the other Party ("Indemnified Party") against any Claim or Loss arising from the Indemnifying Party's use of Interconnection, functions, products and services provided under this Agreement involving:
- 25.4.1 any Claim or Loss arising from such Indemnifying Party's use of Interconnection, functions, products and services offered under this Agreement, involving any Claim for libel, slander, invasion of privacy, or infringement of Intellectual Property rights arising from the Indemnifying Party's or its End User's use.
- 24.4.1.1 The foregoing includes any Claims or Losses arising from disclosure of any End User-specific information associated with either the originating or terminating numbers used to provision Interconnection, functions, products or services provided hereunder and all other Claims arising out of any act or omission of the End User in the course of using any Interconnection, functions, products or services provided pursuant to this Agreement.
- 25.4.1.2 The foregoing includes any Losses arising from Claims for actual or alleged infringement of any Intellectual Property right of a third party to the extent that such Loss arises from an Indemnifying Party's or an Indemnifying Party's End User's use of Interconnection, functions, products or services provided under this Agreement; provided, however, that an Indemnifying Party's obligation to defend and indemnify the Indemnified Party shall not apply:
- 25.4.1.2.1 where an Indemnified Party or its End User modifies Interconnection, functions, products or services; and
- 25.4.1.2.2 no infringement would have occurred without such modification.
- 25.4.2 any and all penalties imposed on either Party because of the Indemnifying Party's failure to comply with the Communications Assistance to Law Enforcement Act of 1994 (CALEA); provided that the Indemnifying Party shall also, at its sole cost and expense, pay any amounts necessary to modify or replace any equipment, or services provided to the Indemnified Party under this Agreement to ensure that such equipment, and services fully comply with CALEA.
- 25.5 Intellectual Property. Should this Agreement be modified at any time to allow a Party to obtain network elements, the Parties will immediately negotiate appropriate provisions to address the protection of third

party Intellectual Property rights related to any provided network elements and the indemnification of the providing Party for asserted or actual violations of those rights by the other Party.

- 25.6 Each Party ("Indemnifying Party") shall reimburse the other Party ("Indemnified Party") for damages to the Indemnified Party's equipment, Interconnection Trunks and other property utilized to provide Interconnection hereunder caused by the negligence or willful act of the Indemnifying Party, its agents, subcontractors or End User or resulting from the Indemnifying Party's improper use of the Indemnified Party's equipment, Interconnection Trunks or other property, or due to malfunction of any functions, products, services or equipment provided by any person or entity other than the Indemnified Party. Upon reimbursement for damages, the Indemnified Party will cooperate with the Indemnifying Party in prosecuting a Claim against the person causing such damage. The Indemnifying Party shall be subrogated to the right of recovery by the Indemnified Party for the damages to the extent of such payment.

25.7 Indemnification Procedures

- 25.7.1 Whenever a Claim shall arise for indemnification under this Section 25, the relevant Indemnified Party, as appropriate, shall promptly notify the Indemnifying Party and request in writing the Indemnifying Party to defend the same. Failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability that the Indemnifying Party might have, except to the extent that such failure prejudices the Indemnifying Party's ability to defend such Claim.
- 25.7.2 The Indemnifying Party shall have the right to defend against such liability or assertion, in which event the Indemnifying Party shall give written notice to the Indemnified Party of acceptance of the defense of such Claim and the identity of counsel selected by the Indemnifying Party.
- 25.7.3 Until such time as Indemnifying Party provides written notice of acceptance of the defense of such Claim, the Indemnified Party shall defend such Claim, at the expense of the Indemnifying Party, subject to any right of the Indemnifying Party to seek reimbursement for the costs of such defense in the event that it is determined that Indemnifying Party had no obligation to indemnify the Indemnified Party for such Claim.
- 25.7.4 Upon accepting the defense, the Indemnifying Party shall have exclusive right to control and conduct the defense and settlement of any such Claims, subject to consultation with the Indemnified Party. So long as the Indemnifying Party is controlling and conducting the defense, the Indemnifying Party shall not be liable for any settlement by the Indemnified Party unless such Indemnifying Party has approved such settlement in advance and agrees to be bound by the agreement incorporating such settlement.
- 25.7.5 At any time, an Indemnified Party shall have the right to refuse a compromise or settlement, and, at such refusing Party's cost, to take over such defense; provided that, in such event the Indemnifying Party shall not be responsible for, nor shall it be obligated to indemnify the refusing Party against, any cost or liability in excess of such refused compromise or settlement.
- 25.7.6 With respect to any defense accepted by the Indemnifying Party, the Indemnified Party will be entitled to participate with the Indemnifying Party in such defense if the Claim requests equitable relief or other relief that could affect the rights of the Indemnified Party, and shall also be entitled to employ separate counsel for such defense at such Indemnified Party's expense.
- 25.7.7 If the Indemnifying Party does not accept the defense of any indemnified Claim as provided above, the Indemnified Party shall have the right to employ counsel for such defense at the expense of the Indemnifying Party.
- 25.7.8 In the event of a failure to assume the defense, the Indemnified Party may negotiate a settlement, which shall be presented to the Indemnifying Party. If the Indemnifying Party refuses to agree to the presented settlement, the Indemnifying Party may take over the defense. If the Indemnifying Party refuses to agree to the presented settlement and refuses to take over the defense, the Indemnifying Party shall be liable for any reasonable cash settlement not involving any admission of liability by the Indemnifying Party, though such settlement may have been made by the

Indemnified Party without approval of the Indemnifying Party, it being the Parties' intent that no settlement involving a non-monetary concession by the Indemnifying Party, including an admission of liability by such Party, shall take effect without the written approval of the Indemnifying Party.

- 25.7.9 Each Party agrees to cooperate and to cause its employees and agents to cooperate with the other Party in the defense of any such Claim and the relevant records of each Party shall be available to the other Party with respect to any such defense, subject to the restrictions and limitations set forth in Section 18.

26. INTELLECTUAL PROPERTY

- 26.1 Any Intellectual Property originating from or developed by a Party shall remain in the exclusive ownership of that Party.

27. INTERPRETATION AND CONSTRUCTION

- 27.1 Wherever a tariffed rate is cited or quoted, it is understood that said cite incorporates any changes to said tariffs as required by the Act.
- 27.2 This Agreement is the joint work product of the Parties and has been negotiated by the Parties and their respective counsel and shall be fairly interpreted in accordance with its terms and, in the event of any ambiguities, no inferences shall be drawn against either Party.
- 27.3 This Agreement may be negotiated for more than one state, as listed on Appendix – State (Paging). However, this Agreement shall be applied separately and distinctly to the Parties' operations in each individual state.
- 27.4 This Agreement (including all attachments hereto), and every interconnection, service and network element provided hereunder, is subject to all rates, terms and conditions contained in this Agreement (including all attachments hereto) that are legitimately related to such interconnection, service or network element; and all such rates, terms and conditions are incorporated by reference herein and as part of every interconnection, service and network element provided hereunder. Without limiting the general applicability of the foregoing, the Terms and Termination provisions of this Agreement are specifically agreed by the Parties to be legitimately related to, and to be applicable to, each interconnection, service and network element provided hereunder.
- 27.5 For ease of administration, this Agreement contains certain specified rates, terms and conditions which apply only in a designated State ("State-Specific Terms"). To the extent that this Agreement contains State-Specific Terms, such State-Specific Terms shall not apply and shall have no effect in any other State(s) to which this Agreement is submitted for approval under Section 252(e) of the Act. When the Parties negotiate an interconnection agreement for an additional state, neither Party shall be precluded by any language in this Agreement from negotiating State-Specific Terms for the state in which they are to apply.

28. INTERVENING LAW

- 28.1 This Agreement is the result of negotiations between the Parties and may incorporate certain provisions that resulted from arbitration by the appropriate STATE Commission(s). In entering into this Agreement, the Parties acknowledge and agree that on May 24, 2002, the D.C. Circuit issued its decision in *United States Telecom Association, et. al v. FCC*, 290 F.3d 415 (D.C. Cir. 2002) ("USTA decision"), in which the Court granted the petitions for review of the Federal Communications Commission's ("FCC") Third Report and Order and Fourth Further Notice of Proposed Rulemaking in CC Docket No. 96-98 (FCC 99-238) ("the UNE Remand Order") and the FCC's Third Report and Order in CC Docket No. 98-147 and Fourth Report and Order in CC Docket No. 96-98 (FCC 99-355) (rel. Dec. 9, 1999) ("the Line Sharing Order"), and vacated and remanded the Line Sharing and UNE Remand Orders in accordance with the decision. In addition, the FCC adopted its Triennial Review Order on February 20, 2003, on remand from the USTA decision and pursuant to the FCC's Notice of Proposed Rulemaking, *Review of Section 251 Unbundling*

Obligations of Incumbent Local Exchange Carriers, CC Docket No. 01-338 (FCC 01-361) (rel. Dec. 20, 2001). Moreover, on January 25, 1999, the United States Supreme Court issued its opinion in *AT&T Corp. v. Iowa Utilities Bd.*, 525 U.S. 366 (1999) (and on remand, *Iowa Utilities Board v. FCC*, 219 F.3d 744 (8th Cir. 2000)) and *Ameritech v. FCC*, No. 98-1381, 1999 WL 116994, 1999 Lexis 3671 (1999) and on appeal to and remand by the United States Supreme Court, *Verizon v. FCC, et. al*, 535 U.S. 467 (2002). In addition, on April 27, 2001, the FCC released its Order on Remand and Report and Order in CC Dockets No. 96-98 and 99-68, 16 FCC Rcd 9151 (2001) (the "ISP Compensation Order"), which was remanded in *WorldCom, Inc. v. FCC*, 288 F.3d 429 (D.C. Cir. 2002) (all collectively referred to as the "Orders"). On May 9, 2003, the Public Utilities Act of Illinois was amended to add Sections 13-408 and 13-409, 220 ILCS 5/13-408 and 13-409, and enacted into law ("Illinois Law"). The Illinois Law establishes a specific method for setting certain UNE rates in Illinois, mandates that the Illinois Commerce Commission ("ICC") apply the method and determine the rates ("ICC Rates"), and expressly deems all affected interconnection agreements to be amended to contain the ICC Rates immediately upon the ICC's announcement of such adjusted rates, without further action. In entering into this Agreement, the Parties acknowledge and agree that the provisions set forth in this Agreement are based upon SBC-13STATE's obligations under FCC rules and regulations as they existed prior to their vacatur by the D.C. Circuit in its USTA Decision and prior to the ICC's promulgation of rates, terms and conditions pursuant to the Illinois Law. By executing this Agreement and any Amendments to such Agreement and carrying out the provisions herein, neither Party waives, but instead expressly reserves, all of its rights, remedies and arguments with respect to the Orders, the Illinois Law and any other federal or state regulatory, legislative or judicial action(s), including but not limited to any legal or equitable rights of review and remedies (including agency reconsideration and court review), and its rights under this Intervening Law paragraph. Notwithstanding anything to the contrary in this Agreement, these rights also include but are not limited to **SBC-13STATE's** right, to the extent SBC-13STATE has not already invoked the FCC ISP terminating compensation in a particular SBC-13STATE state in which this Agreement is effective and incorporated the rates, terms and conditions of such plan into this Agreement, to exercise its option at any time to adopt on a date specified by **SBC-13STATE** the FCC ISP terminating compensation plan, after which date ISP-bound traffic will be subject to the FCC's prescribed terminating compensation rates, and other terms and conditions, and seek conforming modifications to this Agreement. If any reconsideration, agency order, appeal, court order or opinion, stay, injunction or other action by any state or federal regulatory or legislative body or court of competent jurisdiction stays, modifies, or otherwise affects any of the rates, terms and/or conditions ("provisions") in this Agreement, specifically including but not limited to those arising with respect to the Orders, the affected provision(s) will be immediately invalidated, modified or stayed as required to effectuate the subject order upon the written request of either Party ("Written Notice"). In addition, to the extent this Agreement is in effect in Illinois and to the extent applicable, the Parties agree that any ICC orders implementing the Illinois Law, including, without limitation, the ICC Rates, shall automatically apply to this Agreement (for the state of Illinois only) as of the effective date of any such order(s) upon Written Notice, and as soon as practical thereafter, SBC Illinois shall begin billing the ICC Rates; provided, however, the Parties acknowledge and agree that no later than sixty (60) days from the Written Notice, the Parties will execute a conforming Amendment to this Agreement so that the Agreement accurately reflects the ICC Rates and SBC Illinois will issue any adjustments, as needed, to reflect that the ICC Rates became effective between the Parties as of the effective date of the applicable ICC order(s). With respect to all other Written Notices hereunder, the Parties shall have sixty (60) days from the Written Notice to attempt to negotiate and arrive at an agreement on the appropriate conforming modifications to the Agreement. If the Parties are unable to agree upon the conforming modifications required within sixty (60) days from the Written Notice, any disputes between the Parties concerning the interpretation of the actions required or the provisions affected by such order shall be resolved pursuant to the dispute resolution process provided for in this Agreement.

29. LAW ENFORCEMENT AND CIVIL PROCESS

- 29.1 Intercept Devices. Local and federal law enforcement agencies periodically request information or assistance from local telephone service providers. When either Party receives a request associated with an End User of the other Party, it shall refer such request to the Party that serves such End User, unless

the request directs the receiving Party to attach a pen register, trap-and-trace or form of intercept on the Party's facilities, in which case that Party shall comply with any valid request.

- 29.2 Subpoenas. If a Party receives a subpoena for information concerning an End User the Party knows to be an End User of the other Party, it shall refer the subpoena to the requesting party with an indication that the other Party is the responsible company, unless the subpoena requests records for a period of time during which the receiving Party was the End User's service provider, in which case that Party will respond to any valid request.
- 29.3 The Parties will cooperate to comply with any request for information or assistance from law enforcement agencies. However, neither Party shall be held liable for any Claims or damages arising from compliance with such requests relating to the other Party's End Users and the Party serving such End User agrees to indemnify and hold the other Party harmless against any and all such Claims.

30. LIMITATION OF LIABILITY

- 30.1 Except for indemnity obligations or as otherwise provided in specific appendices under this Agreement and except to the extent (if at all) prohibited by law or public policy, each Party's liability to the other Party for any Loss relating to or arising out of such Party's performance under this Agreement, including but not limited to any negligent act or omission (whether willful or inadvertent), whether in contract, tort or otherwise, including but not limited to alleged breaches of this Agreement and causes of action alleged to arise from allegations that breach of this Agreement also constitute a violation of a statute, including but not limited to the Act, shall not exceed in total the amount that Party has charged or would have charged to the other Party for the affected service(s) or function(s) which were not performed or were improperly performed.
- 30.2 Apportionment of Fault. Except for Losses alleged or Claimed by a End User of either Party and except as otherwise provided in specific appendices, in the case of any Loss alleged or Claimed by a third party arising out of the negligence or willful misconduct of both Parties, each Party shall bear, and its obligation under this Section shall be limited to, that portion of the resulting expense caused by its own negligence or willful misconduct or that of its agents, servants, contractors, or others acting in aid or concert with it.
- 30.3 Except to the extent (if at all) prohibited by law or public policy, neither Carrier nor Telco shall be liable to the other Party for any indirect, incidental, consequential, reliance, special or punitive damages suffered by the other Party (including, without limitation, damages for harm to business, Loss of anticipated revenues, savings, or profits, or other economic Loss suffered by such other Party), regardless of the form of action, whether in contract, warranty, strict liability, tort or otherwise, including without limitation negligence of any kind, whether active or passive (and including alleged breaches of this Agreement and causes of action alleged to arise from allegations that breach of this Agreement constitutes a violation of the Act or other statute), and regardless of whether the Parties knew or had been advised of the possibility that such damages could result in connection with or arising from anything said, omitted, or done hereunder or related hereto including willful acts or omissions (collectively, "Consequential Damages"); provided that the foregoing shall not limit (i) a Party's obligation under this Agreement to indemnify, defend, and hold the other Party harmless against any amounts payable to a third party, including any Losses, costs, fines, penalties, criminal or civil judgments or settlements, expenses (including attorney's fees) and Consequential Damages of such third party, or (ii) a Party's liability to the other Party for willful or intentional misconduct, including gross negligence. Except as provided in the prior sentences, each Party hereby releases and holds harmless the other Party (and such other Party's Affiliates, and their respective officers, directors, employees and agents) from any such Claim.
- 30.4 Neither Party assumes any liability for any act or omission of the other in the furnishing of its service to its End Users solely by virtue of entering into this Agreement.
- 30.5 This Section 30 is not intended to exempt any Party from liability under this Agreement, but only to set forth the scope of damages that are recoverable. Both Parties acknowledge that they negotiated regarding alternate limitation of liability provisions but that such provisions would have altered the cost, and thus the

price, of providing the interconnection, network elements and services hereunder and no different pricing reflecting different costs and different limits of liability was agreed to.

- 30.6 When the lines or services of other companies and Telecommunications Carriers are used in establishing connections to and/or from points not reached by a Party's lines, neither Party shall be liable for any act or omission of the other companies or Telecommunications Carriers.

31. MULTIPLE COUNTERPARTS

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

32. NETWORK MANAGEMENT

- 32.1 Any Party may use or request protective network traffic management controls such as 7-digit and 10-digit code gaps on traffic to or from each other's network, when required to protect the public switched network from congestion due to Facility failures, switch congestion, or failure or focused overload. The Parties will immediately notify each other of any protective control action planned or executed.
- 32.2 Where the capability exists, originating or terminating traffic reroutes may be implemented by any Party to temporarily relieve network congestion due to Facility failures or abnormal calling patterns. Reroutes will not be used to circumvent normal Trunk servicing. Expansive controls will only be used when the Parties mutually agree.
- 32.3 The Parties shall cooperate and share pre-planning information regarding cross-network call-ins expected to generate large or focused temporary increases in call volumes, in order to prevent or mitigate the impact of these events on the public switched network.
- 32.4 Both Parties shall work cooperatively to prevent use of anything provided under this Agreement in any manner that interferes with third parties in the use of their service, prevents third parties from using their service, impairs the quality of service to other Telecommunications Carriers or to either Party's End Users, causes electrical hazards to either Party's personnel, damage to either Party's equipment, or malfunction of either Party's billing equipment. At the earliest practicable time, each Party will provide the other verbal notice of any such network harm that could effect the other Party, its network, or its End Users.
- 32.5 The Parties shall cooperate to establish separate, dedicated Trunks for the completion of calls to high volume End Users.
- 32.6 Carrier and Telco will work cooperatively to install and maintain a reliable network. Carrier and Telco will exchange appropriate information (e.g., maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the government and such other information as the Parties shall mutually agree) to achieve this desired reliability.
- 32.7 Carrier shall acknowledge calls in accordance with the following protocols.
- 32.7.1 Carrier will provide a voice intercept announcement or distinctive tone signals to the calling party when a call is directed to a number that is not assigned by Carrier.
- 32.7.2 Carrier will provide a voice announcement or distinctive tone signals to the calling party when a call has been received and accepted by Carrier's terminal.
- 32.7.3 When Carrier's terminal is not able to complete calls because of a malfunction in the terminal or other equipment, Carrier will either divert the call to its operator, or provide a recorded announcement to the calling party advising that the call cannot be completed.
- 32.7.4 Carrier will provide supervisory tones or voice announcements to the calling party on all calls, consistent with standard telephone industry practices.
- 32.8 Each Party will provide the other Party a 24-hour network management contact and a trouble reporting number.

33. NON-WAIVER

- 33.1 Failure of either Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right or privilege.

34. NOTICES

- 34.1 Subject to Section 34.6, notices given by one Party to the other Party under this Agreement shall be in writing (unless specifically provided otherwise herein), and, unless otherwise expressly required by this Agreement to be delivered to another representative or point of contact, shall be delivered personally; delivered by express overnight delivery service; mailed via first class U.S. Postal Service with postage prepaid and a return receipt requested; or delivered by facsimile; provided that a paper copy is also sent by a method described above.
- 34.2 Notices will be deemed given as of the earliest of the date of actual receipt; the next Business Day when sent via express overnight delivery service; five (5) Days after mailing in the case of first class U.S. Postal Service; or on the date set forth on the confirmation produced by the sending facsimile machine when delivered by facsimile prior to 5:00 p.m. in the recipient's time zone, but the next Business Day when delivered by facsimile at 5:00 p.m. or later in the recipient's time zone.
- 34.3 Notices will be addressed to the Parties as follows:

NOTICE CONTACT	CARRIER CONTACT	TELCO CONTACT
NAME/TITLE	Steven H. Strege Owner	Contract Management ATTN: Notices Manager
STREET ADDRESS	1631 N. Main Street	311 S. Akard, 9 th Floor Four SBC Plaza
CITY, STATE, ZIP CODE	West Bend, WI. 53090	Dallas, TX 75202-5398
FACSIMILE NUMBER	262 338-6250	214-464-2006

E-mail address for Accessible Letters: morio@hnet.net

- 34.4 Either Party may unilaterally change its designated contact, address, telephone number and/or facsimile number for the receipt of notices by giving written notice to the other Party in compliance with this Section. Any notice to change the designated contact, address, telephone and/or facsimile number for the receipt of notices shall be deemed effective ten (10) Days following receipt by the other Party.
- 34.5 Each Party agrees to inform the other of any name change or change in its legal status in writing within thirty (30) Days of the effective date of such change.
- 34.6 Accessible Letters. Telco will communicate official information to Carrier via Telco's Accessible Letter e-mail notification process. This process covers a variety of subjects, including updates on products/services promotions; deployment of new products/services; modifications and price changes to existing products/services; cancellation or retirement of existing products/services; and operational issues. Accessible Letter notification will be deemed given as of the earlier of the date of actual receipt and the date set forth on the e-mail receipt. Carrier shall notify Telco of all e-mail addresses to which Accessible Letter notification is to be sent.

35. NUMBERING

- 35.1 It shall be the responsibility of each Party to program and update its own switches and network systems to recognize and route traffic to the other Party's assigned NPA-NXXs at all times. Neither Telco nor Carrier shall charge each other for changes to switch routing software necessitated by the opening of NPAs or NXXs. If either Party is authorized to recover its costs for changes to switch routing software

- necessitated by the opening of NPAs or NXXs, the Parties shall reimburse each other's costs according to such authorization.
- 35.2 The Parties shall comply with Central Office Code Assignment Guidelines, as currently specified in INC 95-0407-008, in performing the electronic input of their respective number assignment information into the Routing Database System.
- 35.3 To the extent that the Carrier's dedicated NPA-NXX resides at a point in Telco network, then the Parties shall cooperate to reassign the routing V&H and the Common Language Location Identifier ("CLLI") of dedicated NPA-NXX(s) from Telco's Tandems to points within Carrier's network as designated by Carrier. Carrier agrees that it shall use best efforts to complete the reassignment of its dedicated NPA-NXX(s) into its network. The Parties agree to cooperate in order to complete the transfer of all codes no later than the end of twelve months from the Effective Date. Until an NPA-NXX is reassigned, it will continue to be assigned to Telco's network as shown in the LERG.
- 35.4 Telco will forward a confirmation to Carrier in response to Carrier's request to add Carrier's NPA-NXXs to Trunk Groups, when Carrier submits such a request accompanied by an ASR without service and using the remarks section to refer to the NPA-NXX form. This NPA-NXX installation request will be treated as a no-charge order.
- 35.5 Both Parties will provide switch translations and billing contact points regarding the establishment of or modification to full number blocks.
- 35.6 Number Portability
- 35.6.1 The Parties agree to implement local number portability ("LNP"), if required of paging providers by FCC or Commission orders, within and between their networks as soon as technically feasible, but no later than the schedule established by the FCC or the Commission.
- 35.6.2 Each Party shall recover its costs for LNP in accordance with FCC or Commission orders.
- 35.6.3 Except as otherwise agreed between the Parties in writing, to the extent that a Party performs a query or is required to perform a query pursuant to its obligations under any Applicable Laws or this Agreement, that Party will make arrangements to perform its own queries for LNP calls on an N-1 basis, where N is the entity terminating the call to the user. If Telco is the entity terminating the call to the user, Carrier is the N-1 entity, and Carrier fails to make the appropriate query, Telco will charge Carrier in accordance with Telco's applicable tariff.
- 35.6.4 The Parties shall cooperate in conducting testing to ensure interconnectivity between their networks. Each Party shall inform the other of any network updates that may affect the other's network and shall, at the other's request, perform tests to validate the operation of the network.
- 35.6.5 Prior to the date that LNP is implemented by both Parties, the Parties agree to cooperatively establish terms, conditions, and procedures for porting telephone numbers.
- 35.7 Dialing Parity. Telco agrees that local dialing parity will be available to Carrier in accordance with the Act.

36. PATENTS, TRADEMARKS & TRADE NAMES

- 36.1 With respect to Claims of patent infringement made by third persons, Telco and Carrier shall defend, indemnify, protect and save harmless the other from and against all Claims arising out of the improper combining with or use by the indemnifying Party of any Facility, apparatus, system or method provided by that Party or its subscribers in connection with the Trunks or services furnished under this Agreement.
- 36.2 No license under patents is granted by either Party to the other, or shall be implied or arise by estoppel with respect to any Facility, apparatus, system, or method used by either Party in connection with any Trunks or services furnished under this Agreement.

- 36.3 Nothing in this Agreement will 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, absent prior written consent of the other Party.

37. PUBLICITY

- 37.1 The Parties agree not to use in any advertising or sales promotion, press release or other publicity matter any endorsement, direct or indirect quote, or picture implying endorsement by the other Party or any of its employees without such Party's prior written approval. The Parties will submit to each other for written approval, and obtain such approval, prior to publication, all publicity matters that mention or display one another's name and/or marks or contain language from which a connection to said name and/or marks may be inferred or implied.
- 37.2 Neither Party will offer any services using the trademarks, service marks, trade names, brand names, logos, insignia, symbols or decorative designs of the other Party or its Affiliates without the other Party's written authorization.

38. RECORDS

- 38.1 Each Party will keep adequate records of its operations and transactions under this Agreement and shall furnish to the other Party such information as may be reasonably required for the administration of this Agreement.

39. RELATIONSHIP OF THE PARTIES

- 39.1 This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein express or implied shall create or be construed to create any third-party beneficiary rights hereunder.
- 39.2 Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party.
- 39.3 Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.
- 39.4 Each Party is an independent contractor, and has and hereby retains the right to exercise full control of and supervision over its own performance of its obligations under this Agreement and retains full control over the employment, direction, compensation and discharge of its employees assisting in the performance of such obligations. Each Party and each Party's contractor(s) shall be solely responsible for all matters relating to payment of such employees, including the withholding or payment of all applicable federal, state and local income taxes, social security taxes and other payroll taxes with respect to its employees, as well as any taxes, contributions or other obligations imposed by applicable state unemployment or workers' compensation acts and all other regulations governing such matters. Each Party has sole authority and responsibility to hire, fire and otherwise control its employees.
- 39.5 Nothing contained herein shall constitute the Parties as joint venturers, partners, employees or agents of one another, and neither Party shall have the right or power to bind or obligate the other. Nothing herein will be construed as making either Party responsible or liable for the obligations and undertakings of the other Party. Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.

40. REMEDIES

- 40.1 Except as otherwise provided in this Agreement, no remedy set forth herein is intended to be exclusive and each and every remedy shall be cumulative and in addition to any other rights or remedies now or hereafter existing under Applicable Law or otherwise.

41. SERVICES

- 41.1 Each Party is solely responsible for the services it provides to its End Users and to other Telecommunications Carriers.

42. SURVIVAL OF OBLIGATIONS

- 42.1 Any liabilities or obligations of a Party for acts or omissions prior to the cancellations or termination of this Agreement, any obligation of a Party under the provisions regarding indemnification, limitations on liability, and any other provisions of this Agreement which, by their nature or terms, are intended to continue beyond (or to be performed after) the expiration or termination of this Agreement, will survive expiration or termination thereof, except that the survival of obligations as to protection of Confidential Information shall be governed by Section 18.

43. TAXES

- 43.1 Each Party purchasing Interconnection, resale services, network elements, functions, facilities, products and services under this Agreement shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, municipal fees, transfer, transaction or similar taxes, fees, or surcharges (hereinafter "Tax") imposed on, or with respect to, the Interconnection, resale services, network elements, functions, facilities, products and services under this Agreement provided by or to such Party, except for (a) any Tax on either Party's corporate existence, status, or income or (b) any corporate franchise Taxes. Whenever possible, Taxes shall be billed as a separate item on the invoice.
- 43.2 With respect to any purchase of Interconnection, resale services, network elements, functions, facilities, products and services under this Agreement if any Tax is required or permitted by Applicable Law to be collected from the purchasing Party by the providing Party, then: (i) the providing Party shall bill the purchasing Party for such Tax; (ii) the purchasing Party shall remit such Tax to the providing Party; and (iii) the providing Party shall remit such collected Tax to the applicable taxing authority. Failure to include Taxes on an invoice or to state a Tax separately shall not impair the obligation of the purchasing Party to pay any Tax. Nothing shall prevent the providing Party from paying any Tax to the appropriate taxing authority prior to the time: (1) it bills the purchasing Party for such Tax, or (2) it collects the Tax from the purchasing Party. Notwithstanding anything in this Agreement to the contrary, the purchasing Party shall be liable for and the providing Party may collect Taxes which were assessed by or paid to an appropriate taxing authority within the statute of limitations period but not included on an invoice within four (4) years after the Tax otherwise was owed or due.
- 43.3 With respect to any purchase hereunder of Interconnection, resale services, network elements, functions, facilities, products and services under this Agreement that are resold to a third party, if any Tax is imposed by Applicable Law on the End User in connection with any such purchase, then: (i) the purchasing Party shall be required to impose and/or collect such Tax from the End User; and (ii) the purchasing Party shall remit such Tax to the applicable taxing authority. The purchasing Party agrees to indemnify and hold harmless the providing Party for any costs incurred by the providing Party as a result of actions taken by the applicable taxing authority to collect the Tax from the providing Party due to the failure of the purchasing Party to pay or collect and remit such tax to such authority.
- 43.4 If the providing Party fails to bill or to collect any Tax as required herein, then, as between the providing Party and the purchasing Party: (i) the purchasing Party shall remain liable for such uncollected Tax; and (ii) the providing Party shall be liable for any penalty and interest assessed with respect to such uncollected

Tax by such authority. However, if the purchasing Party fails to pay any Taxes properly billed, then, as between the providing Party and the purchasing Party, the purchasing Party will be solely responsible for payment of the Taxes, penalty and interest.

- 43.5 If the purchasing Party fails to impose any Tax on and/or collect any Tax from End Users as required herein, then, as between the providing Party and the purchasing Party, the purchasing Party shall remain liable for such uncollected Tax and any interest and penalty assessed thereon with respect to the uncollected Tax by the applicable taxing authority. With respect to any Tax that the purchasing Party has agreed to pay or impose on and/or collect from End Users, the purchasing Party agrees to indemnify and hold harmless the providing Party for any costs incurred by the providing Party as a result of actions taken by the applicable taxing authority to collect the Tax from the providing Party due to the failure of the purchasing Party to pay or collect and remit such Tax to such authority.
- 43.6 If either Party is audited by a taxing authority or other Governmental Authority, 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.
- 43.7 To the extent a sale is claimed to be for resale and thus subject to tax exemption, the purchasing Party shall furnish the providing Party a proper resale tax exemption certificate as authorized or required by statute or regulation of the jurisdiction providing said resale tax exemption. Failure to timely provide said resale tax exemption certificate will result in no exemption being available to the purchasing Party for any period prior to the date that the purchasing Party presents a valid certificate. If Applicable Law excludes or exempts a purchase of Interconnection, resale services, network elements, functions, facilities, products and services under this Agreement from a Tax, but does not also provide an exemption procedure, then the providing Party will not collect such Tax if the purchasing Party (a) furnishes the providing Party with a letter signed by an officer of the purchasing Party claiming an exemption and identifying the Applicable Law that both allows such exemption and does not require an exemption certificate; and (b) supplies the providing Party with an indemnification agreement, reasonably acceptable to the providing Party, which holds the providing Party harmless from any tax, interest, penalties, Loss, cost or expense with respect to forbearing to collect such Tax.
- 43.8 With respect to any Tax or Tax controversy covered by this Section 44, the purchasing Party is entitled to contest with the imposing jurisdiction, pursuant to Applicable Law and at its own expense, any Tax that it is ultimately obligated to pay or collect. The purchasing Party will ensure that no lien is attached to any asset of the providing Party as a result of any contest. The purchasing Party shall be entitled to the benefit of any refund or recovery of amounts that it had previously paid resulting from such a contest. Amounts previously paid by the providing Party shall be refunded to the providing Party. The providing Party will cooperate in any such contest.
- 43.9 All notices, affidavits, exemption certificates or other communications required or permitted to be given by either Party to the other under this Section 44 shall be sent in accordance with Section 35 hereof.

44. TERM AND TERMINATION

- 44.1 Except as provided herein, the Parties agree to interconnect pursuant to the terms defined in this Agreement until September 30, 2005. (The period from the Effective Date until this date is the "Initial Term"). Thereafter the Agreement shall continue in effect until terminated as provided herein.
- 44.2 At any time after a date 120 Days prior to the date stated in Section 44.1 above, either Party may request negotiations between the Parties for a new Interconnection agreement. Such negotiations shall begin within thirty (30) Days after delivery of such a request. Any resultant new Interconnection agreement shall be effective when approved by the Commission. Either Party's request under this Section will, for all purposes, be treated as a request under Section 252 of the Act for negotiation received by an incumbent local exchange carrier and will begin the process of voluntary negotiations.

- 44.3 This Agreement shall continue in effect until:
 - 44.3.1 a regulatory or judicial body approves a negotiated new interconnection agreement between the Parties for the state covered by this Agreement; or
 - 44.3.2 an arbitrated new interconnection agreement between the Parties for the state covered by this Agreement becomes effective; or
 - 44.3.3 nine months passes from the date either party requested re-negotiation of this Agreement and no new interconnection agreement has taken effect and the Parties have not expressly agreed to extend the term of this Agreement; or
 - 44.3.4 this Agreement is terminated in accordance with the terms of this Section 44.
- 44.4 The Parties agree that, except as otherwise provided in this Agreement, the rules and timeframes of Section 252 of the Act shall apply to any request for a new interconnection agreement initiated under Section 44.2. This includes arbitration by the Commission in the timeframes established in Section 252 of the Act.
 - 44.4.1 If, for any reason, the Commission declines to arbitrate issues resulting from the negotiations, either party may petition the FCC to arbitrate such issues.
 - 44.4.2 If, for any reason, the FCC declines to arbitrate issues resulting from the negotiations, either party may request binding commercial arbitration, which shall be governed by the rules of the American Arbitration Association, except as the Parties agree to modify such rules.
- 44.5 Notwithstanding any other provisions of this Agreement, this Agreement may be terminated at any time as mutually agreed upon by the Parties in writing.
- 44.6 In the event Carrier intends to cease providing its Paging Authorized Services, Carrier shall communicate this intent to Telco in writing at least sixty (60) Days prior to the time Carrier intends to cease providing its Paging Authorized Services. If its sends such a communication, Carrier may terminate this Agreement as part of that same advance written notice, subject to payment for Facilities or arrangements provided or for costs incurred.
- 44.7 Violation of or Refusal to Comply with Provisions of Agreement:
 - 44.7.1 Either Party may provide thirty (30) Days written notice to the other of repeated or willful material violation of, or refusal to comply with, the provisions of this Agreement.
 - 44.7.2 If such material violation or refusal has continued uncured for thirty (30) Days following receipt of such written notice by the defaulting Party, the other Party may terminate this Agreement on thirty (30) Days written notice.
 - 44.7.3 The terminating Party shall notify the FCC and the Commission and concurrently give the other Party written notice of the prospective date and time of discontinuance of service.
- 44.8 Immediate Termination:
 - 44.8.1 This Agreement shall immediately terminate upon the permanent suspension, revocation, or termination by other means of either Party's authority to provide services over its network and shall be suspended during periods of temporary suspension, revocation, or termination of such authority.
 - 44.8.2 Notwithstanding such termination, the terminating Party shall notify in writing the Party who has lost its authority, not less than thirty (30) Days prior to discontinuing the interconnection arrangements provided hereunder.
 - 44.8.3 At such time the terminating Party will also notify in writing the FCC and the Commission of the prospective discontinuance.
- 44.9 Upon termination of this Agreement, the monthly charges payable under the Agreement shall be prorated to the date of termination, provided that the Trunk for which such charge is levied has been in service for more than one (1) month. Otherwise, the full monthly charge shall be due on termination, together with any applicable non-recurring charges.

- 44.10 If this Agreement is terminated for any reason and the Parties continue to provide Facilities, Trunks and/or services hereunder, then the rates, terms and conditions under which those items are provided will be those contained in pertinent Telco tariffs, or in the absence of any pertinent tariffs for the provision of services to CMRS providers, then the terms and conditions contained herein shall continue to apply to such items until a new contract between the Parties is in place, unless otherwise agreed.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives on the dates set forth below.

Moraine Radio

Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, Nevada Bell Telephone Company d/b/a SBC Nevada, The Ohio Bell Telephone Company d/b/a SBC Ohio, Pacific Bell Telephone Company d/b/a SBC California, The Southern New England Telephone Company, Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas, and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin, by SBC Telecommunications Inc., its authorized agent.

Signature: Steven H. Strega

Printed: STEVEN H. STREGA

Title: Owner/Sole Proprietor
(Print or Type)

Date: June 17, 2003

Signature: Mike Auinbauh

Printed: Mike Auinbauh

Title: For/ President - Industry Markets

Date: JUN 24 2003