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November 1, 2000

Mr. Thomas M. Dorman
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

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PUBLIC SERVICE
COMMISSION

00219-AI

RE: Interconnection, Resale and Unbundling Agreement Between Verizon South Inc.
and Empire Telecom Services, Inc. ("Empire")

Dear Mr. Dorman:

Enclosed for joint filing by the parties with the Kentucky Public Service Commission (Commission) are six copies of an Interconnection, Resale and Unbundling Agreement recently executed between Verizon South Inc. (formerly GTE South Incorporated) and Empire Telecom Services, Inc. ("Empire"). Also enclosed is an electronic copy of the Agreement in Microsoft Word 97 format on a 3.5 floppy diskette.

This Agreement is being provided to the Commission for its review and approval.

Please bring this filing to the attention of the Commission, and if there are any questions, please contact me at your convenience.

Yours truly,


Larry D. Callison

Enclosures

c: Mr. Al Thomas – Empire Telecom Services, Inc.



INTERCONNECTION, RESALE AND UNBUNDLING AGREEMENT

BETWEEN

**VERIZON SOUTH INC.
F/K/A GTE SOUTH INCORPORATED**

AND

EMPIRE TELECOM SERVICES, INC.

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This Agreement is effective upon filing with the Commission ("Effective Date"). This Interconnection, Resale and Unbundling Agreement (the "Agreement"), is by and between Verizon South Inc. f/k/a GTE South Incorporated, with its address for purposes of this Agreement at 600 Hidden Ridge Drive, Irving, Texas 75038 ("Verizon"), and Empire Telecom Services, Inc., in its capacity as a certified Provider of local two-way wireline dial-tone service ("Empire"), with its address for this Agreement at 4501 Circle 75 Parkway, Building D, Suite 4210, Atlanta, Georgia 30339 (Verizon and Empire being referred to collectively as the "Parties" and individually as a "Party"). This Agreement covers services in the State of Kentucky only (the "State").

WHEREAS, interconnection between competing Local Exchange Carriers (LECs) is necessary and desirable for the mutual exchange and termination of traffic originating on each LEC's network; and

WHEREAS, the Parties desire to exchange such traffic and related signaling in a technically and economically efficient manner at defined and mutually agreed upon interconnection points; and

WHEREAS, the Parties wish to enter into an agreement to interconnect their respective telecommunications networks on terms that are fair and equitable to both Parties; and

WHEREAS, Section 251 of the Telecommunications Act of 1996 (the "Act") imposes specific obligations on LECs with respect to the interconnection of their networks, resale of their telecommunications services, access to their poles, ducts, conduits and rights-of-way and, in certain cases, the offering of certain Unbundled Network Elements (UNEs) and physical collocation of equipment in LEC premises; and

WHEREAS, the Parties acknowledge that negotiations for this Agreement were substantially completed prior to June 29, 2000, and that the filing date of this Agreement largely reflects additional time necessary for its review, finalization, and execution in implementing the results of a single multi-state negotiation; and

WHEREAS, Verizon is entering, under protest, into certain aspects of this Agreement that incorporate adverse results from the arbitrated agreements approved by the Commission in this state and is doing so in order to avoid the expense of arbitration while at the same time preserving its legal positions, rights and remedies, pursuant to Article III, Section 49.

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

ARTICLE I
SCOPE AND INTENT OF AGREEMENT

Pursuant to this Agreement, the Parties will extend certain arrangements to one another within each area in which they both operate within the State for purposes of interconnection and the exchange of traffic between their respective end-user customers, and reciprocal access to poles, ducts, conduits and rights-of-way. This Agreement also governs the purchase by Empire of certain telecommunications services provided by Verizon in its franchise areas for resale by Empire, the purchase by Empire of certain Unbundled Network Elements from Verizon, and the terms and conditions of the collocation of certain equipment of Empire in the premises of Verizon. This Agreement is an integrated package that reflects a balancing of interests critical to the Parties. This Agreement will be submitted to the Kentucky Public Service Commission (the "Commission") for approval. The Parties agree that their entrance into this Agreement is without prejudice to and does not waive any positions they may have taken previously, or may take in the future, in any legislative, regulatory, judicial or other public forum addressing any matters, including without limitation matters related to the same types of arrangements and/or matters related to Verizon's cost recovery covered in this Agreement. Empire agrees to negotiate reciprocal terms and conditions with Verizon based on this Agreement to the extent required by the Act. Neither Party's execution of this Agreement is to be deemed a concession or waiver in any manner of any issue related to or arising from this Agreement, including without limitation, Verizon's position that certain rates, terms and conditions contained herein are unlawful, illegal and improper.

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

ARTICLE II
DEFINITIONS

1. General Definitions.

Except as otherwise specified herein, the following definitions shall apply to all Articles and Appendices contained in this Agreement. Additional definitions that are specific to the matters covered in a particular Article may appear in that Article. To the extent that there may be any conflict between a definition set forth in this Article II and any definition in a specific Article or Appendix, the definition set forth in the specific Article or Appendix shall control with respect to that Article or Appendix.

1.1 **Access Service Request (ASR)**

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

1.2 **Act**

The Telecommunications Act of 1996, Public Law 104-104 of the 104th United States Congress effective February 8, 1996.

1.3 **Affiliate**

A person, corporation or other legal entity that, directly or indirectly, owns or controls a Party, or is owned or controlled by, or is under common ownership or control with a Party.

1.4 **Answer Supervision**

An off-hook supervisory signal.

1.5 **Applicable Law**

All laws, statutes, common law, regulations, ordinances, codes, rules, guidelines, orders, permits, and approvals of the FCC, the Commission, any court of competent jurisdiction, or any other governmental or judicial authority acting within its proper jurisdiction, which apply or relate to the subject matter of this Agreement.

1.6 **As-Is Transfer (AIT)**

The transfer of all telecommunications services and features available for resale, that are currently being provided for a specific account, without the requirements of a specific enumeration of the services and features on the Local Service Request (LSR).

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

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

1.8 **Automated Message Accounting (AMA)**

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

1.9 **Automatic Number Identification (ANI)**

The number transmitted through the network identifying the calling party.

1.10 **Basic Local Exchange Service**

Access to Verizon's local telephone network that provides the following: exchange of local Telecommunications Service between the Parties, the ability to place and receive calls; touch-tone service, access to operator services; access to directory assistance; access to emergency services (E911); access to telephone relay service (TRS); originating and terminating access to interexchange carriers; standard white pages directory listing; and toll blocking for low-income consumers participating in Lifeline (subject to technical feasibility).

1.11 **Bill-and-Keep Arrangement**

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

1.12 **Bona Fide Request (BFR)**

The process described in Article VII, Unbundled Network Elements, that prescribes the terms and conditions relating to a Party's request that the other Party provides a UNE that it is not otherwise required to provide under the terms of this Agreement.

1.13 **Business Day**

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

1.14 **Central Office Switch**

A switch used to provide telecommunications services including (1) End Office Switches which are Class 5 switches from which end-user Exchange Services are directly connected and offered, and (2) Tandem Office Switches which are Class 4 switches which are used to connect and switch trunk circuits between and among central office switches. Central office switches may be employed as combination end office/tandem office switches (combination Class 5/Class 4).

1.15 **Centralized Message Distribution System (CMDs)**

The billing record and clearing house transport system that the Regional Bell Operating Companies (RBOCs) and other incumbent LECs use to efficiently exchange out collects and in collects as defined in Article VI, Section 3.6 of this Agreement as well as Carrier Access Billing System (CABS) records.

- 1.16 **CLEC Guide**
The Verizon Open Market Transition Order/Processing Guide, LSR Guide, and Products and Services Guide which contain Verizon's operating procedures for ordering, provisioning, trouble reporting and repair for resold services and unbundled elements and Verizon's CLEC Interconnection Guide which provides guidelines for obtaining interconnection of Verizon's Switched Network with the networks of all certified CLECs for reciprocal exchange of traffic. Except as specifically provided otherwise in this Agreement, service ordering, provisioning, billing and maintenance shall be governed by the Guide which may be amended from time to time by Verizon as needed.
- 1.17 **CLLI Codes**
Common Language Location Identifier Codes.
- 1.18 **Commission**
The Kentucky Public Service Commission.
- 1.19 **Common Channel Signaling (CCS)**
A high-speed specialized packet-switched communications network that is separate (out-of-band) from the public packet-switched and message networks. CCS carries addressed signaling messages for individual trunk circuits and/or database-related services between Signaling Points in the CCS network using SS7 signaling protocol.
- 1.20 **Competitive Local Exchange Carrier (CLEC)**
Any company or person authorized to provide local exchange services in competition with an ILEC.
- 1.21 **Compliance**
Environmental and safety laws and regulations based upon a federal regulatory framework, with certain responsibilities delegated to the States. An environmental/safety compliance program may include review of Applicable Laws/regulations, development of written procedures, training of employees and auditing.
- 1.22 **Conversation Time**
The time that both Parties' equipment is used for a completed call, measured from the receipt of Answer Supervision to the receipt of Disconnect Supervision.
- 1.23 **Currently Available**
Existing as part of Verizon's network at the time of the requested order or service and does not include any service, feature, function or capability that Verizon either does not provide to itself or to its own end users, or does not have the capability to provide.
- 1.24 **Customer**
Verizon or Empire, depending on the context and which Party is receiving the service from the other Party.
- 1.25 **Customer Service Record Search**
Applied to LSR when CLEC requests a customer service record search prior to account conversion from Verizon or from another CLEC. Search typically is for basic account

information, listing/directory information, service and equipment listing, and billing information. Applied on a per requested loop and/or port basis.

1.26 **Dedicated Transport**

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

1.27 **Disconnect Supervision**

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

1.28 **DS-1**

A transmission service carried at digital signal rate of 1.544 Mbps.

1.29 **DS-3**

A transmission service carried at digital signal rate of 44.736 Mbps.

1.30 **Electronic File Transfer**

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

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

Traffic bound to any Enhanced Service Provider or Internet Service Provider. ESP/ISP Traffic is separate and distinct from Local Traffic.

1.32 **E-911 Service**

A method of routing 911 calls to a PSAP that uses a customer location database to determine the location to which a call should be routed. E-9-1-1 service includes the forwarding of the caller's Automatic Number Identification (ANI) to the PSAP where the ANI is used to retrieve and display the Automatic Location Identification (ALI) on a terminal screen at the answering Attendant's position. It usually includes selective routing.

1.33 **Exchange Message Record (EMR)**

An industry standard record used to exchange telecommunications message information among CLECs for billable, non-billable, sample, settlement and study data. EMR format is defined in BR-010-200-010 CRIS Exchange Message Record, published by Telcordia Technologies.

1.34 **Exchange Service**

All basic access line services, or any other services offered to end users which provide end users with a telephonic connection to, and a unique telephone number address on, the Public Switched Telecommunications Network (PSTN), and which enable such end users to place or receive calls to all other stations on the PSTN.

1.35 **Expanded Interconnection Service (EIS)**

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

1.36 **Facility**

All buildings, equipment, structures and other facilities located on a single site or contiguous or adjacent sites owned or operated by the same persons or person as used in Article III, Section 47.

1.37 **FCC**

The Federal Communications Commission.

1.38 **Generator**

Under the Resource Conservation Recovery Act (RCRA), the person whose act produces a hazardous waste (40 CFR 261) or whose act first causes a hazardous waste to become subject to regulation. The generator is legally responsible for the proper management and disposal of hazardous wastes in accordance with regulations (see reference in Article III, Section 47).

1.39 **GTOC**

GTE Telephone Operating Company.

1.40 **Hazardous Chemical**

As defined in the U.S. Occupational Safety and Health (OSHA) hazard communication standard (29 CFR 1910.1200), any chemical which is a health hazard or physical hazard.

1.41 **Hazardous Waste**

As described in Resource Conservation Recovery Act (RCRA), a solid waste(s) which may cause, or significantly contribute to an increase in mortality or illness or pose a substantial hazard to human health or the environment when improperly treated, stored, transported or disposed of or otherwise managed because of its quantity, concentration or physical or chemical characteristics.

1.42 **Imminent Danger**

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

1.43 **Incumbent Local Exchange Carrier (ILEC)**

Any local exchange carrier that was as of February 8, 1996, deemed to be a member of the Exchange Carrier Association as set forth in 47 C.F.R. ' 69.601(b) of the FCC's regulations.

- 1.44 **Initial Service Order Charge**
A charge applied to each LSR for Unbundled Network Elements as required by the UNE Order with the exception of Subsequent Service Order changes to existing CLEC accounts.
- 1.45 **Interconnection Facility**
See “Internetwork Facilities”.
- 1.46 **Interconnection Point (IP)**
The physical point on the network where the two Parties interconnect. The IP is the demarcation point between ownership of the Parties respective transmission facilities.
- 1.47 **Interexchange Carrier (IXC)**
A telecommunications service provider authorized by the FCC to provide interstate long distance communications services between LATAs and is authorized by the State to provide inter- and/or intraLATA long distance communications services within the State.
- 1.48 **Interim Number Portability (INP)**
The delivery of Local Number Portability (LNP) capabilities, from a customer standpoint in terms of call completion, with as little impairment of functioning, quality, reliability, and convenience as possible and from a carrier standpoint in terms of compensation, through the use of existing and available call routing, forwarding, and addressing capabilities.
- 1.49 **Internetwork Facilities**
The physical connection of separate pieces of equipment, transmission facilities, etc., within, between and among networks, for the transmission and routing of exchange service and exchange access.
- 1.50 **ISDN User Part (ISUP)**
A part of the SS7 protocol that defines call setup messages and call takedown messages.
- 1.51 **Line Information Data Base (LIDB)**
One or all, as the context may require, of the Line Information databases owned individually by Verizon and other entities which provide, among other things, calling card validation functionality for telephone line number cards issued by Verizon and other entities. A LIDB also contains validation data for collect and third number-billed calls; i.e., Billed Number Screening.
- 1.52 **Line Side**
Refers to an end office switch connection that has been programmed to treat the circuit as a local line connected to an ordinary telephone station set. Line side connections offer only those transmission and signaling features appropriate for a connection between an end office and an ordinary telephone set.
- 1.53 **Local Access and Transport Area (LATA)**
A geographic area for the provision and administration of communications service; i.e., intraLATA or interLATA.

- 1.54 **Local Exchange Carrier (LEC)**
Any company certified by the Commission to provide local exchange telecommunications service.
- 1.55 **Local Exchange Routing Guide (LERG)**
The Telcordia Technologies reference customarily used to identify NPA-NXX routing and homing information, as well as network element and equipment designation.
- 1.56 **Local Number Portability (LNP)**
The ability of users of telecommunications services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another.
- 1.57 **Local Service Request (LSR)**
Verizon's standard form, which contains data elements and usage rules, used by the Parties to establish, add, change or disconnect resold services and unbundled elements for the purposes of competitive local services.
- 1.58 **Local Traffic**
Traffic that is originated by an end user of one Party and terminates to the end user of the other Party within Verizon's local serving area, including mandatory local calling scope arrangements. A mandatory local calling scope arrangement is an arrangement that provides end users a local calling scope, Extended Area Service (EAS), beyond their basic exchange serving area. Local Traffic does not include optional local calling scopes (i.e., optional rate packages that permit the end user to choose a local calling scope beyond their basic exchange serving area for an additional fee), referred to hereafter as "optional EAS". Local Traffic excludes Enhanced Service Provider (ESP) and Internet Service Provider (ISP) traffic, including but not limited to Internet, 900-976, etc., and Internet Protocol based long distance telephony.
- 1.59 **Main Distribution Frame (MDF)**
The distribution frame used to interconnect cable pairs and line trunk equipment terminating on a switching system.
- 1.60 **Meet-Point Billing (MPB)**
Refers to an arrangement whereby two LECs jointly provide the transport element of a switched access service to one of the LEC's end office switches, with each LEC receiving an appropriate share of the transport element revenues as defined by the effective access tariffs.
- 1.61 **Mid-Span Fiber Meet**
An Interconnection architecture whereby two carriers' fiber transmission facilities meet at a mutually agreed-upon IP.
- 1.62 **Multiple Exchange Carrier Access Billing (MECAB)**
Refers to the document prepared by the Billing Committee of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for Telecommunications Industry Solutions (ATIS). The MECAB document, published by Telcordia Technologies as Special Report SR-BDS-000983,

contains the recommended guidelines for the billing of an access service provided by two or more LECs, or by one LEC in two or more states within a single LATA.

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

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

1.64 **Network Interface Device (NID)**

The Verizon provided interface terminating Verizon's telecommunication network on the property where the customer's End-User service is located at a point determined by Verizon. The NID contains an FCC Part 68 registered jack from which inside wire may be connected to Verizon's network. The NID UNE is any means of interconnection of end-user customer premises wiring to the incumbent LECs distribution plant.

1.65 **911 Service**

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

1.66 **North American Numbering Plan (NANP)**

The system of telephone numbering employed in the United States, Canada, and Caribbean countries that employ NPA 809.

1.67 **Numbering Plan Area (NPA)**

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

1.68 **NXX, NXX Code, Central Office Code or CO Code**

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

1.69 **Outside Facility Charge**

A charge, based on the rate set forth in the applicable Appendices, applied to LSRs when field work is required for establishment of unbundled loop service. Applied on a per LSR basis.

1.70 **Owner or Operator**

As used in OSHA regulations, owner is the legal entity, including a lessee, which exercises control over management and record keeping functions relating to a building or facility. As used in the Resource Conservation and Recovery Act (RCRA), operator means the person responsible for the overall (or part of the) operations of a facility (see reference in Article III, Section 47).

1.71 **Party/Parties**

Verizon and/or Empire.

1.72 **Pole Attachment**

Refers to the definition set forth in Article X.

1.73 **Provider**

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

1.74 **Public Safety Answering Point (PSAP)**

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

1.75 **Rate Center**

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

1.76 **Right-of-way (ROW)**

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

1.77 **Routing Point**

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

- 1.78 **Service Control Point (SCP)**
The node in the signaling network to which informational requests for service handling, such as routing, are directed and processed. The SCP is a real time database system that, based on a query from the SSP, performs subscriber or application-specific service logic, and then sends instructions back to the SSP on how to continue call processing.
- 1.79 **Service Switching Point (SSP)**
A Signaling Point that can launch queries to databases and receive/interpret responses used to provide specific customer services.
- 1.80 **Shared Transport**
The physical interoffice facility not dedicated to any one customer, that is used to transport a call between switching offices. A central office switch translates the end user dialed digits and routes the call over a Common Transport Trunk Group that rides interoffice transmission facilities.
- 1.81 **Signaling Point (SP)**
A node in the CCS network that originates and/or receives signaling messages, or transfers signaling messages from one signaling link to another, or both.
- 1.82 **Signaling System 7 (SS7)**
The signaling protocol, Version 7, of the CCS network, based upon American National Standards Institute (ANSI) standards.
- 1.83 **Signal Transfer Point (STP)**
A packet switch in the CCS network that is used to route signaling messages among SSPs, SCPs and other STPs in order to set up calls and to query databases for advanced services. Verizon's network includes mated pairs of local and regional STPs. STPs are provided in pairs for redundancy. Verizon STPs conform to ANSI T1.111-8 standards.
- 1.84 **Subsidiary**
A corporation or other legal entity that is majority owned by a Party.
- 1.85 **Subsequent Service Order**
Applied to LSRs requesting a service change to an existing unbundled account (no CLEC transfer). For disconnect-only LSRs, no NRC will be applied.
- 1.86 **Synchronous Optical Network (SONET)**
Synchronous electrical (STS) or optical channel (OC) connections between LECs.
- 1.87 **Switched Access Service**
The offering of facilities for the purpose of the origination or termination of traffic to or from Exchange Service customers in a given area pursuant to a switched access tariff. Switched Access Services include: Feature Group A, Feature Group B, Feature Group C, Feature Group D, 800 access and 900 access services.

- 1.88 **Telcordia Technologies**
A wholly owned subsidiary of Science Applications International Corporation (SAIC). The organization conducts research and development projects for its owners, including development of new telecommunications services. Telcordia Technologies also provides certain centralized technical and management services for the regional holding companies and also provides generic requirements for the telecommunications industry for products, services and technologies.
- 1.89 **Telecommunications Services**
The offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.
- 1.90 **Third Party Contamination**
Environmental pollution that is not generated by Verizon or Empire but results from activities of another party impacting a Facility.
- 1.91 **Transfer of Service**
A charge, set forth in the applicable Appendices, applied to LSR's which involve account changes (e.g., CLEC to CLEC transfers, DA & CPE billing changes on Unbundled Ports).
- 1.92 **Trunk Side**
Refers to a central office switch connection that is capable of, and has been programmed to treat the circuit as, connecting to another switching entity, for example, to another central office switch. Trunk side connections offer those transmission and signaling features appropriate for the connection of switching entities and cannot be used for the direct connection of ordinary telephone station sets.
- 1.93 **Unbundled Network Element (UNE)**
Generally a facility or equipment used in the provision of a Telecommunications Service. Specific references to UNEs contained throughout this Agreement shall be to the network elements that are to be unbundled pursuant to Article VII of this Agreement and Applicable Law.
- 1.94 **Undefined Terms**
Terms that may appear in this Agreement which are not defined. Parties acknowledge and agree that any such terms shall be construed in accordance with customary usage in the telecommunications industry as of the Effective Date of this Agreement. Terms used but not otherwise defined in the Agreement have the meanings set forth in the Act or, if not defined therein, in the FCC's rules and orders.
- 1.95 **UNE Remand Order or UNE Order**
The FCC's Order In Re: Local Competition, CC-96-98, Third Report and Order (released November 5, 1999).
- 1.96 **Vertical Features (including CLASS Features)**
Vertical services and switch functionalities provided by Verizon, including: Automatic Call Back; Automatic Recall; Call Forwarding Busy Line/Don't Answer; Call Forwarding Don't Answer; Call Forwarding Variable; Call Forwarding - Busy Line; Call Trace; Call Waiting; Call Number Delivery Blocking Per Call; Calling Number Blocking Per Line; Cancel Call

Waiting; Distinctive Ringing/Call Waiting; Incoming Call Line Identification Delivery; Selective Call Forward; Selective Call Rejection; Speed Calling; and Three Way Calling/Call Transfer.

1.97 **Wire Center**

A building or space within a building that serves as an aggregation point on a LEC's network, where transmission facilities and circuits are connected or switched. Wire Center can also denote a building in which one or more Central Offices, used for the provision of exchange services and access services, are located.

ARTICLE III

GENERAL PROVISIONS

1. Scope of General Provisions.

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

2. Term and Termination.

2.1 Term.

Subject to the termination provisions contained in this Agreement, the term of this Agreement shall be from the Effective Date of this Agreement until November 1, 2002 and shall continue in effect for consecutive six (6) month terms unless either Party gives the other Party at least ninety (90) calendar days written notice of termination, which termination shall be effective at the end of the then-current term ("Termination Date"). In the event notice is given less than ninety (90) calendar days prior to the end of the current term, this Agreement shall remain in effect for ninety (90) calendar days after such notice is received, provided, that in no case shall the Termination Date be extended beyond ninety (90) calendar days after the end of the current term.

2.2 Post-Termination Arrangements.

Except in the case of termination as a result of either Party's Default under Section 2.3 below, or a termination upon sale, pursuant to Section 2.4, for service arrangements made available under this Agreement and existing at the time of termination, those arrangements may continue, without the imposition of any new or additional non-recurring or transitional charges:

- (a) As if under this Agreement, if either Party has requested negotiations for a new agreement pursuant to Sections 251 and 252 of the Act, (i) until this Agreement has been replaced by a new agreement, or (ii) for up to one hundred eighty (180) calendar days following the Termination Date, whichever is earlier.
- (b) If this Agreement is not continued pursuant to subsection (a) preceding under (i) a new agreement voluntarily executed by the Parties; (ii) standard terms and conditions approved and made generally effective by the Commission, if any; (iii) tariff terms and conditions made generally available to all Local Providers; or (iv) any rights under Section 252(i) of the Act.

2.3 Termination Upon Default.

Either Party may terminate this Agreement in whole or in part in the event of a default by the other Party; *provided however*, that the non-defaulting Party notifies the defaulting party in writing of the alleged default and that the defaulting Party does not cure the alleged default within sixty (60) calendar days of receipt of written notice thereof. Default is defined to include:

- (a) A Party's insolvency or the initiation of bankruptcy or receivership proceedings by or against the Party; or

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

2.4 Termination Upon Sale.

Notwithstanding anything to the contrary contained herein, a Party may terminate this Agreement as to a specific operating area or portion thereof if such Party (a) sells or otherwise transfers the area or portion thereof or (b) ceases to do business therein. The selling or transferring Party shall provide the other Party with at least ninety (90) calendar days' prior written notice of such termination, which shall be effective on the date specified in the notice. Notwithstanding termination of this Agreement as to a specific operating area, this Agreement shall remain in full force and effect in the remaining operating areas.

2.5 Liability Upon Termination.

Termination of this Agreement, or any part hereof, for any cause shall not release either Party from any liability which at the time of termination had already accrued to the other Party or which thereafter accrues in any respect to any act or omission occurring prior to the termination or from an obligation which is expressly stated in this Agreement to survive termination.

3. Amendments.

Any amendment, modification, or supplement to this Agreement must be in writing and signed by an authorized representative of each Party. The term "this Agreement" shall include future amendments, modifications, and supplements.

4. Assignment.

Any assignment by either Party of any right, obligation, or duty, in whole or in part, or of any interest, without the written consent of the other Party shall be void, except that either Party may assign all of its rights, and delegate its obligations, liabilities and duties under this Agreement, either in whole or in part, to any entity that is, or that was immediately preceding such assignment, a Subsidiary or Affiliate of that Party without consent, but with written notification. The effectiveness of an assignment shall be conditioned upon the assignee's written assumption of the rights, obligations, and duties of the assigning Party.

5. Authority.

Each person whose signature appears on this Agreement represents and warrants that he or she has authority to bind the Party on whose behalf he or she has executed this Agreement. Each Party represents he or she has had the opportunity to consult with legal counsel of his or her choosing and Empire has not relied on Verizon counsel, pursuant to this Agreement.

6. Responsibility for Payment.

Verizon may charge Empire and Empire will pay Verizon a deposit before Verizon is required to perform under this agreement if Verizon reasonably believes Empire to be not credit worthy and Empire has not established a good payment history with Verizon. Such deposit will be calculated based on Verizon's estimated two-month charges to Empire using Empire's forecast of resale lines and unbundled loops and ports. Interest will be paid on the deposit in accordance with state requirements for end user deposits.

7. CLEC Profile.

Before orders can be taken, Empire must complete and return an accurate CLEC Profile; and, if required, an advanced deposit paid. Empire will provide Verizon with its Operating Company Number (OCN), Company Code (CC), and Customer Carrier Name Abbreviation (CCNA) as described in the CLEC Guide located on Verizon's WISE website at URL: <http://www.gte.com/wise>. Empire agrees to warrant to Verizon that it is a certified provider of telecommunications service or shall obtain that certification prior to placing any orders under this Agreement. Empire will document its Certificate of Operating Authority on the CLEC Profile and agrees to update this CLEC Profile as required to reflect its current certification.

8. Contact Exchange and CLEC Guide.

The Parties agree to exchange and to update contact and referral numbers for order inquiry, trouble reporting, billing inquiries, and information required to comply with law enforcement and other security agencies of the government. Verizon covenants to promptly notice Empire of any additions, changes or modifications to the CLEC Guide. In the event of any conflict between the rates, terms and conditions of this Agreement and the rates, terms or conditions of the Guide, this Agreement shall control. Verizon agrees that the CLEC Guide is and will be available on Verizon's website located at <http://www.gte.com/wise>.

9. Electronic Interface.

The Parties shall work cooperatively in the implementation of electronic gateway access to Verizon operational support systems functions in the long-term in accordance with established industry standards. Empire should refer to the CLEC Guide for the current OSS capabilities.

9.1 Empire may migrate to fully interactive system to system interconnectivity. Verizon, with input from Empire and other carriers, shall provide general interface specifications for electronic access to this functionality. These specifications will be provided to enable Empire to design system interface capabilities. Development will be in accordance with applicable national standards committee guidelines. Such interfaces will be available as expeditiously as possible.

9.2 All costs and expenses for any new or modified electronic interfaces exclusively to meet Empire requirements that Verizon determines are different from what is Currently Available will be paid by Empire, if Verizon provides such interfaces.

9.3 Empire shall be responsible for modifying and connecting any of its pre-ordering and ordering systems with Verizon provided interfaces as described in the CLEC Guide.

10. Billing and Payment.

Except as provided elsewhere in this Agreement and where applicable, in conformance with Multiple Exchange Carrier Access Billing (MECAB) guidelines and Multiple Exchange Carriers Ordering and Design Guidelines for Access Services-Industry Support Interface (MECOD), Empire and Verizon agree to exchange all information to accurately, reliably, and properly order and bill for features, functions and services rendered under this Agreement.

10.1 Back Billing.

Neither Party will bill the other Party for previously unbilled charges that are for more than one-year prior to the current billing date.

10.2 Dispute.

If one Party disputes a billing statement issued by the other Party, the billed Party shall notify Provider in writing regarding the nature and the basis of the dispute within six (6) months of the statement date or the dispute shall be waived. The Parties shall diligently work toward resolution of all billing issues.

10.3 Late Payment Charge.

If any undisputed amount due on the billing statement is not received by Provider on the payment due date, Provider may charge, and Customer agrees to pay, at Provider's option, interest on the past due balance at a rate equal to **the lesser of**; (i) the interest rates set forth in the applicable state access tariffs, (ii) the applicable FCC access tariff, (iii) one and one-half percent (1½%) per month or (iv) the maximum nonusurious rate of interest under Applicable Law. Late payment charges shall be included on the next statement.

10.4 Due Date.

Payment of all charges is due thirty (30) calendar days from the bill date as printed on the face of the bill. Payment for disputed charges are defined in Article IV Section 4.

10.5 Audits.

Either Party may conduct an audit of the other Party's books and records pertaining to the Services provided under this Agreement, no more frequently than once per twelve (12) month period, to evaluate the other Party's accuracy of billing, data and invoicing in accordance with this Agreement. Any audit shall be performed as follows: (i) following at least thirty (30) Business Days' prior written notice to the audited Party; (ii) subject to the reasonable scheduling requirements and limitations of the audited Party; (iii) at the auditing Party's sole cost and expense; (iv) of a reasonable scope and duration; (v) in a manner so as not to materially interfere with the audited Party's business operations; and (vi) in compliance with the audited Party's security rules.

10.5.1 Adjustments, credits or payments to correct any errors or omissions which are disclosed by such Audit will be made within sixty (60) days after the audited Party's receipt of a copy of the final audit report and agreement thereto by the Parties.

10.5.2 Neither the right to audit nor the right to receive an adjustment will be affected by any statement to the contrary appearing on checks or otherwise, unless such statement expressly waiving such right appears in writing, is signed by the authorized representative of the Party having such right and is delivered to the other Party in a manner provided by this Agreement.

10.5.3 This Section 10.5 shall survive for a period of one (1) year after the date of any expiration or termination of this Agreement.

11. Binding Effect.

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

12. Capacity Planning and Forecasting.

Within thirty (30) days from the Effective Date of this Agreement, the Parties agree to meet and develop joint planning and forecasting responsibilities which are applicable to Local Services,

including Features, UNEs, Interim Number Portability (INP), Interconnection Services, Collocation, Poles, Conduits and Rights-of-Way (ROW). Verizon may delay processing Empire service orders. The processing of Empire's service orders may be delayed if Empire fails to materially perform its obligations as specified. Such responsibilities shall include but are not limited to the following:

- 12.1 The Parties will establish periodic reviews of network and technology plans and will notify one another no later than three (3) months in advance of changes that either Party reasonably believes would have a materially adverse effect on either Party's provision of services.
- 12.2 Empire will furnish to Verizon information that provides for non-binding state-wide annual forecasts of order activity, in-service quantity forecasts, and facility/demand forecasts.
- 12.3 The Parties will develop joint forecasting responsibilities for traffic utilization over trunk groups and yearly forecasted trunk quantities as set forth in Article V.
- 12.4 Empire shall notify Verizon promptly of changes (increase or decrease) greater than ten percent (10%) to its most recent annual forecasts provided to Verizon which Empire reasonably believes will result in a like or greater change in Empire's demand for services or facilities during the following forecasting period.

13. Compliance with Laws and Regulations.

Each Party shall comply with all federal, state, and local statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings applicable to its performance under this Agreement.

14. Confidential Information.

14.1 Identification.

Either Party may disclose to the other its own proprietary or confidential customer, technical, or business information in written, graphic, oral or other tangible or intangible forms ("Confidential Information"). In order for information to be considered Confidential Information under this Agreement, it must be marked "Confidential" or "Proprietary," or bear a marking of similar import. Orally or visually disclosed information shall be deemed Confidential Information only if contemporaneously identified as such and reduced to writing and delivered to the other Party with a statement or marking of confidentiality within thirty (30) calendar days after oral or visual disclosure.

Notwithstanding the foregoing, (a) all preorders and all orders for services or UNEs placed by Empire pursuant to this Agreement, (b) information that would constitute customer proprietary network information of Empire end user customers pursuant to the Act and the rules and regulations of the FCC, (c) recorded usage information with respect to Empire end users, whether disclosed by Empire to Verizon or otherwise acquired by Verizon in the course of its performance under this Agreement, and (d) where Verizon is the North American Numbering Plan (NANP) Number Plan Administrator, Empire information submitted to Verizon in connection with such responsibilities shall be deemed Confidential Information of Empire for all purposes under this Agreement whether or not specifically marked or designated as confidential or proprietary.

14.2 Handling.

In order to protect such Confidential Information from improper disclosure, each Party agrees:

- (a) That all Confidential Information shall be and shall remain the exclusive property of the source;
- (b) To limit access to such Confidential Information to authorized employees, contractors or agents who have a need to know the Confidential Information for performance of this Agreement;
- (c) To keep such Confidential Information confidential and to use at least the same level of care to prevent disclosure or unauthorized use of the received Confidential Information as it exercises in protecting its own Confidential Information of a similar nature;
- (d) Not to copy, publish, or disclose such Confidential Information to others or authorize anyone else to copy, publish, or disclose such Confidential Information to others without the prior written approval of the source;
- (e) To return promptly any copies of such Confidential Information to the source at its request; and
- (f) To use such Confidential Information only for purposes of fulfilling work or services performed hereunder and for other purposes only upon such terms as may be agreed upon between the Parties in writing.

14.3 Exceptions.

These confidentiality obligations shall not apply to any Confidential Information (a) that was legally in the recipient's possession prior to receipt from the source, (b) that was received in good faith from a third party not subject to a confidential obligation to the source, (c) that now is or later becomes publicly known through no breach of confidential obligation by the recipient, (d) that was developed by the recipient without the developing persons having access to any of the Confidential Information received in confidence from the source, or (e) that is required to be disclosed pursuant to subpoena or other process issued by a court or administrative agency having appropriate jurisdiction, provided, however, that the recipient shall give prior notice to the source and shall reasonably cooperate if the source deems it necessary to seek protective arrangements.

14.4 Survival.

The obligation of confidentiality and use with respect to Confidential Information disclosed by one Party to the other shall survive for a period of three (3) years after the date of any expiration or termination of this Agreement.

15. Consent.

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

16. Fraud.

Each Party assumes responsibility for all fraud associated with its end-user customers and accounts. Neither Party shall have responsibility for, nor is it required to investigate or make adjustments to the other Party's account in cases of fraud associated with the other Party's end-user customers and accounts. The Parties agree that they will cooperate with each other to investigate, minimize and take corrective action in cases of fraud. The Party's fraud minimization procedures shall be cost effective and implemented so as to not unduly burden or harm one Party as compared to the other.

17. Reimbursement of Expenses.

In performing under this Agreement Verizon may be required to make expenditures or otherwise incur costs that are not otherwise identified for reimbursement under this Agreement. In such event Verizon is entitled to reimbursement from Empire for all such costs incurred reasonably, provided, however, Empire shall only be responsible for those costs directly attributable to Empire. Before incurring any such costs, Verizon will provide a statement of such costs and Empire will have an opportunity to review and approve or disapprove any such expenditure. For all such costs and expenses, Verizon shall receive through NRCs the actual costs and expenses incurred, including labor costs and expenses, overhead and fixed charges, and may include a reasonable contribution to Verizon's common costs.

18. Dispute Resolution.

18.1 Alternative to Litigation.

Except as provided under Section 252 of the Act with respect to the approval of this Agreement by the Commission, the Parties desire to resolve disputes arising out of or relating to this Agreement without litigation. Accordingly, except for action seeking a temporary restraining order or an injunction related to the purposes of this Agreement, or suit to compel compliance with this dispute resolution process, the Parties agree to use the following alternative dispute resolution procedures as the sole remedy with respect to any controversy or claim arising out of or relating to this Agreement or its breach.

18.2 Negotiations.

At the written request of a Party, each Party will appoint a duly authorized representative, knowledgeable in telecommunications matters, to meet and negotiate in good faith to resolve any dispute arising out of or relating to this Agreement. The Parties intend that these negotiations be conducted by non-lawyer, business representatives. The location, format, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as confidential information developed for purposes of settlement, exempt from discovery, and shall not be admissible in the arbitration described below or in any lawsuit without the concurrence of all Parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise discoverable, be discovered or otherwise admissible, be admitted in evidence, in the arbitration or lawsuit.

18.3 Arbitration.

If the negotiations described in Section 18.2 do not resolve the dispute within sixty (60) Business Days of the initial written request, the dispute shall be submitted to binding arbitration by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association except that the Parties may select an arbitrator outside American Arbitration Association rules upon mutual agreement. A Party may demand such arbitration in accordance with the procedures set out in those rules. Discovery shall be controlled by the arbitrator and shall be permitted to the extent set out in this Section. Each Party may submit in writing to a Party, and that Party shall so respond to, a maximum of any combination of thirty-five (35) (none of which may have subparts) of the following: interrogatories, demands to produce documents, or requests for admission. Each Party is also entitled to take the oral deposition of one individual of another Party. Additional discovery may be permitted upon mutual agreement of the Parties. The arbitration hearing shall be commenced within sixty (60) Business Days of the demand for

arbitration. The arbitration shall be held in a mutually agreeable city, or in the capitol of the State if the Parties cannot agree. The arbitrator shall control the scheduling so as to process the matter expeditiously. The Parties may submit written briefs. The arbitrator shall rule on the dispute by issuing a written opinion within thirty (30) Business Days after the close of hearings. The times specified in this Section may be extended upon mutual agreement of the Parties or by the arbitrator upon a showing of good cause. Judgment upon the award rendered by the arbitrator may be entered and enforced in any court having jurisdiction.

18.4 Expedited Arbitration Procedures.

If the issue to be resolved through the negotiations referenced in Section 18.2 directly and materially affects service to either Party's end-user customers, then the period of resolution of the dispute through negotiations before the dispute is to be submitted to binding arbitration shall be fourteen (14) Business Days. Once such a service affecting dispute is submitted to arbitration, the arbitration shall be conducted pursuant to the expedited procedures rules of the Commercial Arbitration Rules of the American Arbitration Association (i.e., rules 53 through 57).

18.5 Costs.

Each Party shall bear its own costs of these procedures. A Party seeking discovery shall reimburse the responding Party the costs of production of documents (including search time and reproduction costs). The Parties shall equally split the fees of the arbitration and the arbitrator.

18.6 Continuous Service.

The Parties shall continue providing services to each other during the pendency of any dispute resolution procedure, and the Parties shall continue to perform their obligations (including making payments in accordance with Article III, Section 10 and Article IV, Section 4) in accordance with this Agreement.

19. Entire Agreement.

This Agreement together with the preamble, recitals and all exhibits, attachments, schedules, addenda and appendices hereto, constitutes the entire agreement and understanding of the Parties pertaining to the subject matter of this Agreement and is intended as the Parties final expression and complete and exclusive statement of the terms hereof, superseding all prior agreements, negotiations, proposals, and representations, whether written or oral, and all contemporaneous oral agreements, negotiations, proposals, and representations concerning such subject matter. No representations, understandings, agreements, or warranties, expressed or implied, have been made or relied upon in the making of this Agreement other than those specifically set forth herein. This Agreement may be modified or amended by the Parties at anytime, but only by a written instrument signed by both Parties.

20. Expenses.

Except as specifically set out in this Agreement, each Party shall be solely responsible for its own expenses involved in all activities related to the subject of this Agreement.

21. Force Majeure.

In the event performance of this Agreement, or any obligation hereunder, is either directly or indirectly prevented, restricted, or interfered with by reason of fire, flood, earthquake or likes acts of God, wars, revolution, civil commotion, explosion, acts of public enemy, embargo, acts of the government in its sovereign capacity, labor difficulties, including without limitation, strikes,

slowdowns, picketing, or boycotts, unavailability of equipment from vendor, changes requested by Customer, or any other circumstances beyond the reasonable control and without the fault or negligence of the Party affected (collectively and individually, "Force Majeure"), the Party affected, upon giving prompt notice to the other Party, shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction, or interference (and the other Party shall likewise be excused from performance of its obligations on a day-to-day basis until the delay, restriction or interference has ceased); *provided however*, that the Party so affected shall use diligent efforts to avoid, remove, remedy and mitigate the effects of such force Majeure causes of nonperformance and both Parties shall proceed whenever such causes are removed or cease. Notwithstanding anything herein contained to the contrary, (a) if any delay exceeds thirty (30) days, at its option, the Party owed such performance will have the right (but not the obligation) to terminate this Agreement without liability or penalty, other than for amounts due for services rendered, upon written notice to the other Party at any time thereafter, and (b) neither Party will have any obligation to pay the other any charges for any service, services or other performance which was not provided or performed as a result of a Force Majeure. In reconciling Subsections (a) and (b) above, it is the Parties' understanding that if a Party terminates this Agreement pursuant to the terms of Subsection (a), it will nonetheless remain liable to the other Party for all costs and expenses undertaken in good faith, and prior to receiving written notice of termination, in preparing to complete an activity that is otherwise compensable under this Agreement.

22. Good Faith Performance.

In the performance of their obligations under this Agreement, the Parties shall act in good faith. In situations in which notice, consent, approval or similar action by a Party is permitted or required by any provision of this Agreement, such action shall not be conditional, unreasonably withheld or delayed.

23. Governing Law.

This Agreement shall be governed by and construed in accordance with the Telecommunications Act of 1996, the applicable orders, rules and regulations of the FCC and the Commission, and applicable federal and (to the extent not inconsistent therewith) domestic laws of the state, without regard to its conflicts of laws principles of the State where the services are provided or the facilities reside and shall be subject to the exclusive jurisdiction of the courts therein.

24. Standard Practices.

The Parties acknowledge that Verizon shall be adopting some industry standard operational practices and/or establishing its own standard practices to various requirements hereunder applicable to the CLEC industry which may be added in the CLEC Guide. Empire agrees that Verizon will implement such practices to satisfy any Verizon obligations under this Agreement.

25. Headings.

The headings and numbering of Sections, parts, attachments and other portions of this Agreement are inserted for convenience and identification only and shall not be considered in the interpretation of this Agreement.

26. Independent Contractor Relationship.

The persons provided by each Party for performance under this Agreement shall be solely that Party's employees and shall be under the sole and exclusive direction and control of that Party. They shall not be considered employees of the other Party for any purpose. Each Party shall remain an independent contractor with respect to the other and shall be responsible for compliance with all laws, rules and regulations involving, but not limited to, employment of labor, hours of labor, health and safety, working conditions and payment of wages. Each Party shall

also be responsible for payment of taxes, including federal, state and municipal taxes, chargeable or assessed with respect to its employees, such as Social Security, unemployment, workers' compensation, disability insurance, and federal and state withholding. Each Party shall indemnify the other for any loss, damage, liability, claim, demand, or penalty that may be sustained by reason of its failure to comply with this provision.

27. Law Enforcement Interface.

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

28. Liability and Indemnity.

28.1 Indemnification.

Each Party (the "Indemnifying Party") agrees to release, indemnify, defend, and hold harmless the other Party and its respective officers, directors, employees and agents (collectively "Indemnified Parties") from and against all losses, claims, demands, damages, expenses, suits, or other actions, or any liability whatsoever, including, but not limited to, costs and attorney's fees ("Claims"), whether suffered, made, instituted, or asserted by any other party or person, for invasion of privacy, personal injury to or death of any person or persons, or for losses, damages, or destruction of property, whether or not owned by others, proximately caused by the Indemnifying Party's negligence or willful misconduct, regardless of form of action. The Indemnified Parties agree to notify the Indemnifying Party promptly, in writing, of all written Claims for which it is claimed that the Indemnifying Party is responsible under this Section and to cooperate in every reasonable way to facilitate defense or settlement of such Claims. The Indemnifying Party shall have complete control over defense of the case and over the terms of any proposed settlement or compromise thereof. The Indemnifying Party shall not be liable under this Section for settlement by the Indemnified Parties of any Claim, if the Indemnifying Party has not approved the settlement in advance, unless the Indemnifying Party has had the defense of the Claim tendered to it in writing and has failed to assume such defense. In the event of such failure to assume defense, the Indemnifying Party shall be liable for any reasonable settlement made by the Indemnified Parties without approval of the Indemnifying Party.

28.2 End-User and Content-Related Claims.

Notwithstanding Section 28.1, the Indemnifying Party agrees to release, indemnify, defend, and hold harmless the other Party, its affiliates, and any third-party provider or

operator of facilities involved in the provision of services, UNEs or Facilities under this Agreement (collectively, the "Indemnified Parties") from all Claims, suffered, made, instituted, or asserted by the Indemnifying Party's end-users against the Indemnified Parties arising from Services, UNEs or Facilities. The Indemnifying Party further agrees to release, indemnify, defend, and hold harmless the Indemnified Parties from all Claims, suffered, made, instituted, or asserted by any third party against the Indemnified Parties arising from or in any way related to actual or alleged defamation, libel, slander, interference with or misappropriation of proprietary or creative right, or any other injury to any person or property arising out of content transmitted by the Indemnifying Party and the Indemnifying Party's end-users.

28.3 DISCLAIMER.

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

28.4 Limitation of Liability.

Each Party's liability to the other Party for any and all Claims, whether arising in contract tort, shall be limited to direct damages, which, except in the case of indemnity obligations arising out of Section 28.2 above, shall not exceed an amount equal to the gross amount due and owing under this Agreement by the Indemnified Parties to the Indemnifying Party for the contract year in which the Claims accrue or arise. Under no circumstance shall either Party be responsible or liable for indirect, incidental, or consequential damages, including, but not limited to, economic loss or lost business or profits, damages arising from the use or performance of equipment or software, or the loss of use of software or equipment, or any accessories attached thereto, delay, error, or loss of data. Should either Party provide advice, make recommendations, or supply other analysis related to the services or facilities described in this Agreement, this limitation of liability shall apply to provision of such advice, recommendations, and analysis.

28.5 Intellectual Property.

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

28.6 Survival

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

29. Multiple Counterparts.

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

30. No Third Party Beneficiaries.

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

31. Notices.

Any notice, consent, approval or other communications to a Party required or permitted under this Agreement shall be in writing and shall be deemed to have been received on the date of service if served personally, on the date receipt is acknowledged in writing by the recipient if delivered by regular U.S. mail, or on the date stated on the receipt if delivered by certified or registered mail or by a courier service that obtains a written receipt. Upon prior immediate oral agreement of the parties' designated recipients identified below, notice may also be provided by facsimile, Internet or electronic messaging system, which shall be effective if sent before 5:00 p.m. on that day, or if sent after 5:00 p.m. it will be effective on the next Business Day following the date sent. Any notice shall be delivered using one of the alternatives mentioned in this Section and shall be directed to the applicable address or Internet ID indicated below or such address as the Party to be notified has designated by giving notice in compliance with this Section:

If to Verizon:

Verizon South Inc. f/k/a GTE South Incorporated
Attention: Assistant Vice President/Associate General Counsel
Service Corporation
600 Hidden Ridge - HQEWMNOTICES
Irving, TX 75038
Telephone number: 972/718-6361
Facsimile number: 972/718-3403
Internet Address: wmnotices@telops.gte.com

and

Verizon South Inc. f/k/a GTE South Incorporated
Attn: Director-Wholesale Contract Compliance
Network Services
600 Hidden Ridge - HQEWMNOTICES
Irving, TX 75038
Telephone Number: 972/718-5988
Facsimile Number: 972/719-1519
Internet Address: wmnotices@telops.gte.com

If to Empire: Empire Telecom Services, Inc.
Attention: Mr. Al Thomas
4501 Circle 75 Parkway
Building D, Suite 4210
Atlanta, Georgia 30339
Telephone number: 404/659-9500
Facsimile number: 404/659-4900
Internet Address: al@empirecom.com

And

Gerry, Friend & Sapronov. LLP
Attention: Norman B. Gerry, Counsel
Three Ravinia Drive, Suite 1450
Atlanta, GA 30346-2131
Telephone number: 770/399-9500
Facsimile number: 770/395-0000
Internet Address: cgerry@gfslaw.com

Or to such other addresses, internet address or telecopier numbers of which the Parties have been advised in writing by any of the above-described means. Notwithstanding the foregoing, no notice of change of address, internet address or telecopier number shall be effective until ten (10) business days after the date of receipt thereof.

32. Protection.

32.1 Impairment of Service.

The characteristics and methods of operation of any circuits, facilities or equipment of either Party connected with the services, facilities or equipment of the other Party pursuant to this Agreement shall not interfere with or impair service over any facilities of the other Party, its affiliated companies, or its connecting and concurring carriers involved in its services, cause damage to its plant, violate any Applicable Law or regulation regarding the invasion of privacy of any communications carried over the Party's facilities or create hazards to the employees of either Party or to the public (each hereinafter referred to as an "Impairment of Service").

32.2 Resolution.

If either Party causes an Impairment in Service, the Party whose network or service is being impaired (the "Impaired Party") shall promptly notify the Party causing the Impairment of Service (the "Impairing Party") of the nature and location of the problem and that, unless promptly rectified, a temporary discontinuance of the use of any circuit, facility or equipment may be required. The Impairing Party and the Impaired Party agree to work together to attempt to promptly resolve the Impairment of Service. If the Impairing Party is unable to promptly remedy the Impairment of Service, then the Impaired Party may at its option temporarily discontinue the use of the affected circuit, facility or equipment until the Impairment of Service is rectified.

33. Publicity.

Any news release, public announcement, advertising, or any form of publicity pertaining to this Agreement, provision of Services, UNEs or Facilities pursuant to it, or association of the Parties with respect to provision of the services described in this Agreement shall be subject to prior written approval of both Verizon and Empire.

34. Regulatory Agency Control.

This Agreement shall at all times be subject to the orders, rules, regulations and rulings of the Federal Communications Commission and/or the applicable state utility regulatory commission and any changes, modifications or amendments thereto to the extent this Agreement is or becomes subject to the jurisdiction of either agency.

35. Changes in Legal Requirements.

35.1 Verizon and Empire further agree that the terms, rates and conditions of this Agreement were composed in order to effectuate the legal requirements, including without limitation, the rates for services, UNEs or facilities, in effect at the time the Agreement was produced. Except as otherwise stated in this Agreement, the Parties agree to amend this Agreement to reflect any modifications to those requirements.

35.2 If the Parties cannot agree whether, how or to what extent the changes in legal requirements affect certain terms, rates or conditions of this Agreement, either Party may seek binding arbitration as provided herein or, may file an action for declaratory ruling in a court of competent jurisdiction.

35.3 Regardless of when its finally determined how the changes in legal requirements affect the terms, rates or conditions of this Agreement, the modification to the Agreement as a result of changes in legal requirements shall be effective as of the date the changes in legal requirements become generally effective.

36. Effective Date.

This Agreement will be effective upon the Effective Date set forth at the beginning of this 251/252 Agreement. Subject to the Parties reservation of rights as set forth in this Agreement, any modifications to this Agreement required as a result of the Commission review and approval process will be deemed to be effective as of the Effective Date. The Parties agree LSR orders for resold services, INP services, and unbundled network elements will not be submitted or accepted within the first ten (10) Business Days after the Effective Date and thirteen (13) Business Days after Verizon receives a complete and accurate CLEC Profile as described in Article III Section 7. The CLEC Profile may be submitted to Verizon prior to execution or filing of this Agreement. In addition, notwithstanding the possible rejection or modification of this Agreement by the Commission, the Parties agree that all of their obligations and duties hereunder shall remain in full force and effect pending the final disposition of the Commission review and approval process. Verizon convenents that it will promptly file executed Agreement with the Commission.

37. Regulatory Matters.

Each Party shall be responsible for obtaining and keeping in effect all FCC, state regulatory commission, franchise authority and other regulatory approvals that may be required in connection with the performance of its obligations under this Agreement.

38. Rule of Construction.

No rule of construction requiring interpretation against the drafting Party hereof shall apply in the interpretation of this Agreement.

39. Section References.

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

40. OSS Performance Measurements

- 40.1 The Parties will provide a level of service to each other with respect to services and facilities under this Agreement at least equal in quality to that which a Party provides to itself in compliance with the requirements of the Act and the applicable orders, rules and regulations of the FCC, the Commission or any court of competent jurisdiction.
- 40.2 The performance measurements detail the areas of and levels of performance for all categories described in Section 40.4 to be tracked, reported and audited. Verizon will make available monthly performance measurement data via the internet on Verizon's WISE website. The results of these performance measurements shall be used to indicate the level of quality of service Verizon provides to Empire. Furthermore, Verizon shall satisfy requirements for reporting and auditing as may be mandated by state law.
- 40.3 Performance measurements to measure quality of service are provisional and subject to continued evolution as driven by the industry and state commissions. Performance measurements, when developed and implemented on Verizon's WISE website (<http://www.gte.com/wise>), shall promptly be made available to Empire and shall automatically modify and/or replace existing performance measurements Verizon currently makes available to all CLECs.
- 40.4 Verizon's performance measurements are made available on a nationwide basis to all qualifying CLECs. Such performance measurements provide for standards to measure the quality of services, elements or functions offered by Verizon within the following major categories:
- (a) Pre-Ordering
Pre-ordering activities relate to the exchange of information between Verizon and the CLEC regarding current or proposed customer products and services, or any other information required to initiate ordering of service. Pre-ordering encompasses the critical information needed to submit a provisioning order from the CLEC to Verizon. The pre-order measurement reports the timeliness with which pre-order inquiries are returned to CLECs by Verizon.
 - (b) Ordering
Ordering activities include the exchange of information between Verizon and the CLEC regarding requests for service. Ordering includes: (1) the submittal of the service request from the CLEC, (2) rejection of any service request with errors and (3) confirmation that a valid service request has been received and a due date for the request assigned. Ordering performance measurements report on the timeliness with which these various activities are completed by Verizon. Also captured within this category is reporting on the number of CLEC service requests that automatically generate a service order in Verizon's service order creation system.
 - (c) Provisioning
Provisioning is the set of activities required to install, change or disconnect a customer's service. It includes the functions to establish or condition physical facilities as well as the completion of any required software translations to define the feature functionality of the service. Provisioning also involves communication between the CLEC and Verizon on the status of a service order, including any delay in meeting the commitment date and the time at which actual completion of service installation has occurred. Measurements in this category evaluate the quality of service installations, the efficiency of the installation process and the

timeliness of notifications to the CLEC that installation is completed or has been delayed.

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

41. Severability.

If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be unenforceable, the rest of the Agreement shall remain in full force and effect and shall not be affected unless removal of that provision results, in the opinion of either Party, in a material

change to this Agreement. If a material change as described in this paragraph occurs as a result of action by a court or regulatory agency, the Parties shall negotiate in good faith for replacement language. If replacement language cannot be agreed upon within a reasonable period, either Party may terminate this Agreement without penalty or liability for such termination upon written notice to the other Party.

42. Subcontractors.

Provider may enter into subcontracts with third parties or affiliates for the performance of any of Provider's duties or obligations under this Agreement.

43. Subsequent Law.

The rates, terms and conditions of this Agreement shall be subject to any and all Applicable Laws, orders, rules, or regulations that subsequently may be prescribed by any federal, state or local governmental authority, including without limitation the FCC and the Commission. To the extent required by any such subsequently prescribed law, order, rule or regulation, except as otherwise stated in this Agreement, the Parties agree to modify, in writing, the affected rate(s), the affected term(s) and condition(s) of this Agreement to bring them into compliance with such law, rule, or regulation.

44. Taxes and Surcharges.

Any federal state or local excise, sales, or use taxes (excluding any taxes levied on income) resulting from the performance of this Agreement shall be borne by the Party upon which the obligation for payment is imposed under Applicable Law, even if the obligation to collect and remit such taxes is placed upon the other Party. The collecting Party shall charge and collect from the obligated Party, and the obligated Party agrees to pay to the collecting Party, all applicable taxes, except to the extent that the obligated Party notifies the collecting Party and provides to the collecting Party appropriate documentation as Verizon requires that qualifies the obligated Party for a full or partial exemption. Any such taxes shall be shown as separate items on applicable billing documents between the Parties. The obligated Party may contest the same in good faith, at its own expense, and shall be entitled to the benefit of any refund or recovery, provided that such Party shall not permit any lien to exist on any asset of the other Party by reason of the contest. The collecting Party shall cooperate in any such contest by the other Party. The other Party will indemnify the collecting Party from any sales or use taxes that may be subsequently levied on payments by the other Party to the collecting Party.

44.1 Tax.

A charge which is statutorily imposed by the federal, state or local jurisdiction and is either (a) imposed on the seller with the seller having the right or responsibility to pass the charge(s) on to the purchaser and the seller is responsible for remitting the charge(s) to the state or local jurisdiction or (b) imposed on the purchaser with the seller having an obligation to collect the charge(s) from the purchaser and remit the charge(s) to the state or local jurisdiction.

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

44.2 Fees/Regulatory Surcharges.

A charge imposed by a regulatory authority, other agency, or resulting from a contractual obligation, in which the seller is responsible or required to collect the fee/surcharge from the purchaser and the seller is responsible for remitting the charge to the regulatory authority, other agency, or contracting party.

Fees/Regulatory Surcharges shall include but not be limited to E-911/911, E311/311, franchise fees, and Commission surcharges.

45. Trademarks and Trade Names.

Except as specifically set out in this Agreement, nothing in this Agreement shall grant, suggest, or imply any authority for one Party to use the name, trademarks, service marks, or trade names of the other for any purpose whatsoever.

46. Waiver.

The failure of either Party to insist upon the performance of any provision of this Agreement, or to exercise any right or privilege granted to it under this Agreement, shall not be construed as a waiver of such provision or any provisions of this Agreement, and the same shall continue in full force and effect. No waiver shall be effective unless it is in writing and duly executed by or on behalf of the Party against whom such waiver is claimed.

47. Environmental Responsibility.

47.1 Empire is responsible for compliance with all Applicable Laws regarding the handling, use, transport, storage, and disposal of, and for all hazards created by and damages or injuries caused by, any materials brought to or used at a Facility by Empire ("Empire Materials"). In accordance with Section 47.10, Empire will indemnify Verizon for all claims, fees, penalties, damages, and causes of action with respect to Empire Materials. No substantial new safety or environmental hazards shall be created or new hazardous substances shall be used at a Verizon Facility. Empire must demonstrate adequate training and emergency response capabilities related to any Hazardous Waste or Hazardous Chemical brought to or used by Empire or at the Verizon Facility.

47.2 Empire, its invitees, agents, employees, and contractors agree to comply with such reasonable environmental or safety practices/procedures, whether or not required by law, as requested by Verizon when working at a Verizon Facility. The Parties acknowledge and agree that nothing in this Agreement or in any of Verizon's practices/procedures constitutes a warranty or representation by Verizon that Empire's compliance with Verizon's practices/procedures, with this Agreement, or with Verizon's directions or recommendations will achieve compliance with any Applicable Law. Empire is responsible for ensuring that all activities conducted by Empire at the Facility are in accordance with all applicable federal, state, and local laws, regulations, permits, and agency orders, approvals, and authorizations relating to safety, health, and the environment.

47.3 Verizon and Empire shall provide to each other notice of known and recognized physical hazards or Hazardous Waste or Hazardous Chemicals brought to, or used by either Party at the Verizon Facility. Each Party will promptly provide specific notice to the other Party of conditions or circumstances of which it has actual knowledge potentially posing a threat of imminent danger, including, by way of example only, a defective utility pole or significant petroleum contamination in a manhole.

47.4 Empire shall obtain and use its own environmental permits, approvals, or identification numbers to the extent that such permits, approvals, or identification numbers are required

under Applicable Laws for Empire's activities at a Facility. If the relevant regulatory authority refuses to issue a separate permit, approval, or identification number to Empire after a complete and proper request by Empire for same, then Verizon's permit, approval, or identification number may be used as authorized by law and upon prior approval by Verizon. In that case, Empire must comply with all of Verizon's environmental, health, and safety practices/procedures relating to the activity in question, including, but not limited to, use of environmental "best management practices (BMP)" and selection criteria for vendors and disposal sites. The Parties acknowledge and agree that nothing in this Agreement, use of Verizon's permits, approvals, or identification numbers, or compliance with Verizon's practices/procedures constitutes a representation or warranty that Empire's activities will be in compliance with Applicable Laws, and such compliance or use of Verizon's permits, approvals, or identification numbers creates no right of action against Verizon.

- 47.5 If Third Party Contamination is discovered at a Verizon Facility, the Party uncovering such contamination will promptly notify the proper safety or environmental authorities, to the extent that such notification is required by Applicable Law. If Empire discovers Third Party Contamination, Empire will promptly notify Verizon and will consult with Verizon prior to making any required notification, unless the time required for prior consultation would preclude Empire from complying with an applicable reporting requirement.
- 47.6 Verizon and Empire shall coordinate plans or information required to be submitted to government agencies, as a result of Empire's presence at a Facility, such as, by way of example only, emergency response plans and chemical inventory reporting. If fees are associated with such filings, Verizon and Empire must develop a cost sharing procedure.
- 47.7 When conducting operations in any Verizon manhole or vault area, Empire shall follow appropriate industry practices/procedures, if any, in evaluating and managing any water, sediment, or other material present in the manhole or vault area so as to ensure compliance by Empire with all Applicable Laws, regulations, permits, and requirements applicable to Empire in such circumstances and to ensure safe practices. Empire shall be responsible for obtaining any permit, regulatory approval, or identification number necessary for any of its operations involving the evaluation, collection, discharge, storage, disposal, or other management of water, sediment, or other material present in a Verizon manhole or vault area. Verizon shall not be responsible for any costs incurred by Empire in meeting its obligations under this Section. Empire shall have no responsibility for any cost or expense incurred for the collection, discharge, storage, disposal or management of water, sediment or other materials present in a Verizon manhole or vault area unless such presence was caused by Empire's activities at or in such manhole or vault area.
- 47.8 Empire shall provide reasonable and adequate compensation to Verizon for any additional or increased costs associated with compliance with any federal, state, or local law, regulation, permit, or agency requirement related to safety, health, or the environment where such additional or increased cost is incurred as a direct result of providing Empire with interconnection or collocation, including, but not limited to, costs associated with obtaining appropriate permits or agency authorizations or approvals, remediation or response to any release or threatened release of any regulated substance, investigation or testing related, and training or notification requirements.
- 47.9 Activities impacting safety or the environment of a Right of Way (ROW) must be harmonized with the specific agreement and the relationship between Verizon and the land owner. In this regard, Empire must comply with any limitations associated with a ROW, including, but not limited to, limitations on equipment access due to environmental conditions (e.g., wetland areas having equipment restrictions).
- 47.10 Notwithstanding Section 27, with respect to environmental responsibility of each Party under this Section 47, Verizon and Empire shall each indemnify, defend, and hold

harmless the other Party from and against any claims (including, without limitation, third-party claims for personal injury or real or personal property damage), judgments, damages (including direct and indirect damage and punitive damages), penalties, fines, forfeitures, cost, liabilities, interest and losses arising from or in connection with (a) the indemnifying Party's negligent or willful misconduct, regardless of form; (b) the violation or alleged violation of any federal, state, or local law, regulation, permit, or agency requirement applicable to the Indemnifying Party relating to safety, health, or the environment; or (c) the presence or alleged presence of Hazardous Waste or Hazardous Chemicals arising out of the indemnifying Party's acts or omissions in connection with its operations at the Verizon Facility.

48. TBD Prices.

Numerous provisions in this Agreement and its Attachments refer to prices, rates or charges ("prices"). If a provision references prices in an Attachment and there are no corresponding prices in such Attachment, such price shall be considered "To Be Determined" (TBD). With respect to all TBD prices, prior to Empire ordering any such TBD item, the Parties shall meet and confer to establish a price. If the Parties are unable to reach agreement on a price for such item, an interim price shall be set for such item that is equal to (i) the price Empire would pay for such item if purchased out of a Verizon tariff or (ii) if such item is not priced in a Verizon tariff, the price for the nearest analogous item for which a price has been established (for example, if there is not an established price for a non recurring charge (NRC) for a specific UNE, the Parties would use the NRC for the most analogous retail service for which there is an established price). Any interim prices so set shall be subject to modification by any subsequent decision of the Commission, the FCC or any court having jurisdiction. If an interim price is different from the rate subsequently established by the Commission, the FCC or any court having jurisdiction, any underpayment shall be paid by Empire to Verizon, and any overpayment shall be refunded by Verizon to Empire, within forty-five (45) Business Days after the establishment of the price by the Commission. The provision of this Section 48 as it relates to underpayments or overpayments existing as of the date of expiration or termination, shall survive any expiration or termination of the Agreement.

49. Amendment of Certain Rates, Terms and Conditions.

The rates, terms and conditions in this Agreement that are specified in Appendix 49A (the "AT&T Terms") were taken from the GTE/AT&T Interconnection, Resale and Unbundling Agreement (the AT&T Agreement) approved by the Commission in Docket No. 960847-TP. The rates, terms and conditions not included in this Agreement but referenced in Appendix 49B (the "Verizon Terms") were excluded from the AT&T Agreement by the Commission in Docket No. 960847-TP. Verizon and Empire agree that if the "AT&T Terms" are deemed to be unlawful, or are stayed, enjoined or otherwise modified, in whole or in part, by a court or commission of competent jurisdiction, then this Agreement shall be deemed to have been amended accordingly, by modification of the "AT&T Terms" or, as appropriate, the substitution of "Verizon Terms" for all stayed and enjoined "AT&T Terms", and such amendments shall be effective retroactive either to the Effective Date of this Agreement or to the Effective Date of the amendment, whichever the authority ordering said amendment deems applicable.

Verizon and Empire further agree that the terms and conditions of this Agreement reflect certain requirements of the FCC's First Report and Order in CC Docket No. 96-98. The terms and conditions of this Agreement shall be subject to any and all actions by any court or other governmental authority that invalidate, stay, vacate or otherwise modify the FCC's First Report and Order, in whole or in part ("actions"). To the extent warranted by any such action, the Parties agree that this Agreement shall be deemed to have been modified accordingly as in the first paragraph of this Section 49. The Parties agree to immediately amend any affected terms and conditions, including any in other sections and articles of this Agreement, consistent with such action, and within a reasonable time incorporate such modified terms and conditions in writing into

the Agreement. If the AT&T Terms are affected by such action and Verizon determines they cannot be consistently applied therewith, the Verizon Terms shall apply. Empire acknowledges that Verizon may seek to enforce such action before a commission or court of competent jurisdiction. Verizon does not waive any position regarding the illegality or inappropriateness of the FCC's First Report and Order.

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

ARTICLE IV
GENERAL RULES GOVERNING RESOLD SERVICES
AND UNBUNDLED ELEMENTS

1. General.

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

2. Liability of Verizon.

2.1 Inapplicability of Tariff Liability.

Verizon's general liability, as described in the Verizon Retail Tariff, does not extend to Empire's customers or any other third party. Liability of Verizon to Empire resulting from any and all causes arising out of services, facilities, UNEs or any other items relating to this Agreement shall be governed by the liability provisions contained in this Agreement and no other liability whatsoever shall attach to Verizon. Verizon shall be liable for the individual services, facilities or elements that it separately provides to Empire and except as otherwise prescribed by the FCC, shall not be liable for the integration of components combined by Empire.

2.6 Parties' Tariffs or Contracts.

Each Party shall, in its tariffs or other contracts for services provided to its end-users using services, facilities or UNEs obtained from Verizon, provide that in no case shall either Party be liable to the other Party's end-users or any third parties for any indirect, special or consequential damages, including, but not limited to, economic loss or lost business or profits, whether foreseeable or not, and regardless of notification by one Party to the other Party of the possibility of such damages and each Party shall indemnify and hold the other Party harmless from any and all claims, demands, causes of action and liabilities arising from a Party's end-users as provided in Section 28.2 of Article III of this Agreement. Nothing in this Agreement shall be deemed to create a third-party beneficiary relationship with a Party's end-users.

2.7 No Liability for Errors.

Verizon is not liable for mistakes that appear in Verizon's listings, 911 and other information databases, or for incorrect referrals of end-users to Empire for any ongoing Empire service, sales or repair inquiries, and with respect to such mistakes or incorrect referrals, Empire shall, pursuant to Section 28 of Article III, indemnify and hold Verizon harmless from any and all claims, demands, causes of action and liabilities whatsoever, including costs, expenses and reasonable attorney's fees incurred on account thereof, by third parties, including Empire's end-users or employees. For purposes of this Section 2.7, mistakes and incorrect referrals shall not include matters arising out of acts or omissions of Verizon or its employees or agents that constitute willful misconduct.

3. Unauthorized Changes.

3.1 Procedures.

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

- (a) notify Verizon to change the end-user back to the LEC providing service to the end-user before the change to Empire was made; and
- (b) provide any end-user information and billing records Empire has obtained relating to the end-user to the LEC previously serving the end-user; and
- (c) notify the end-user and Verizon that the change back to the previous LEC has been made.

Furthermore, Verizon will bill Empire the lesser of fifty dollars (\$50.00) or the applicable charge prescribed by the Commission per affected line to compensate Verizon for switching the end-user back to the original LEC.

4. Impact of Payment of Charges on Service.

Empire is solely responsible for the payment of all charges for all services, facilities, UNEs and elements furnished by Verizon under this Agreement, including, but not limited to, calls originated or accepted at its or its end-users' service locations. If Empire fails to pay when due any and all undisputed charges billed to Empire under this Agreement, including any late payment charges (collectively, "Unpaid Charges"), and any or all such charges remain unpaid more than forty-five (45) calendar days after the bill date of such Unpaid Charges excepting previously disputed charges for which Empire may withhold payment, Verizon shall notify Empire in writing that it must pay all Unpaid Charges to Verizon within seven (7) Business Days after Empire receipt of Verizon's notice. If Empire disputes the billed charges, it shall, within said seven (7) day period, inform Verizon in writing of which portion of the Unpaid Charges it disputes, including the specific details and reasons for the dispute, unless such reasons have been previously provided, and shall immediately pay to Verizon all undisputed charges. If Empire and Verizon are unable, within sixty (60) Business Days thereafter, to resolve issues related to the disputed charges such dispute would be resolved pursuant to the dispute resolution procedures set forth in Section 18 of Article III. Upon resolution of any dispute hereunder, if Empire owes payment it shall make such payment to Verizon with any late payment charge under Article III, Section 10.3, from the original payment due date. If Empire owes no payment, but has previously paid Verizon such disputed payment, then Verizon shall promptly issue Empire a credit in an amount equal to such payment, together with interest from the date of Empire's payment at the rate used by Verizon to calculate late payment charges. If Empire fails to pay any undisputed Unpaid Charges, Empire shall, at its sole expense, within five (5) Business Days notify its end-users that their service may be disconnected for Empire's failure to pay Unpaid Charges, and that its end-users must select a new provider of local exchange services. Verizon may discontinue service to Empire upon failure to pay undisputed Unpaid Charges as provided in this Section 4, and shall have no liability to Empire or Empire's end-users in the event of such disconnection. If Empire fails to provide such notification or any of Empire's end-users fail to select a new provider of services within the applicable time

period, Verizon may provide local exchange services to Empire's end-users under Verizon's applicable end-user tariff at the then current charges for the services being provided. In this circumstance, otherwise applicable service establishment charges will not apply to Empire's end-user, but will be assessed to Empire.

5. Unlawful Use of Service.

Services, facilities or unbundled elements provided by Verizon pursuant to this Agreement shall not be used by Empire or its end-users for any purpose in violation of law. Empire, and not Verizon, shall be responsible to ensure that Empire and its end-users use of services, facilities or unbundled elements provided hereunder comply at all times with all Applicable Laws. Verizon may refuse to furnish service to Empire or disconnect particular services, facilities or unbundled elements provided under this Agreement to Empire or, as appropriate, Empire's end-user when (i) an order is issued by a court of competent jurisdiction finding that probable cause exists to believe that the use made or to be made of the service, facilities or unbundled elements is prohibited by law or (ii) Verizon is notified in writing by a law enforcement agency acting within its jurisdiction that any facility furnished by Verizon is being used or will be used for the purpose of transmitting or receiving gambling information in interstate or foreign commerce in violation of law. Termination of service shall take place after reasonable notice (no less than seven (7) Business Days) is provided to Empire, or as ordered by the court. If facilities have been physically disconnected by law enforcement officials at the premises where located, and if there is not presented to Verizon the written finding of a court authorizing such physical disconnect, then upon request of Empire and agreement to pay restoral of service charges and other applicable service charges, Verizon shall promptly restore such service.

6. Timing of Messages.

With respect to Verizon resold measured rate local service(s), chargeable time begins when a connection is established between the calling station and the called station. Chargeable time ends when the calling station "hangs up," thereby releasing the network connection. If the called station "hangs up" but the calling station does not, chargeable time ends when the network connection is released by automatic timing equipment in the network. Timing of messages applicable to Verizon's Port and Local Switching element (usage sensitive services) will be recorded based on originating and terminating access.

7. Procedures For Preordering, Ordering, Provisioning, Etc.

Certain procedures for preordering, ordering, provisioning, maintenance and billing and electronic interfaces for many of these functions are governed by the CLEC Guide. In accordance with Article III, Section 7, Verizon will not process resale or unbundled network element orders until the Empire Profile has been completed and returned; and, if required, an advanced deposit paid.

8. Letter of Authorization

- 8.1 Verizon will not release the Customer Service Record (CSR) containing Customer Proprietary Network Information (CPNI) to Empire on Verizon end-user customer accounts unless Empire first provides to Verizon a written Letter of Authorization (LOA). Such LOA may be a blanket LOA or other form agreed upon between Verizon and Empire authorizing the release of such information to Empire or if state or federal law provides otherwise, in accordance with such law.
- 8.2 An (LOA) will be required before Verizon will process an order for Services provided in cases in which the subscriber currently receives Exchange Service from Verizon or from a local service provider other than Empire. Such LOA may be a blanket LOA or such other form as agreed upon between Verizon and Empire.

9. Customer Contacts.

Except as otherwise provided in this Agreement or as agreed to in a separate writing by Empire, Empire shall be solely responsible for the marketing or offering of Empire services to Empire's end-user customers. Except as otherwise provided in this Agreement, in those instances in which Verizon personnel are required pursuant to this Agreement to interface directly with Empire's end-users, such personnel shall not identify themselves as representing Verizon. All forms, business cards or other business materials furnished by Verizon to Empire end-users shall be generic in nature. In no event shall Verizon personnel acting on behalf of Empire pursuant to this Agreement provide information to Empire end-users about Verizon products or services unless otherwise authorized by Empire, in writing. Nor shall such Verizon personnel make any disparaging or derogatory remarks about Empire or its service.

ARTICLE V

INTERCONNECTION AND TRANSPORT AND TERMINATION OF TRAFFIC

1. Services Covered by This Article.

1.1 Types of Services.

This Article governs the provision of internetwork facilities (i.e., physical interconnection services and facilities), Meet-Point Billing (MPB) by Verizon to Empire or by Empire to Verizon and the transport and termination and billing of Local, IntraLATA Toll, optional EAS traffic and jointly provided Interexchange Carrier (IXC) access between Verizon and Empire. The services and facilities described in this Article shall be referred to in this Article V as the "Services."

1.1.1 Empire initiates orders for trunk-side interconnection services by sending an ASR to Verizon. Empire should submit ASRs to Verizon through on-line applications or electronic files. The ordering process is described in the CLEC Guide. The ASR will be reviewed by Verizon for validation and correction of errors. Errors will be referred back to Empire. Empire then will correct any errors that Verizon has identified and resubmit the request to Verizon electronically through a supplemental ASR.

2. Billing and Rates.

2.1 Service Ordering, Service Provisioning, and Billing.

Empire will order services for interim number portability, directly from Verizon through an electronic interface or fax. The following describes generally the processes Verizon will use for ordering, provisioning and billing for interconnection facilities and services. Except as specifically provided otherwise in this Agreement, service ordering, provisioning, billing and maintenance shall be governed by the CLEC Guide.

2.2 Rates and Charges.

Customer agrees to pay to Provider the rates and charges for the Services set forth in the applicable appendices to this Agreement. Verizon's rates and charges are set forth in Appendix A attached to this Agreement and made a part hereof. Empire's separate rates and charges are also set forth in Appendix A attached hereto and made a part hereof.

2.8 Billing.

Provider shall render to Customer a bill for interconnection services on a current basis. Charges for physical facilities and other non-usage sensitive charges shall be billed in advance, except for charges and credits associated with the initial or final bills. Usage sensitive charges, such as charges for termination of Local Traffic, shall be billed in arrears. Empire is required to order trunks pursuant to Section 4.3.3 of this Article. Customer shall pay Provider for all undisputed charges on Provider's billing statement in accordance with Section 10 of Article III of this Agreement.

2.9 Billing Specifications.

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

- 2.4.1 Usage Measurement: Usage measurement for calls shall begin when Answer Supervision or equivalent Signaling System 7 (SS7) message is received from the terminating office and shall end at the time of call disconnect by the calling or called subscriber, whichever occurs first.
- 2.4.2 Minutes of use (MOU), or fractions thereof, shall not be rounded upward on a per-call basis, but will be accumulated over the billing period. At the end of the billing period, any remaining fraction shall be rounded up to the nearest whole minute to arrive at total billable minutes for each interconnection. MOU shall be collected and measured in minutes, seconds, and tenths of seconds.

3. Transport and Termination of Traffic.

3.1 Traffic to be Exchanged.

The Parties shall reciprocally terminate Local, IntraLATA Toll, optional EAS and jointly provided IXC traffic (or other traffic the Parties agree to exchange) originating on each other's networks utilizing either Direct or Indirect Network Interconnections as provided in Section 4 or Section 5 respectively of this Article V. To this end, the Parties agree that there will be interoperability between their networks. The Parties agree to exchange traffic associated with third party LECs, CLECs and Wireless Service Providers pursuant to the compensation arrangement specified in Section 3.2.3 herein. In addition, the Parties will notify each other of any anticipated change in traffic to be exchanged (e.g., traffic type, volume).

3.2 Compensation For Exchange Of Traffic.

3.2.1 Mutual Compensation. The Parties shall compensate each other for the transport and termination of Local Traffic originated by or terminating to the Parties' end-user customers in accordance with Section 3.2.2 of this Article. The Parties agree to the initial state level exempt factor representative of the share of traffic exempt from local compensation. This initial exempt factor is set forth in Appendix A. This factor will be updated quarterly in like manner or as the Parties otherwise agree. Once the traffic that is exempt from local compensation can be measured, the actual exempt traffic will be used rather than the above factor. Charges for the transport and termination of optional EAS, intraLATA toll and interexchange traffic shall be in accordance with the Parties' respective intrastate or interstate access tariffs, as appropriate.

3.2.2 Bill-and-Keep. The Parties shall assume that Local Traffic originated by or terminating to the Parties' end-user customers is roughly balanced between the parties unless traffic studies indicate otherwise. Accordingly, the Parties agree to use a Bill-and-Keep Arrangement with respect to termination of Local Traffic only. Either Party may request, no more frequently than once a quarter, that a traffic study be performed. Should such traffic study indicate, in the aggregate, that either Party is terminating more than 60 percent of the Parties' total terminated minutes for Local Traffic, either Party may notify the other that payment of reciprocal compensation will commence at the rates set forth in Appendix A of this Agreement and following such notice payment of such reciprocal compensation shall begin as of the first day of the billing cycle next following such notice and continue for the duration of the Term of this Agreement unless otherwise agreed or unless a subsequent traffic study indicates otherwise. Nothing in this Section 3.2.2 shall be interpreted to (i) change compensation set forth in this Agreement for traffic or services other than Local Traffic, including but not limited to internetwork facilities, access traffic or wireless traffic, or (ii) allow

either Party to aggregate traffic other than Local Traffic for the purpose of compensation under the Bill-and-Keep Arrangement described in this Section 3.2.2, except as set forth in Section 3.1 above.

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

3.2.3.1 As part of the revenue sharing arrangement described in Section 3.2.3 the number of lines per ported number that are subject to compensation will be determined at the time the end user customer's local service is changed from one party to the other. The number of lines per ported number eligible for the shared revenue arrangement described in this section will be limited to the number of lines in service on the date of conversion plus a 10% growth margin. After conversion the number of lines per ported number available for compensation can only be increased by mutual consent of the Parties.

3.2.3.2 As part of the revenue sharing arrangement described in Section 3.2.3 the Parties agree that the compensation rates may change as a result of changes in access rates, traffic volume or for other reasons and agree to renegotiate the rates if a significant event occurs. At a minimum, the Parties agree to reevaluate the rates on an annual basis.

3.2.3.3 The Parties agree that terminating switched access calls ported via interim number portability may appear to the receiving Party to be a local call and that the implementation of reciprocal compensation for terminating local calls may result in overcompensation for ported switched access calls. The Parties agree that no charges shall be applied to the ported switched access calls as part of the local traffic termination. When the access revenue sharing arrangement described in Section 3.2.3 is in effect, the Parties agree to renegotiate the terminating shared access compensation rates if reciprocal compensation for local calls is implemented.

3.2.3.4 As part of the revenue sharing arrangement described in Section 3.2.3 the Party receiving the payments on a per line per month basis agrees to provide the following information on its invoice: Name of the end user accounts, the ported telephone numbers, the telephone numbers

assigned to the lines in its switch, the INP methods used, class of service, and dates of initial installation and disconnects.

- 3.2.3.5 Upon implementation of permanent local number portability, the Parties agree to transition all interim number portability customers and their services to permanent local number portability methods within a mutually agreed upon time frame and discontinue use of further interim methods of number portability.

3.3 Tandem Switching Traffic.

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

- 3.4.1 The originating Party will compensate the tandem Party for each minute of originated tandem switched traffic which terminates to a third party provider (e.g., other CLEC, ILEC, or wireless service provider) and which transits the tandem. The applicable rate for this charge is the tandem transiting charge identified in Appendix A.
- 3.4.2 The originating Party also assumes responsibility for compensation to the third-party which terminates the call.
- 3.4.3 The Parties agree to enter into their own agreements with third-party providers. In the event that Empire sends traffic through Verizon's network to a third-party provider with whom Empire does not have a traffic interexchange agreement, then Empire agrees to indemnify Verizon for any termination charges rendered by a third-party provider for such traffic, in accordance with the indemnity provisions set forth in Article III, Section 28 of this Agreement.

3.4 Inter-Tandem Switching.

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

4. Direct Network Interconnection.

4.1 Network Interconnection Architecture.

Empire may interconnect with Verizon on its network at any of the minimum Currently Available points required by the FCC. Interconnection at additional points will be reviewed on an individual case basis. Where the Parties mutually agree following a Bona Fide Request (BFR) to directly interconnect their respective networks, interconnection will be as specified in the following subsections. Based on the configuration, the installation time line will vary considerably, however, Verizon will exercise its reasonable best efforts in all circumstances to install IPs within 120 calendar days from the date of Empire's request, absent extenuating circumstances. Internetwork connection and protocol must be based on industry standards developed consistent with Section 256 of the Act.

- 4.1.1 Subject to mutual agreement, the Parties may use the following types of network facility interconnection, using such interface media as are (i) appropriate to

support the type of interconnection requested and (ii) available at the facility at which interconnection is requested.

- (a) A Mid-Span Fiber Meet within an existing Verizon exchange area whereby the Parties mutually agree to jointly plan and engineer their facility IP location. The IP is the demarcation between ownership of the fiber transmission facility. Each party is individually responsible for its incurred costs in establishing this arrangement.
- (b) A virtual or physical Expanded Interconnection Service (EIS) arrangement at a Verizon Wire Center subject to the rates, terms, and conditions contained in Verizon's FCC GTOC1 tariffs.
- (c) A special access and/or CLEC Dedicated Transport arrangement terminating at a Verizon Wire Center subject to the rates, terms, and conditions contained in Verizon's applicable tariffs. These facilities will meet the standards set forth in such tariffs.
- (d) Verizon represents and warrants that these facilities referred to in subparagraphs (b) and (c) preceding will meet the standards set forth in such tariffs.
- (e) Collocation of Empire's facilities in Verizon premises are governed by appropriate Verizon tariffs, except as provided in Article IX and Appendix G. In the event of any conflict between the Verizon tariffs and Article IX and Appendix G, the Agreement controls.

4.1.2 Virtual and physical EIS arrangements are governed by appropriate Verizon tariffs, except as provided in Article IX and Appendix G.

4.1.3 The Parties will mutually designate at least one IP on Verizon's network within each Verizon local calling area for the routing of Local Traffic.

4.2 Compensation.

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

4.2.1 Mid-Span Fiber Meet: Verizon will charge special access (flat rated) transport from the applicable intrastate access tariff for Verizon facilities used by Empire, and will rate charges between the IP and Verizon's interconnection switch. Charges will be reduced to reflect the proportionate share of the facility that is used for transport of Local Traffic, optional EAS and IntraLATA Toll originated by Verizon. The initial proportionate share factor for facilities is set forth in Appendix A. This factor will be updated quarterly based on joint studies or as the Parties otherwise agree. Empire will charge flat rated transport to Verizon for Empire facilities used by Verizon at tariffed rates or as mutually agreed. Empire will apply charges based on the lesser of; (i) the airline mileage from the IP to the Empire switch; or (ii) the airline mileage from the Verizon switch to the serving area boundary. The Verizon interconnection switch will be located within the same serving area as the IP.

- 4.2.2 Collocation: Empire will charge Verizon flat rated transport at tariffed rates or as mutually agreed, to reflect the proportionate share of the facility that is used for transport of Local Traffic, optional EAS and IntraLATA Toll originated by Verizon. Empire will apply charges based on the lesser of (i) the airline mileage from the IP to the Empire switch; or (ii) two (2) times the airline mileage from the Verizon switch to the serving area boundary.
- 4.2.3 Special Access and/or CLEC Dedicated Transport: Verizon will charge special access and/or switched access rates from the applicable Verizon intrastate access tariff for special access, and Commission prescribed UNE rates for dedicated transport in conjunction with Empire's collocation arrangement. Charges will be reduced to reflect the proportionate share of the facility that is used for transport of Local Traffic, optional EAS and IntraLATA Toll originated by Verizon. The Parties will negotiate an initial factor representative of the proportionate share of the facilities. This factor will be updated quarterly in like manner or as the Parties otherwise agree.

4.3 Trunking Requirements.

In accordance with Article III, Section 12, it will be necessary for the Parties to have met and agreed on trunking availability and requirements in order for the Parties to begin exchange of traffic.

- 4.3.1. The Parties agree to establish trunk groups of sufficient capacity from the interconnecting facilities such that trunking is available to any switching center designated by either Party, including end offices, tandems, 911 routing switches, and directory assistance/operator service switches. The Parties will mutually agree where one-way or two-way trunking will be utilized. The Parties may use two-way trunks for delivery of Local Traffic or either Party may elect to provision its own one-way trunks for delivery of Local Traffic to the other Party. If a Party elects to provision its own one-way trunks, that Party will be responsible for its own expenses associated with the trunks.
- 4.3.2. If Empire elects to provision one-way trunks, Empire shall make available to Verizon one-way trunks over which Verizon shall terminate to end-users of Empire-provided Exchange Services, Local Traffic and intraLATA toll or optional EAS traffic originated from end-users of Verizon-provided Exchange Service. Verizon is liable for the expense of the trunks provided by Empire to Verizon subject to Article V, Section 4.2 herein.
- 4.3.3. Empire and Verizon shall, where applicable, make reciprocally available, by mutual agreement, the required trunk groups to handle different traffic types. Empire and Verizon will support the provisioning of trunk groups that carry combined or separate Local Traffic and intraLATA toll and optional EAS traffic. Verizon requires separate trunk groups from Empire to originate and terminate interLATA calls and to provide Switched Access Service to IXCs. To the extent Empire desires to have any IXCs originate or terminate switched access traffic to or from Empire, using jointly provided switched access facilities routed through a Verizon access tandem, it is the responsibility of Empire to arrange for such IXC to issue an ASR to Verizon to direct Verizon to route the traffic. If Verizon does not receive an ASR from the IXC, Verizon will initially route the switched access traffic between the IXC and Empire. If the IXC subsequently indicates that it does not want the traffic routed to or from Empire, Verizon will not route the traffic.

- 4.3.3.1 Each Party agrees to route traffic only over the proper jurisdictional trunk group.
- 4.3.3.2 Each Party shall only deliver traffic over the local interconnection trunk groups to the other Party's access tandem for those publicly-dialable NXX Codes served by end offices that directly subtend the access tandem or to those wireless service providers that directly subtend the access tandem.
- 4.3.3.3 Neither party shall route Switched Access Service traffic over local interconnection trunks, or Local Traffic over Switched Access Service trunks.
- 4.3.4. End-Office Trunking. The Parties will work together to establish high usage end-office trunk groups sufficient to handle the greater of the actual or reasonably forecasted traffic volumes between an Empire end office and a Verizon end office.
- 4.3.5. Empire and Verizon will reciprocally provide Percent Local Usage (PLU) factors to each other on a semi-annual basis to identify the proper percent of Local Traffic carried on local interconnection trunks. If either Party does not provide to the other Party an updated PLU, the previous PLU will be utilized. The parties agree to the initial PLU factor as set forth in Appendix A.
- 4.3.6. Reciprocal traffic exchange arrangement trunk connections shall be made at a DS-1 or multiple DS-1 level, DS-3, (Synchronous Optical Network (SONET)) (where technically available) and shall be jointly-engineered to the appropriate industry grade of service standard B.01 or B.005.
- 4.3.7. Empire and Verizon agree to use diligent efforts to develop and agree on a Joint Interconnection Grooming Plan prescribing standards to ensure that the reciprocal traffic exchange arrangement trunk groups are maintained at the appropriate industry grades of service standard B.01 or B.005. Such plan shall also include mutually-agreed upon default standards for the configuration of all segregated trunk groups.
- 4.3.8. SS7 Common Channel Signaling will be used to the extent that such technology is available. If SS7 is not available, Multi-Frequency Signaling (MF) will be used as specified.
- 4.3.9. The Parties agree to offer and provide to each other B8ZS Extended Superframe Format (ESF) facilities, where available, capable of voice and data traffic transmission.
- 4.3.10. The Parties will support intercompany 64kbps clear channel where available.
- 4.3.11. Orders between the Parties to establish, add, change or disconnect trunks shall be processed by use of an Access Service Request (ASR), or another industry standard eventually adopted to replace the ASR for local service ordering.
- 4.3.12. Direct Trunking. In the event the traffic volume between any two end office switches at any time exceeds the CCS busy hour equivalent of one DS-1, the originating Party will establish new direct trunk groups to the applicable end office switch(es).

4.4 Trunk Forecasting.

4.4.1 The Parties will develop joint non-binding forecasting of trunk groups in accordance with Article III, Section 12. Intercompany forecast information must be provided by the Parties to each other twice a year. The semi-annual forecasts will include:

4.4.1.1 yearly forecasted trunk quantities for no less than a two-year period (current year, plus one year); and

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

4.4.2 Description of major network projects that affect the other Party will be provided with the semi-annual forecasts provided pursuant to Section 4.4.1. Major network projects include but are not limited to trunking or network rearrangements, shifts in anticipated traffic patterns, or other activities by either Party that are reflected by a significant increase or decrease in trunking demand for the following forecasting period.

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

4.5 Trunk Facility Under Utilization.

At least once a year the Parties shall exchange trunk group measurement reports for trunk groups terminating to the other Party's network. In addition and from time to time, each Party will determine the required trunks for each of the other Party's trunk groups from the previous twelve (12) months servicing data. Required trunks will be based on the appropriate grade of service standard (B.01 or B.005) or the Joint Interconnection Grooming Plan referenced in Section 4.3.7. When a condition of excess capacity is identified, Verizon will facilitate a review of the trunk group existing and near term (3 to 6 months) traffic requirements with the customer for possible network efficiency adjustment.

4.6 Network Redesigns Initiated by Verizon.

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

4.7 Interconnection Calling and Called Scopes for the Access Tandem Interconnection and the End Office Interconnection.

4.7.1 Verizon Access Tandem Interconnection calling scope (originating and terminating) is to those Verizon end offices which subtend the Verizon access tandem to which the connection is made except as provided for in Section 3.2.3 of this Article V.

4.7.2 Verizon End Office Interconnection calling scope (originating and terminating) is only to the end office and its remotes to which the connection is made.

5. Indirect Network Interconnection.

Neither Party shall deliver traffic destined to terminate at the other Party's end office via another LEC's end office. In addition, neither Party shall deliver traffic destined to terminate at an end

office subtending the other Party's access tandem via another LEC's access tandem until such time as compensation arrangements have been established in accordance with this Article V, Sections 3.1 and 3.4.

6. Number Resources.

6.1 Number Assignment.

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

6.1.1 Each Party shall be responsible for notifying its customers of any changes in numbering or dialing arrangements to include changes such as the introduction of new NPAs or new NXX codes. Each Party is responsible for administering NXX codes assigned to it.

6.2 Rate Centers.

For purposes of compensation between the Parties and the ability of the Parties to appropriately apply their toll rates to their end-user customers, Empire shall adopt the Rate Center areas and Rate Center points that the Commission has approved for the ILECs.

6.3 Routing Points.

Empire will also designate a Routing Point for each assigned NXX code. Empire may designate one location within each Rate Center as a Routing Point for the NPA-NXX associated with that Rate Center; alternatively Empire may designate a single location within one Rate Center to serve as the Routing Point for all the NPA-NXXs associated with that Rate Center and with one or more other Rate Centers served by Empire within an existing Verizon exchange area and LATA.

6.4 Code and Numbers Administration.

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

6.5 Programming Switches.

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

7. Number Portability (NP).

The Parties agree that they shall develop and deploy number portability in accordance with the Act, such binding FCC and state mandates, and industry standards, as may be applicable.

8. Meet-Point Billing (MPB).

8.1 Meet-Point Arrangements.

- 8.1.1 The Parties may mutually establish MPB arrangements in order to provide Switched Access Services to Access Service customers via a Verizon access tandem in accordance with the MPB guidelines adopted by and contained in the Ordering and Billing Forum's MECAB and MECOD documents, except as modified herein and as described in Section 3.2.3 for Interim Portability. Any other provision of this Agreement notwithstanding, Empire shall have the right to interconnect to any Verizon access tandem in accordance with the Ordering and Billing Forum (OBF) Guidelines.
- 8.1.2 Except in instances of capacity limitations, Verizon shall permit and enable Empire to sub-tend the Verizon access tandem(s) nearest to the Empire Rating Point(s) associated with the NPA-NXX(s) to/from which the Switched Access Services are homed. In instances of capacity limitation at a given access tandem, Empire shall be allowed to subtend the next-nearest Verizon access tandem in which sufficient capacity is available. Any other provision of the Agreement notwithstanding, Empire shall have the right to interconnect to any Verizon access tandem in accordance with the OBF Guidelines.
- 8.1.3 Interconnection for the MPB arrangement shall occur at the IP.
- 8.1.4 Common Channel Signaling shall be utilized in conjunction with MPB arrangements to the extent such signaling is resident in the Verizon access tandem switch.
- 8.1.5 Empire and Verizon will use diligent efforts, individually and collectively, to maintain provisions in their respective federal and state access tariffs, and/or provisions within the National Exchange Carrier Association (NECA) Tariff No. 4, or any successor tariff, sufficient to reflect this MPB arrangement, including MPB percentages.
- 8.1.6 As detailed in the MECAB document, Empire and Verizon will, in a timely fashion, exchange all information necessary to accurately, reliably and promptly bill Access Service customers for Switched Access Services traffic jointly handled by Empire and Verizon via the meet-point arrangement. Information shall be exchanged in Exchange Message Record (EMR) format, on magnetic tape or via a mutually acceptable Electronic File Transfer protocol.
- 8.1.7 Empire and Verizon shall work cooperatively to coordinate rendering of Meet-Point bills to customers, and shall reciprocally provide each other usage data and related information at the appropriate charge.

8.2 Compensation.

- 8.2.1 Initially, billing to Access Service customers for the Switched Access Services jointly provided by Empire and Verizon via the MPB arrangement shall be according to the multiple-bill method as described in the MECAB guidelines. This means each Party will bill the portion of service it provided at the appropriate tariff, or price list.
- 8.2.2 Subsequently, Empire and Verizon may mutually agree to implement one of the following options for billing to third parties for the Switched Access Services jointly

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

9. Common Channel Signaling.

9.1 Service Description.

The Parties will provide Common Channel Signaling (CCS) to one another via Signaling System 7 (SS7) network interconnection, where and as available, in the manner specified in FCC Order 95-187, in conjunction with all traffic exchange trunk groups. SS7 signaling and transport services shall be provided by Verizon in accordance with the terms and conditions of this Section 9 of this Article. The Parties will cooperate on the exchange of all appropriate SS7 messages for local and intraLATA call set-up signaling, including ISDN User Part (ISUP) and Transaction Capabilities Application Part (TCAP) messages to facilitate full interoperability of all CLASS Features and functions between their respective networks. Any other SS7 message services to be provided using TCAP messages (such as data base queries) will be jointly negotiated and agreed upon.

9.2 Signaling Parameters.

All SS7 signaling parameters will be provided in conjunction with traffic exchange trunk groups, where and as available. These parameters include Automatic Number Identification (ANI), Calling Party Number (CPN), Privacy Indicator, calling party category information, originating line information, charge number, etc. Also included are all parameters relating to network signaling information, such as Carrier Information Parameter (CIP), wherever such information is needed for call routing or billing. Verizon will provide SS7 via GR-394-SS7 and/or GR-317-SS7 format(s).

9.3 Privacy Indicators.

Each Party will honor all privacy indicators as required under Applicable Law.

9.4 Connection Through Signal Transfer Point (STP).

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

9.5 Third Party Signaling Providers.

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

9.6 Multi-Frequency Signaling.

In the case where CCS is not available, in band Multi-Frequency (MF), wink start, E & M channel associated signaling with ANI will be provided by the Parties. Network signaling

information, such as CIC/OZZ, will be provided wherever such information is needed for call routing or billing.

10. Network Management Controls.

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

11. Service Quality and Performance

Each Party shall provide Services under this Agreement that are at least equal in quality to that which the Party provides to itself, its Affiliates or any other entity. "Equal in Quality" means that the Service, and with respect to UNEs, access to the UNEs, will meet the same technical criteria that the providing Party used within its own network to provide the same Service to itself at the same location under the same terms and conditions.

ARTICLE VI
RESALE OF SERVICES

1. General.

The purpose of this Article VI is to define the Exchange Services and related Vertical Features and other Services (collectively referred to for purposes of this Article VI as the "Services") that may be purchased from Verizon and resold by Empire and the terms and conditions applicable to such resold Services. Except as specifically provided otherwise in this Agreement, provisioning of Exchange Services for resale will be governed by the CLEC Guide. Verizon will make available to Empire for resale any Telecommunications Service that Verizon currently offers, or may offer hereafter, on a retail basis to subscribers that are not telecommunications carriers, except as qualified by Section 2.1 below.

2. Terms and Conditions.

2.1 Restrictions on Resale.

The following restrictions shall apply to the resale of retail services by Empire.

2.1.1 Empire shall not resell to one class of customers a service that is offered by Verizon only to another class of customers in accordance with state requirements (e.g., R-1 to B-1, disabled services or lifeline services to non-qualifying customers).

2.1.2 Empire shall not resell lifeline services and services for the disabled.

2.1.3 Empire shall not resell promotional offerings of ninety (90) days or less in duration. These promotional offerings are not available to Empire for resale. Verizon will apply any applicable resale discount to the ordinary rate for a retail service rather than the special promotional rate.

2.10 Interim Universal Service Support Charge for Resale Services.

Empire wishes to resell Verizon's Basic Exchange Residential and Business services. It is Verizon's position that Verizon's current intraLATA toll rates include implicit subsidies that support below-cost prices for other services and thus promote universal service. This universal service support is lost where a CLEC resells Verizon's local service but does not resell Verizon's intraLATA toll service. For this reason, Verizon's position is that it should not be obligated to resell Basic Exchange Residential or Business services unless Empire pays the monthly interim universal service support charge set forth in Appendix C. Verizon believes that this interim surcharge is required by state and federal law.

The lawfulness of Verizon's interim surcharge is being addressed (or will be addressed) by the Commission or a court of competent jurisdiction. The parties agree that notwithstanding this first paragraph of this Section 2.2, Verizon will offer for resale Basic Exchange Residential and Business services at the avoided cost discount rate set forth in Appendix C without the interim surcharge, but subject to the following terms and conditions:

2.2.1 Empire agrees that within thirty (30) days after the Effective Date of a final non-appealable Commission or court order affirming Verizon's interim surcharge, Empire will (i) begin paying the monthly interim surcharge in accord with Appendix

C, and (ii) make a lump sum payment to Verizon of the total interim surcharges retroactive to the Effective Date of this Agreement, or to the date upon which such order authorizes Verizon to commence assessment of the interim surcharges, whichever is later.

2.2.2 Notwithstanding any provision in this Agreement, Verizon may, at its sole discretion and at any time, seek injunctive or other relief (i) requiring the CLEC to pay Verizon's interim surcharge or (ii) requiring the Commission to immediately impose the interim surcharge.

2.2.3 Nothing in this Agreement shall restrict or impair Verizon from seeking injunctive relief or any other remedy at any time and in any court regarding Verizon's interim surcharge or the Commission's rejection or modification of Verizon's interim surcharge.

2.11 Restrictions on Discount of Retail Services.

The discount specified in Section 5.3 herein shall apply to all retail services except for the following:

2.3.1 Empire may resell services that are provided at a volume discount in accordance with terms and conditions of applicable tariff. Empire shall not aggregate end-user lines and/or traffic in order to qualify for volume discount.

2.3.2 Empire may resell ICB/Contract services without a discount and only to end-user customers that already have such services.

2.3.3 Empire may resell COCOT coin or coinless line; however, no discount applies.

2.3.4 Empire may resell special access; however, no discount applies.

2.3.5 Empire may resell operator services and directory assistance as specified in Section 5.6 herein; however, no discount applies.

2.12 Resale to Other Carriers.

Except as otherwise prescribed by the FCC or Commission, services available for resale may not be used by Empire to provide access to the local network as an alternative to tariffed switched and special access by other carriers, including, but not limited to; interexchange carriers, wireless carriers, competitive access providers, or other retail telecommunications providers.

3. Ordering and Billing.

3.1 Service Ordering, Service Provisioning, and Billing.

Empire will order services for resale directly from Verizon through an electronic interface or fax. The following describes generally the processes Verizon will use for ordering, provisioning and billing for resold services. Except as specifically provided otherwise in this Agreement, service ordering, provisioning, billing and maintenance shall be governed by the CLEC Guide.

3.2 Local Service Request.

Orders for resale of services will be placed utilizing standard LSR forms. Verizon will continue to participate in industry forums for developing service order/disconnect order

formats and will incorporate appropriate industry standards. Complete and accurate forms (containing the requisite end-user information as described in the Guide) must be provided by Empire before a request can be processed.

3.2.1 Verizon will accept orders for As-Is Transfer (AIT) of services from Verizon to Empire where Verizon is the end-user's current local exchange company. Verizon cannot provide an AIT of service from another CLEC selling Verizon's services to Empire.

3.3 Certificate of Operating Authority.

When ordering, Empire must demonstrate to Verizon's reasonable satisfaction that it is a certified provider of local dial-tone service. Empire will provide a copy of its Certificate of Operating Authority or other evidence of its status to Verizon upon reasonable request.

3.4 Directory Assistance (DA) Listings.

Verizon shall include an Empire customer listing in its DA database as part of the LSR process. Verizon will honor Empire Customer's preferences for listing status, including non-published and unlisted, and will enter the listing in the Verizon database which is used to perform DA functions as it appears on the LSR.

3.5 Nonrecurring Charges.

Empire shall be responsible for the payment of all nonrecurring charges (NRCs) applicable to resold Services (e.g., installation, changes, ordering charges) as listed in Appendix C. In addition, NRCs for Field Service work (Installation/Repair requiring on site visits will be charged from the appropriate tariff. No discount applies to nonrecurring charges.

3.6 Alternate Billed Calls.

Verizon shall record usage data originating from Empire subscribers that Verizon records with respect to its own retail customers, using services ordered by Empire. On resale accounts, Verizon will provide usage in EMR format per existing file exchange schedules. Incollects are calls that are placed using the services of Verizon or another LEC or Local Service Provider (LSP) and billed to a resale service line of Empire. Outcollects are calls that are placed using an Empire resale service line and billed to a Verizon line or line of another LEC or LSP. Examples of an incollect or an outcollect are collect, credit card calls.

3.6.1 Incollects. Verizon will provide the rated record it receives from the CMDS network, or which Verizon records (non-intercompany), to Empire for billing to Empire's end-users. Verizon will settle with the earning company, and will bill Empire the amount of each incollect record less the Billing & Collection (B&C) fee for end-user billing of the incollects. The B&C credit will be \$.05 per billed message.

3.6.2 Outcollects. When the Verizon end-office switch from which the resale line is served utilizes a Verizon operator services platform, Verizon will provide to Empire the unrated message detail that originates from an Empire resale service line but which is billed to a telephone number other than the originating number (e.g., calling card, bill-to-third number, etc.). Empire as the LSP will be deemed the earning company and will be responsible for rating the message at Empire rates and Empire will be responsible for providing the billing message detail to the billing company for end-user billing. Empire will pay to Verizon charges as

agreed to for services purchased, and Empire will be compensated by the billing company for the revenue which Empire is due.

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

3.7 Transfers Between Empire and Another Reseller of Verizon Services.

When Empire has obtained an end-user customer from another reseller of Verizon services, Empire will inform Verizon of the transfer by submitting standard LSR forms to Verizon.

3.7.1 Verizon cannot accept an order for AIT of service from one CLEC reselling Verizon services to another reseller of Verizon services.

3.8 Local Calling Detail.

Except for those Services and in those areas where measured rate local service is available to end-users, monthly billing to Empire does not include local calling detail. However, Empire may request and Verizon shall consider developing the capabilities to provide local calling detail in those areas where measured local service is not available for a mutually agreeable charge.

3.9 Billing.

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

3.10 LIDB.

For resale services based on the LSR submitted by Empire, Verizon will generate updates to Verizon's LIDB for validation of calling card, collect, and third number billed calls.

3.11 Originating Line Number Screening (OLNS).

Upon request, Verizon will update the database to provide OLNS which indicates to an operator the acceptable billing methods for calls originating from the calling number (e.g., penal institutions, COCOTS).

4. Maintenance.

4.1 Maintenance, Testing and Repair.

Verizon will provide repair and maintenance services to Empire and its end-user customers for resold services in accordance with the same standards and charges used for such services provided to Verizon end-user customers. Verizon will not initiate a maintenance call or take action in response to a trouble report from an Empire end-user until such time as trouble is reported to Verizon by Empire. Empire must provide to Verizon all end-user information necessary for the installation, repair and servicing of any facilities used for resold services according to the procedures described in the Guide.

5. Services Available for Resale.

5.1 Description of Local Exchange Services Available for Resale.

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

- (a) Voice Grade Local Exchange Access Line - includes a telephone number and dial tone;
- (b) Local Calling - at local usage measured rates if applicable to the end-user customer;
- (c) Access to long distance carriers;
- (d) E-911 Emergency Dialing;
- (e) Access to Service Access Codes - e.g., 800, 888, 900;
- (f) Use of AIN Services (those Currently Available to end-users);
- (g) End-user Private Line Services;
- (h) Listing of telephone number in appropriate "white pages" directory;
- (i) Copy of "White Pages" and "Yellow Pages" directories for the appropriate Verizon service area;
- (j) IntraLATA toll; and
- (k) Any other services prescribed in a generic proceeding by the Commission.

5.2 Other Services Available for Resale.

Verizon will provide resold services at retail less the avoided cost discount as defined in Article VI, Section 5.3. Subject to the limitations enumerated in Article VI of this Agreement, the type of resold services made available to Empire are those telecommunication services described in Verizon's retail tariffs, as amended from time to time. Any new retail services that Verizon offers in such tariffs to customers who are not telecommunications carriers will also be available to Empire for resale under the same terms and conditions contained in this Agreement.

5.2.1 Promotional Services. Verizon shall make available for resale, those promotional offerings that are greater than 90 days in duration and the special promotional rate will be subject to the applicable resale discount.

5.3 Rates.

5.3.1 The prices charged to Empire for Local Services shall be calculated as follows:

5.3.1.1 Avoided Cost Discount as shown in Appendix C shall apply to all retail services except those services listed in Section 2.1 and Section 2.11 herein.

5.3.1.2 The discount dollar amount calculated under Section 5.3.1.1 above will be deducted from the retail rate.

5.3.1.3 The resulting rate is the resale rate.

5.3.2 In compliance with the FCC order approving the merger of GTE Corporation and Bell Atlantic (CC Docket No. 99-1840), Verizon will offer limited duration terms and conditions on which these promotional discounts are being made available can be found on Verizon's web site at <http://www.gte.com/wise>.

5.4 Grandfathered Services.

Except as otherwise prescribed by the FCC or the Commission, services identified in Verizon Tariffs as grandfathered in any manner are available for resale only to end-user customers that already have such grandfathered service. An existing end-user customer may not move a grandfathered service to a new service location. Grandfathered Services are subject to a resale discount.

5.5 Access.

Verizon retains all revenue due from other carriers for resold services under this Article VI for access to Verizon facilities, including both switched and special access charges.

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

OS for local and toll assistance (for example, call completion, busy line verification and emergency interruption) and DA (e.g., 411 calls) are provided as a part of Exchange Services offered for resale. Verizon may brand this service as Verizon. Empire will be billed in accordance with Verizon's retail tariff.

5.6.1 If Empire requests branding or unbranding, Verizon will provide such unbranding or rebranding with Empire's name pursuant to Article VII, Section 3.5.

5.6.2 Empire will be billed a charge for unbranding or rebranding and customized routing as set forth in Article VII, Section 3.5 and additional charges specified in Article VII, Section 3.5.

5.6.3 For those offices that Empire has requested Verizon to rebrand and/or unbrand OS and DA, Verizon will provide it where Verizon performs its own OS and DA service subject to capability and capacity limitations where customized routing is Currently Available. If Verizon uses a third-party contractor to provide OS or DA, Verizon will not provide branding nor will Verizon negotiate it with a third party on behalf of Empire. Empire must negotiate with the third party. In these instances, Empire will need to purchase customized routing and dedicated trunking to differentiate its OS/DA traffic from Verizon's.

ARTICLE VII
UNBUNDLED NETWORK ELEMENTS

ARTICLE VII
UNBUNDLED NETWORK ELEMENTS (UNEs)

1. General.

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

Unless otherwise specified in this Article, the ordering, provisioning, billing and maintenance of UNEs will be governed by the CLEC Guide. Verizon will provide UNE offerings pursuant to this Article only to the extent they are Currently Available in Verizon's network. Verizon will not construct new facilities to offer any UNE or combination of UNEs. Empire shall not directly or through a third party (e.g., Empire's Customer) order Telecommunications Services from Verizon in order to impose on Verizon an obligation to provide a UNE or a Combination that Verizon would not otherwise have an obligation to provide. For example, Empire shall not order Telecommunications Services or advise its Customer to order Telecommunications Services where existing UNEs or Combinations desired by Empire are not available in order to permit Empire to subsequently convert the Telecommunications Services to the UNEs or Combinations desired by Empire.

Notwithstanding anything to the contrary in this Agreement, the Parties do not waive, and hereby expressly reserve, their rights: (a) to challenge, or to continue to challenge, the legality and/or propriety of FCC Rule 51.319, the FCC UNE Remand order (CC Docket No. 96-98, FCC 99-238), the FCC Line Sharing order (CC Docket No. 96-98 and 98-147; FCC 99-355) and/or any other related FCC orders or rules, including, without limitation, the FCC Collocation order in CC Docket No. 98-147 (released March 31, 1999) which was remanded and vacated in part by the United States Court of Appeals for the District of Columbia Circuit on March 17, 2000 (see GTE Service Corporation, et. al v. Federal Communications Commission and United States of America, No. 99-1176, consolidated with No. 99-1201, 2000 U.S. App. Lexis 4111 (D.C. Cir. 2000)); (b) to continue to prosecute the current appeals of the FCC Pricing rules pending before the Eighth Circuit Court of Appeals and the United States Supreme Court; (c) to assert or continue to assert that certain provisions of the FCC's First, Second, Third and Fourth Report and Order in FCC Docket No. 96-98 and other FCC orders or rules are unlawful, illegal and improper; (d) assert that modifications to this attachment from a pricing and/or policy standpoint may be necessary to address or account for the use of line sharing for the provision of voice service, including, without limitation, voice over IP or voice over DSL service; and (e) to take any appropriate action based on the outcome of any of the actions of challenges described in subparagraphs (a)-(d) above or any other actions. The Parties enter into this Agreement without waiving current or future relevant legal rights and without prejudicing any position the Parties may take on relevant issues before industry fora, state or federal regulatory or legislative bodies, or courts of competent jurisdiction.

The provisions of this section shall survive the termination, rescission, modification or expiration of this Agreement without limit as to time.

2. Description of UNE Offerings.

2.1 Individual UNEs.

At CLEC's request, Verizon will provide Empire with non-discriminatory access, in accordance with Applicable Law, to the following UNEs at any technically feasible point pursuant to this Article:

2.1.1 Local Loops. The local loop UNE is defined as the transmission facility (or channel or group of channels on such facility) that extends from a Main Distribution Frame (MDF), or its equivalent, in a Verizon end office or wire center up to and including the loop "demarcation point", including inside wire owned by Verizon. The loop demarcation point is that point on the loop facility where Verizon's ownership and control ends and the subscriber's ownership and control begins. Generally, loops are provisioned as 2-wire or 4-wire copper pairs running from the end office MDF to the subscriber's premises. However, a loop may be provided via other means, including radio frequencies, as a channel on a high-capacity feeder/distribution facility which may, in turn, be distributed from a node location to the subscriber's premises via a copper or coaxial drop or other facility. The loop includes all features, functions and capabilities of such transmission facilities, including attached electronics (except those electronics used for the provision of advanced services, such as digital subscriber line access multiplexers ("DSLAMs")) such as multiplexing equipment and line conditioning, as required by the UNE Remand Order and the FCC's Rules.

2.1.1.1 Types of Loops. The types of unbundled loops made available to Empire under this Article are:

2.1.1.1.1 "2-Wire Analog Loop" is a voice grade transmission facility that is suitable for transporting analog voice signals between approximately 300-3000 Hz, with loss not to exceed 8.5 db. A 2-wire analog loop may include load coils, bridge taps, etc. This facility also may include carrier derived facility components (i.e., pair gain applications, loop concentrators/multiplexers). This type of unbundled loop is commonly used for local dial tone services. Verizon does not guarantee data modem speeds on a 2-wire analog loop. In addition, Verizon does not guarantee CLASS features will perform properly on a 2-wire analog loop provisioned over subscriber analog carrier.

2.1.1.1.2 "4-Wire Analog Loop" conforms to the characteristics of a 2-wire voice grade loop and, in addition, can support simultaneous independent transmission in both directions. Verizon does not guarantee data modem speeds on a 4-wire analog loop. In addition, Verizon does not guarantee CLASS features will perform properly on a 4-wire analog loop provisioned over subscriber analog carrier.

2.1.1.1.3 ISDN-BRI Capable Loop is capable of transmitting digital signals up to 160 kbps with no greater line loss than 36 db end-to-end measured at 40 kHz. When the loop length extends beyond the limitations of basic ISDN-BRI service line loss levels will be provisioned at no greater than 76 db at 40 kHz. Dependent upon facility make-up it may be necessary to add ISDN-BRI Line Loop Extension to bring the line loss level within acceptable levels. ISDN-BRI Line Loop Extension equipment can be

added by Verizon if requested by the CLEC at an additional cost beyond those of the unbundled loop element itself.

- 2.1.1.1.4 A 2-wire ADSL Capable Loop must be provisioned over copper facilities and will contain no load coils and minimum allowable bridge tap. Additional loop conditioning charges shall apply for the removal of the aforementioned types of equipment. In addition, when utilizing ADSL technology, the CLEC is responsible for limiting the Power Spectral Density (PSD) of the signal to levels specified in Clause 6.13 of the ANSI T1.413 ADSL Standard. The CLEC is responsible for supplying the electronics necessary for providing ADSL service to their Customer.
- 2.1.1.1.5 "4-Wire Digital Loop" is a transmission facility that is suitable for the transport of digital signals at rates up to 1.544 Mbps. 4-wire digital loops are only provisioned on copper facilities. When a 4-wire digital loop is used by Empire to provision HDSL technology, the insertion loss, measured between 100W termination at 200 kHz, in which case loss should be less than 34 db. The DC resistance of a single wire pair should not exceed 1100 ohms.
- 2.1.1.1.6 "DS-1 Loops" will support a digital transmission rate of 1.544 Mbps. The DS-1 loop will have no bridge taps or load coils and will employ special line treatment. DS-1 loops will include midspan line repeaters where required, office terminating repeaters, and DSX cross connects.
- 2.1.1.1.7 "DS-3 Loops" will support the transmission of isochronous bipolar serial data at a rate of 44.736 Mbps. The DS-3 loop provides the equivalent of 28 DS-1 channels and shall include the electronics at either end.
- 2.1.1.1.8 "Dark Fiber Loops" consist of any unused fiber strands that exist between the fiber splice tray, or its functional equivalent, located within the Verizon Central Office Switch, and the fiber splice tray or fiber patch panel located within a Customer premise that has not been activated through connection to the electronics that "light" it, and thereby render it capable of carrying communications services. In addition to the other terms and conditions of this Attachment, the following terms and conditions also shall apply to Dark Fiber Loops:
 - 2.1.1.1.8.1 Verizon shall be required to provide Dark Fiber Loop only where (1) one end of the Dark Fiber Loop terminates at Empire's collocation point of interface/demarcation/connection, and (2) the other end terminates at the Customer premise.
 - 2.1.1.1.8.2 At the Central Office Switch, unused fibers located at a fiber splice point in a cable vault or a controlled environment vault, manhole or other location outside the Central Office Switch or Verizon premises, and not terminated to a fiber splice tray within the Central Office Switch or Verizon Premises, are not available to Empire.
 - 2.1.1.1.8.3 At the Customer premise, unused fibers are not available to Empire pursuant to this Attachment unless such fibers terminate on a fiber patch panel, or are

available in a fiber splice tray, within the Customer premise. Unused fibers located in fiber splice point located outside the Customer premise are not available to Empire.

2.1.1.1.8.4 Dark Fiber will be offered to Empire on the condition that it is found in Verizon's network at the time that Empire submits its request (i.e., "as is"). Verizon shall not be required to convert lit fiber to Dark Fiber for Empire's use.

2.1.1.1.8.5 Spare wavelengths on fiber strands, where Wave Division Multiplexing (WDM) or Dense Wave Division Multiplexing (DWDM) equipment is deployed, are not considered to be spare Dark Fiber Loops and, therefore, will not be offered to Empire as dark fiber.

2.1.1.1.8.6 Empire shall be responsible for providing all transmission, terminating and regeneration equipment necessary to light and use Dark Fiber.

2.1.1.1.8.7 Empire may not resell Dark Fiber purchased pursuant to this Attachment to third parties.

2.1.1.1.8.8 In order for Verizon to continue to satisfy its carrier of last resort (COLR) obligations under state law and/or to preserve the efficiency of its network, Verizon will limit Empire to leasing a maximum of twenty-five percent (25%) of the Dark Fiber in any given segment of Verizon's network during any two-year period. In addition, Verizon may take either of the following actions, notwithstanding anything to the contrary in this Attachment:

- Revoke Dark Fiber leased to Empire upon a showing of need to the Commission and twelve (12) months' advance written notice to Empire; and
- Revoke Dark Fiber leased to Empire upon a showing to the Commission that Empire underutilized fiber (less than OC-12) within any twelve (12) month period.

Empire may not reserve Dark Fiber.

2.1.2 Subloops. The Subloop UNE is defined as any portion of the loop that is technically feasible to access at the terminals (access terminals) in Verizon's outside plant, including inside wire and the cross-connected box. An access terminal is any point on the loop: (i) where technicians can access the wire or fiber within the cable without removing a splice case to reach the wire or fiber within; and (ii) that contains cables and their respective wire pairs that terminate on screw posts. To the extent they qualify under the preceding sentence, such points may include, but are not limited to, the pole or drop pedestal, network interface device (NID), minimum point of entry, single point of interconnection, the MDF, the remote terminal, and the feeder/distribution interface. In addition, subject to the requirements and limitations

of the Collocation Attachment, Empire has the option of collocating a DSLAM (or its functional equivalent) in Verizon's remote terminal (RT) at the fiber/copper interface point. When Empire collocates its DSLAM at Verizon's RT, Verizon will provide Empire with access to subloop UNEs to allow Empire to access the copper portion of the loop. The Subloop UNEs made available to Empire under this Attachment are:

- 2.1.2.1 "Feeder Subloop UNE" is a transmission path extending from the MDF located in Verizon's Central Office Switch or Wire Center to the feeder distribution interface (FDI), or its functional equivalent, at a Verizon cross-connect box. Feeder Subloop UNEs may be configured as "2-Wire Feeder" or "4-Wire Feeder", both of which may include load coils, bridge taps, etc. When utilizing ADSL technology, Empire is responsible for limiting the Power Spectral Density (PSD) of the signal to the levels specified in Clause 6.13 of ANSI T1.413 ADSL Standard. Verizon will not provide the electronics required for Empire to provide xDSL service.
 - 2.1.2.2 "Distribution Subloop UNE" is a transmission path extending from the FDI, or its functional equivalent, at a Verizon cross-connect box, up to and including the demarcation point at an end user's premise. Unbundled Subloop Distribution Elements may be configured as "2-Wire Distribution" or "4-Wire Distribution", both of which may include carrier derived facility components (i.e., pair gain applications, loop concentrators/multiplexers). Distribution Elements are not available to Empire where Verizon has provisioned its local network utilizing Digital Subscriber Technology (DAMLs). When utilizing ADSL technology, Empire is responsible for limiting the PDS of the signal to the levels specified in Clause 6.13 of ANSI T1.413 ADSL Standard. Verizon will not provide the electronics required for Empire to provide xDSL service.
 - 2.1.2.3 "Drop Subloop UNE" is a transmission path extending from a terminal, such as a pole or pedestal, to the end user premise. Drop Subloop UNEs will be offered on a per pair basis.
 - 2.1.2.4 "Dark Fiber Feeder Subloop UNE" is any unused fiber strands that exist between the fiber splice tray, or its functional equivalent, located within the Verizon Central Office Switch, and the fiber splice tray or fiber patch panel located at the Verizon remote hut or DLC or controlled environmental hut (CEV) or accessible terminal where Empire has a point of interconnection. Unused fibers in the feeder portion of the loop that are located in a fiber splice point outside the Central Office Switch or remote hut/DLC/CEV are not available to Empire pursuant to this Attachment. To the extent applicable, the same terms and conditions regarding Dark Fiber Loop UNEs set forth in Section 2.1.1.1.8 shall govern Dark Fiber Feeder Subloop UNEs.
 - 2.1.2.5 "Dark Fiber Distribution Subloop UNE" is any unused fiber strands that exist between the fiber splice tray or patch panel located at the Verizon remote hut/DLC/CEV, where Empire has established a point of interconnection, and the fiber splice tray or fiber patch panel located at the Customer premise. Unused fibers in the distribution portion of the loop that are located in a fiber splice point outside the Customer premise or remote hut/DLC/CEV are not available to Empire pursuant to this Attachment. To the extent applicable, the same terms and conditions regarding Dark Fiber Loop UNEs set forth in Section 2.1.1.1.8 shall govern Dark Fiber Distribution Subloop UNEs.
- 2.1.3 Inside wire. The inside wire UNE is defined as all loop plant owned by Verizon on an end-user Customer premises as far as the point of demarcation.

2.1.4 Network Interface Device (NID). The NID UNE is defined as any means of interconnection of end-user Customer premises wiring to Verizon's distribution plant. To gain access to an end-user's inside wiring, Empire may connect its own loop directly to Verizon's NID where Empire uses its own facilities to provide local service to an end-user formerly served by Verizon, as long as such direct connection does not adversely affect Verizon's network. Verizon shall have the right to deny Empire's ability to connect its own loop directly to Verizon's NID.

2.1.5 Local Circuit Switching. The local circuit switching UNE is defined as: (i) line-side facilities, which include, but are not limited to, the connection between a loop termination at a main distribution frame and a switch line card; (ii) trunk-side facilities, which include, but are not limited to, the connection between trunk termination at a trunk-side cross-connect panel and a switch trunk card; and (iii) all features, functions and capabilities of the switch. Verizon reserves the right not to provide circuit switching and shared transport as a UNE under the circumstances described in Rule 51.319(c)(2) and Applicable Law.

2.1.5.1 Types of Local Circuit Switching. At Empire's request, Verizon will make available the following types of Circuit Switching as UNEs and any other types of Circuit Switching that Verizon has Currently Available at the time a request is made:

2.1.5.1.1 Analog Line Side Port. An analog line side port¹ is a line side switch connection used to provide basic residential- and business-type exchange services.

2.1.5.1.2 ISDN BRI Digital Line Side Port. An ISDN BRI digital line side port is a basic rate interface (BRI) line side switch connection used to provide ISDN exchange services.

2.1.5.1.3 Coin Line Side Port. A coin line side port is a line side switch connection used to provide coin services.

2.1.5.1.4 DS-1 Digital Trunk Side Port. A DS-1 digital trunk side port is a trunk side switch connection used to provide the equivalent of 24 analog incoming trunk ports.

2.1.5.1.5 ISDN PRI Digital Trunk Side Port. An ISDN PRI digital trunk side port is a primary rate interface (PRI) trunk side switch connection used to provide ISDN exchange services.

2.1.6 Local Tandem Switching. The local tandem switching UNE is defined as: (i) trunk-connect facilities, which include, but are not limited to, the connection between trunk termination at a cross connect panel and switch trunk card; (ii) the basic switch trunk function of the connecting trunks to trunks; and (iii) the functions that are centralized in tandem switches (as distinguished from separate end office

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

switches).

- 2.1.7 Packet Switching. The packet switching UNE is defined as the basic packet switching function of routing or forwarding packets, frames, cells or other data units based on address or other routing information contained in the packets, frames, cells or other data units, and the functions that are performed by the DSLAM. Verizon reserves the right not to provide packet switching as a UNE under the circumstances described in Rule 51.319(c)(5).
- 2.1.8 Dedicated Transport. The dedicated transport UNE is defined as Verizon interoffice transmission facilities, including all technically feasible capacity-related services, including, but not limited to, DS1, DS3 and OCN levels, dedicated to a particular customer or carrier, that provide telecommunications between wire centers owned by Verizon or Empire, or between switches owned by Verizon or Empire.
- 2.1.9 Dark Fiber Transport. The Dark Fiber Transport UNE is defined as dedicated unused fiber strands that exist at the fiber splice tray, or its functional equivalent, located within the Central Office Switch, without attached multiplexing, aggregation or other electronics. To the extent applicable, the same terms and conditions regarding Dark Fiber Loop UNEs set forth in Section 2.1.1.1.8 shall govern Dark Fiber Transport UNE.
- 2.1.10 Shared Transport. The shared transport UNE is defined as interoffice transmission facilities shared by more than one carrier, including Verizon, between end office switches, between end office switches and tandem switches, and between tandem switches, in Verizon's network. Shared transport (also known as common transport) provides the shared use of interoffice trunk groups and tandem switching that are used to transport switched traffic, originating or terminating on a Verizon port, between central office switching entities. Shared transport will include tandem switching if Verizon's standard network configuration includes tandem routing for traffic between these points. Shared transport is provided automatically in conjunction with port and local circuit switching. Verizon reserves the right not to provide circuit switching and shared transport as an UNE under the circumstances described in Rule 51.319(c)(2), and Applicable Law.
- 2.1.11 Signaling Networks. The signaling network UNE is defined as access to Verizon signaling networks and signaling transfer points. SS7 transport and signaling shall be provided in accordance with the terms and conditions of a separately executed agreement, or via GTOC Tariff FCC No. 1.
- 2.1.12 Call-Related Databases. The call-related databases UNE is defined as access to a database, other than Operations Support Systems (OSS), that are used in signaling networks for billing and collection, or the transmission, routing, or other provision of a telecommunications service. These databases include the calling name database, 911 database, E-911 database, line information database, toll free (800 type services) calling database, advanced intelligent network database and downstream number portability databases that are provided by means of physical access at the signaling transfer point linked to the unbundled databases. LIDB services and database 800 type services shall be provided in accordance with the rates, terms and conditions of GTOC Tariff FCC No. 1. Verizon reserves the right not to unbundle the services created in the AIN platform and architecture that qualify for proprietary treatment.
- 2.1.13 Service Management Systems. The service management system database system UNE is defined as a computer database or system not part of the public switched network that among other things:(i) interconnects to the service control

point and sends to that service control point the information and call processing instructions needed for a network switch to process and complete a telephone call and (ii) provides telecommunications carriers with the capability of entering and storing data regarding the processing and completing of a telephone call.

2.1.14 OS/DA. The OS/DA UNE is defined as: (a) any automatic or live assistance to a consumer to arrange for billing or completion, or both, of a telephone call (OS); and (b) a service that allows subscribers to retrieve telephone numbers of other subscribers (DA). In accordance with Rule 51.319(f), Verizon will not provide OS/DA as a UNE in locations where it offers Empire customized routing. Where Empire provides its own OS and DA platform, Empire is required to route its OS and DA traffic to its platform over customized routing. Verizon shall: (a) provide Empire a list of switches that can provide customized routing using line class codes or similar method (regardless of current capacity limitations) and a schedule for customized routing in the switches with existing capabilities and capacity; (b) provide Empire with applicable charges, and terms and conditions, for providing customized routing; and (c) choose the method of implementing customized routing of OS and DA calls. When Verizon offers customized routing to Empire, Empire will be required to establish dedicated transport in order to route OS/DA traffic to the designated platform. If a dedicated transport UNE is used to route OS/DA traffic to the designated platform, Empire must purchase a trunk side port and establish a collocation arrangement in accordance with the Collocation Article. If the dedicated transport UNE used to route OS/DA traffic to the designated platform is ordered out of the applicable access tariff, no collocation arrangement or trunk side port is required.

2.1.15 OSS. The OSS UNE is defined as operations support system functions consisting of pre-ordering (including nondiscriminatory access to the same detailed information about loop qualification information that is available to Verizon), ordering, provisioning, maintenance and repair, and billing functions supported by Verizon's databases and information. Until such time as a real-time, electronic-like interface is made available to Empire by Verizon, Verizon shall enable Empire to perform all pre-ordering and ordering functions via a Web Graphical User Interface (GUI), including accessing said loop qualification information. This Web GUI will provide Empire access to the same information which Verizon provides to itself in order to allow Empire to determine if a loop is available and qualifies for service based on the end user's telephone number or street address, including the following:

- 2.1.15.1 The composition of the available loop material (including, without limitation, fiber optics and copper);
- 2.1.15.2 The existence, location and type of electronic or other equipment on the loop (including, without limitation, DLC or other remote concentration devices, feeder/distribution interfaces, bridged taps, load coils, pair gain devices, repeaters, remote switching units, range extenders, AMI T-1s in the same or adjacent binder groups, and other potential disturbers);
- 2.1.15.3 Loop length, including the segment length and location of each type of transmission media;
- 2.1.15.4 Loop length by wire gauge; and
- 2.1.15.5 The electrical parameters of the loop.

At such time as OBF has established standards for pre-order loop qualification, the

Parties will cooperate to implement pre-order loop qualification functions based upon such standards.

2.1.16 Line Sharing.

2.1.16.1 General. The Line Sharing UNE is defined as access to the frequency range above the voiceband on a copper loop facility that is being used to carry analog circuit-switched voiceband transmissions. The following requirements shall serve as conditions to Verizon's obligation to provide the Line Sharing UNE:

2.1.16.1.1 Line sharing will be permitted for any Asymmetrical Digital Subscriber Line (ADSL) or voice compatible xDSL (DSL) technologies that do not significantly degrade other advanced services or traditional voice band services, including without limitation ADSL, Rate-Adaptive ADSL and Multiple Virtual Lines. As additional technologies that may be compatible with existing services on a loop become available, the Parties will address their possible deployment, consistent with the requirements of FCC Rules 51.230, 51.233 and paragraphs 201-205 of the Line Sharing Order. The DSL technology used by Empire will be within the PSD mask parameters set forth in T1.413 or other applicable industry standards.

2.1.16.1.2 Verizon provides retail analog circuit switched voice band service (Voice Service) on the loop to the same Customer for which Empire provides the DSL line sharing service.² If Verizon discontinues the provision of such Voice Service for any permissible reason not prohibited by Applicable Law, Empire's line sharing DSL service shall be discontinued as well. However, this shall not preclude Empire from providing DSL service to the Customer over an unbundled loop without line sharing, and the Parties shall cooperate to transition the continuation of such DSL service without line sharing in such manner as permitted by, and subject to, Applicable Law.

Provided that these conditions are met, Verizon shall provide line sharing to Empire utilizing an all-copper pair between a Customer demarcation location and the main distribution frame in Verizon's serving Wire Center that is jumpered and cross-connected to an Empire collocation arrangement located in said serving Wire Center. At the serving Wire Center, Verizon shall connect the line (an all-copper pair) to an Empire tie cable via a Verizon-provided jumper at the rates set forth in Appendix G; provided, however, that Empire must have first obtained said tie cable from Verizon to connect to Empire's collocation arrangement. Verizon shall provide line sharing to Empire over Digital Loop Carrier (DLC) to the extent required pursuant to Applicable Law and without waiving any rights to challenge any such requirement. Fiber-fed DLC consists of an all-copper pair from the Customer demarcation location to a remote terminal (i.e., controlled

² Assuming that all other applicable requirements are met, the Line Sharing UNE shall be available under the following circumstances: (i) the Customer has Voice Service from Verizon and wishes to add DSL service from Empire; (ii) the Customer has Voice Service and DSL service from Verizon and wishes to convert the DSL service to Empire; (iii) the Customer wishes to establish both new Voice Service from Verizon and new DSL service from Empire, subject to the requirement that Voice Service must be established prior to the implementation of DSL service; and (iv) the Customer has Voice Service from Verizon and DSL service from another competitive local exchange carrier and wishes to convert the DSL service to Empire. At this time, line sharing will not be made available where the Customer has had its Voice Service number ported out to another local service provider either through interim number portability or long-term number portability. In addition, line sharing will not be available to more than one competitive local exchange carrier per loop.

environmental vault, fiber hut, cabinet or other structure with fiber-fed DLC equipment installed).

2.1.16.2 Splitter Options. To utilize line sharing, Empire must obtain access to a splitter that meets the requirements for equipment collocation set by the FCC in its Collocation Order in CC Docket No. 98-147 (released March 31, 1999) in the serving Wire Center of the shared line. Specifically, any such splitter shall: (1) comply with ANSI T1E1 standards and Verizon NEBS policy for collocators; (2) employ DC blocking capacitors or equivalent technology to assist in isolating high bandwidth trouble resolution and maintenance to the high frequency portion of the frequency spectrum; and (3) be designed so that the analog voice "dial tone" stays active when the splitter card is removed for testing or maintenance. Empire may obtain access to said splitter via either of the following options, at its discretion.

2.1.16.2.1 Option No. 1: Splitter Located in the Collocation Arrangement of Empire. Empire may choose to purchase and own the splitter directly and place the splitter in its collocation arrangement. Under this option, both the non-Empire voice traffic and the Empire-provided DSL service will arrive at the Empire collocation arrangement via a tie cable obtained from Verizon. At the collocation arrangement, the tie cable will terminate at the splitter, which will separate the voice traffic and the DSL traffic. Empire will retain the DSL traffic and will return the voice traffic to Verizon, over a separate Empire tie pair assigned by Empire. For any such serving Wire Center in which Empire chooses to install its own splitter, Verizon agrees to install any additional tie cables required by Empire, in accordance with, and subject to, the terms and conditions set forth in Article IX and/or applicable Verizon tariffs.

2.1.16.2.2 Option No. 2: CLEC Owned Splitter Located in an Area of the serving Wire Center Controlled Exclusively by Verizon via Virtual Collocation. Verizon shall offer Empire an additional option under which it may choose to purchase and own the splitter and have it located via a virtual collocation arrangement in an area in the serving Wire Center to which Empire does not have access. In this scenario, Empire shall obtain the splitter functionality on a "shelf at-a-time" basis. Verizon shall perform all maintenance and repair work. Empire shall receive its DSL traffic via a tie cable obtained from Verizon, running from the main distribution frame to the virtually collocated splitter and then from the splitter to Empire's collocation arrangement. Verizon shall offer Empire virtual collocation under this Option in accordance with the terms of the Verizon federal collocation tariff (FCC Tariff No. 1), provided, however, that for purposes of this Agreement, the Parties shall treat the tariff rates applied to the virtual collocation of a splitter as interim, and subject to true-up, in accordance with the terms outlined in Appendix D.

2.1.16.2.3 Customer Equipment. Empire must provide the Customer with, and is responsible for the installation of, a modem, splitter, filter(s) and/or other equipment necessary at the Customer premise to receive separate Voice Services and DSL services across the same loop. Empire also is responsible for the installation and maintenance of such equipment. Empire shall determine the necessary Customer premise equipment.

2.2 Combinations. Verizon will offer combinations of UNEs (UNE-P) where the elements are already combined in Verizon's network, in accordance with and subject to the rights,

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

The following are examples of UNE-P's already combined in Verizon's network:

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

2.2.1.1 UNE 2-Wire Loop;

2.2.1.2 UNE Basic Analog Line Side Port; and

2.2.1.3 UNE Shared Transport.

2.2.2 UNE ISDN BRI Platform, which consists of:

2.2.2.1 UNE 2-Wire Digital Loop;

2.2.2.2 UNE ISDN BRI Digital Line Side Port; and

2.2.2.3 UNE Shared Transport.

2.2.3 UNE ISDN PRI Platform, which consists of:

2.2.3.1 UNE DS-1 Loop;

2.2.3.2 UNE ISDN PRI Digital Trunk Side Port; and

2.2.3.3 UNE Shared Transport.

2.2.4 UNE DS-1 Platform, which consists of:

2.2.4.1 UNE DS-1 Loop;

2.2.4.2 UNE DS-1 Digital Trunk Side Port; and

2.2.4.3 UNE Shared Transport.

3. Operations Matters.

3.1 Ordering.

3.1.1 General. The ordering procedures for UNEs and Combination's are described in the CLEC Guide found on Verizon's wise website <http://www.gte.com/wise>. Verizon will

continue to participate in industry forums for developing service order/disconnect order formats and will incorporate appropriate industry standards. Complete and accurate forms (containing the requisite Customer information as described in the Guide) must be provided by Empire before a request can be processed. ASRs and/or LSRs submitted by Empire will be reviewed by Verizon for validation and correction of errors. Errors will be referred back to Empire. Empire will then correct any errors that Verizon has identified and resubmit the request to Verizon electronically through a supplemental ASR/LSR. Pre-ordering does not guarantee the availability of a given UNE or Combination. Rather, Verizon must receive a firm order after the pre-order to ensure Empire's access to the UNE or Combination ordered.

3.1.2 Dark Fiber. Empire shall order Dark Fiber Transport, Dark Fiber Loop and Dark Fiber Subloop UNEs by sending to Verizon an ASR. When ordering dark fiber, Empire must order in pairs and at a minimum of two dark fiber strands per A to Z route unless Empire deploys DWDM, then individual fibers may be ordered. Each A to Z route request shall be made by separate ASR. An ASR Service Inquiry must be submitted in advance of a firm order to determine the availability of dark fiber on a specific route.

3.1.3 Line Sharing. Empire will specify its requirements for line sharing on the collocation application for each Verizon premise described in the Collocation Attachment. If Empire's collocation application is accepted, Verizon will make the office ready for line sharing during the interval applicable to Empire's request for collocation. Verizon shall complete the installation and provisioning of any tie cable ordered by Empire in accordance with, and subject to, the terms and conditions of collocation set forth in the Collocation Attachment and/or applicable Verizon tariffs. Verizon shall also process all Empire applications and firm orders for augmenting its collocation arrangements to use line sharing in accordance with, and subject to, the terms and conditions of collocation set forth in the Collocation Attachment and/or applicable Verizon tariffs. Verizon will work cooperatively with Empire to prioritize the order and timeframe in which Verizon will complete deployment of splitters and other equipment necessary to receive orders for line sharing in Verizon's premises where Empire is currently collocated or where collocation capable of supporting shared lines is in the process of being provisioned. As soon as a serving Wire Center or Verizon Premise has the splitter installed, Verizon will begin accepting orders for lines shared by that office, consistent with the requirements and conditions of Section 3.1.1.

3.2 Unauthorized Changes.

If Empire submits an order for UNEs or UNE-Ps under this Agreement in order to provide service to an end-user that at the time the order is submitted is obtaining its local services from Verizon or another LEC using Verizon resold services or unbundled elements, and the end-user notifies Verizon that the end-user did not authorize Empire to provide local exchange services to the end-user, Empire shall provide Verizon with written documentation of authorization from that end-user within thirty (30) Business Days of CLEC's receipt of notification by Verizon. If Empire cannot provide written documentation of authorization within such time frame, Empire shall within three (3) Business Days thereafter:

3.2.1 notify Verizon to change the end-user back to the LEC providing service to the end-user before the change to Empire was made;

3.2.2 provide any end-user information and billing records Empire has obtained relating to the end-user to the LEC previously serving the end-user; and

3.2.3 notify the end-user and Verizon that the change back to the previous LEC has been made.

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

3.3 Letter of Authorization.

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

3.4 Provisioning.

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

3.4.1 Verizon will not place new interoffice facilities or outside plant feeder or distribution facilities.

3.4.2 Verizon will not breach existing interoffice facilities, outside plant feeder or distribution facilities or central office cabling or wiring to install new electronics or housing for plug-in electronic cards or modules. Verizon will install new plug-in cards or modules when the housing already exists and is wired into the network.

3.4.3 In most circumstances, Verizon will install drops and NIDs to connect outside plant facilities to an end-user's premises to provide a UNE loop. Verizon will use the same procedures its uses to determine when a drop would routinely be installed for a Verizon Customer to determine if a drop will be installed for a UNE loop. Drops will not be installed when conditions such as excessive length, size of cable or use of fiber optics would require Verizon outside plant construction personnel to install the drop.

3.4.4 Verizon will not install new switches or augment switching capacity.

3.4.5 Verizon will not install new software or activate software requiring a new right to use fee in switching equipment. Verizon will activate software that is currently loaded in a switch but is not in use.

3.4.6 In certain situations, Verizon utilizes pair gain technology, such as Integrated Digital Loop Carrier (IDLC)³ or analog carrier, to provision facilities. Verizon may not be able to provision a loop UNE in such cases. Where Verizon can provision a loop UNE using pair gain technology, the capabilities of such loop UNE may be limited. If Empire orders a loop UNE that would normally be provisioned over facilities using pair gain technology, Verizon will use alternate facilities to provision the loop UNE if alternate facilities are Currently Available. If alternate facilities are not Currently Available, Verizon will advise Empire that facilities are not available to provision the requested loop UNE.

3.5 Bona Fide Request Process.

Each Party shall promptly consider and analyze access to a new unbundled Network Element with the submission of a Network Element Bona Fide Request hereunder. The Network Element Bona Fide Request process set forth herein does not apply to those services requested pursuant to Report & Order and Notice of Proposed Rulemaking 91-141 (rel. Oct. 19, 1992) ¶ 259 and n.603 or subsequent orders.

3.5.1 Each Party shall promptly consider and analyze access to a new unbundled Network Element with the submission of a Network Element Bona Fide Request hereunder. The Network Element Bona Fide Request process set forth herein does not apply to those services requested pursuant to Report & Order and Notice of Proposed Rulemaking 91-141 (rel. Oct. 19, 1992) ¶ 259 and n.603 or subsequent orders.

3.5.2 A Network Element Bona Fide Request shall be submitted in writing and shall include a technical description of each requested Network Element.

3.5.3 The requesting Party may cancel a Network Element Bona Fide Request at any time, but shall pay the other Party's reasonable and demonstrable costs of processing and/or implementing the Network Element Bona Fide Request up to the date of cancellation.

3.5.4 Within ten (10) business days of its receipt, the receiving Party shall acknowledge receipt of the Network Element Bona Fide Request.

3.5.5 Except under extraordinary circumstances, within thirty (30) days of its receipt of a Network Element Bona Fide Request, the receiving Party shall provide to the requesting Party a preliminary analysis of such Network Element Bona Fide Request. The preliminary analysis shall confirm that the receiving Party will offer access to the Network Element or will provide a detailed explanation that access to the Network Element is not technically feasible and/or that the request does not qualify as a Network Element that is required to be provided under the Act.

3.5.6 If the receiving Party determines that the Network Element Bona Fide Request is technically feasible and otherwise qualifies under the Act, it shall promptly proceed with developing the Network Element Bona Fide Request upon receipt of written authorization from the requesting Party. When it receives such authorization, the receiving Party shall promptly develop the requested services, determine their availability, calculate the applicable prices and establish installation intervals.

³ See Telcordia Technologies TR-TSY-000008, Digital Interface Between the SLC-96 Digital Loop Carrier System and Local Digital Switch and TR-TSY-000303, Integrated Digital Loop Carrier (IDLC) Requirements, Objectives and Interface.

- 3.5.7 Unless the Parties otherwise agree, the Network Element Requested must be priced in accordance with Section 252(d)(1) of the Act.
- 3.5.8 As soon as feasible, but not more than ninety (90) days after its receipt of authorization to proceed with developing the Network Element Bona Fide Request, the receiving Party shall provide to the requesting Party a Network Element Bona Fide Request quote which will include, at a minimum, a description of each Network Element, the availability, the applicable rates and the installation intervals.
- 3.5.9 Within thirty (30) days of its receipt of the Network Element Bona Fide Request quote, the requesting Party must either confirm its order for the Network Element Bona Fide Request pursuant to the Network Element Bona Fide Request quote or seek arbitration by the Commission pursuant to Section 252 of the Act.
- 3.5.10 If a Party to a Network Element Bona Fide Request believes that the other Party is not requesting, negotiating or processing the Network Element Bona Fide Request in good faith, or disputes a determination, or price or cost quote, or is failing to act in accordance with Section 251 of the Act, such Party may seek mediation or arbitration by the Commission pursuant to Section 252 of the Act.

3.6 Connections.

- 3.6.1 With the exception of shared transport, the UNEs made available to Empire pursuant to this Article VII may be directly connected to Empire facilities or to a third-party's facilities at any point designated by Empire to the extent technically feasible. Direct access to loops, port and local switching, and dedicated transport, that terminate in a Verizon Wire Center or other Verizon premises, must be accomplished via a collocation arrangement in that Wire Center or premise. In circumstances where collocation cannot be accomplished in the Wire Center or premise for reasons deemed sufficient by the FCC (in its orders in Docket CC-98-47 and rules promulgated thereunder) or the Commission to excuse Verizon's physical collocation requirements, the Parties agree to negotiate for possible alternative arrangements. Removal of existing cable pairs required for Empire to connect service is the responsibility of Empire.
- 3.6.2 In order to minimize adverse effects to Verizon's network, the following procedures shall apply regarding the NID connections described below:
- 3.6.2.1 When connecting its own loop facility directly to Verizon's NID for a residence or business Customer, Empire shall make a clean cut on the Verizon drop wire at the NID so that no bare wire is exposed. Empire shall not remove or disconnect Verizon's drop wire from the NID or take any other action that might cause Verizon's drop wire to be left lying on the ground.
- 3.6.2.2 At multi-tenant Customer locations, Empire must remove the jumper wire from the distribution block (i.e., the NID) to the Verizon cable termination block. If Empire cannot gain access to the cable termination block, Empire must make a clean cut at the closest point to the cable termination block. At Empire's request and discretion, Verizon will determine the cable pair to be removed at the NID in multi-tenant locations. Empire will compensate Verizon for the trip charge necessary to identify the cable pair to be removed.
- 3.6.2.3 Verizon loop elements leased by Empire will be required to terminate only on a Verizon NID. If Empire leasing a Verizon loop wants to connect such loop to an Empire NID, Empire also will be required to lease a Verizon NID for the

direct loop termination and effect a NID-to-NID cross connection.

3.6.2.4 Rather than connecting its own loop directly to Verizon's NID, Empire also may elect to install its own NID and effect a NID-to-NID cross connection to gain access to the end-user's inside wiring.

3.6.2.5 If Empire provides its own loop facilities, Empire may elect to move all inside wire terminated on a Verizon NID to one provided by Empire. In this instance, a NID-to-NID cross connection will not be required. Empire, or the end-user premise owner, can elect to leave the disconnected Verizon NID in place, or to remove the Verizon NID from the premises and dispose of it entirely.

3.6.2.6 Verizon agrees to offer its NIDs to Empire for lease, but not for sale. Therefore, Empire may remove Verizon identification from any Verizon NID to which it connects an Empire loop, but Empire shall not place its own identification on such NID.

3.6.2.7 Verizon shall have the right to deny any access by Empire to Verizon's NID.

3.6.3 Dark Fiber Transport. Empire must have a collocation arrangement on each side of the transmission for Empire to gain access to Dark Fiber Interoffice Transport. Verizon will terminate each end of the Dark Fiber Interoffice Transport at a fiber patch panel that has been connected to Empire's collocation arrangement via optical cross-connects. In addition, Empire must be collocated at any intermediate central office points where it plans on placing regenerative equipment.

3.6.4 Subloops. To gain access to a Feeder Subloop UNE, Empire must be collocated (subject to the terms and conditions of the Collocation Attachment and/or applicable Verizon tariff) within the Verizon Central Office Switch where the Feeder Subloop UNE is being requested. Empire must also be collocated at either a DLC or Verizon cross-connect box where the Feeder Subloop UNE terminates.

3.6.4.1 To gain access to a distribution Subloop UNE, Empire must be collocated at either a DLC or cross-connect box that serves the Customer's address.

3.6.4.2 To gain access to a Drop Subloop UNE, Empire must be collocated at the terminal, such as a pole or pedestal, that serves the Customer's address.

3.7 Conditioning.

3.7.1 General. For the charge(s) described on Appendix D, Empire may order conditioning of shared lines and those lines that are unbundled pursuant to this Attachment to remove load coils, bridge taps, low pass filters, range extenders and other devices to allow such lines to be provisioned in a manner that will allow for the transmission of digital signals required for ISDN and ADSL services, or, in the case of analog lines, to meet specific transmission parameters. Dedicated transport may be conditioned for DS-1 clear channel capability.

3.7.2 Line Sharing. On shared lines, Verizon will perform loop conditioning if the loop loss for Voice Services is less than -8.0dB. Conditioning will not be provided in circumstances where such conditioning significantly degrades other advanced services or traditional voice band services as provided and described in FCC Rules 51.230, 51.233 and paragraphs 85, 86 and 201-205 of the Line Sharing Order.

3.8 Performance, Repair, Testing and Maintenance.

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

3.8.1.1 Such testing must be technically feasible.

3.8.1.2 If Empire has directly connected its facilities to a loop, Verizon will not perform routine testing of the loop for maintenance purposes. Empire will be required to perform its own testing and notify Verizon of service problems. Verizon will perform repair and maintenance once trouble is identified by Empire. If the loop is combined with dedicated transport, Empire will not have access to the loop in the Wire Center. In this case, Verizon will perform routine testing of the loop and perform repair and maintenance once trouble is identified.

3.8.1.3 All loop facilities provided by Verizon on the premises of Empire's Customers, up to the network interface or demarcation point, are the property of Verizon. Verizon must have access to all such facilities for network management purposes. Subject to the premise owner's consent, Verizon employees and agents may enter said premises at any reasonable hour to test and inspect such facilities in conjunction with such purposes or, upon termination or cancellation of the loop, to remove such facility.

3.8.1.4 If Empire leases loops that are conditioned to transmit digital signals, as part of that conditioning, Verizon will test the loop UNE and provide recorded test results to Empire. In maintenance and repair cases, if loop tests are performed, Verizon will provide any recorded readings to Empire at the time the trouble ticket is closed in the same manner as Verizon provides the same to itself and/or its Customers.

3.8.1.5 When Empire provides its own loop and connects directly to Verizon's NID, Verizon does not have the capability to perform routine maintenance. Empire can perform routine maintenance via its loop and inform Verizon once the trouble has been isolated to the Verizon NID and Verizon will repair (or replace) the NID, or, at Empire's option, effect a NID-to-NID cross connection, using the Verizon NID only to gain access to the inside wire at the Customer location.

3.9 Loop Interference and Maintenance.

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

3.10 Line Sharing.

- 3.10.1 Access. Verizon will provide Empire with nondiscriminatory access to the loop facility for testing, repair and maintenance activities via its Wholesale Internet Service Engine ("WISE") website (<http://www.gte.wise>) 4-Tel loop testing mechanism. Empire shall have physical and remote test access to the test head twenty-four (24) hours a day, seven (7) days a week Verizon is responsible for all testing of facilities and equipment terminated to its MDF and Empire is responsible for all testing of facilities located within its collocation space. Verizon reserves the right to seek access to Empire's collocation space to conduct reasonably necessary testing, repairs and maintenance when Empire owns the splitter, as provided in Option No. 1 of Section 2.16 above. For line sharing testing purposes (i.e., high frequency spectrum only), Empire's point of demarcation will be within Empire's collocation space.
- 3.10.2 Party Responsibility. Verizon will be responsible for repairing Voice Service and the physical line between the network interface device at the Customer premise and Empire's demarcation point in the Central Office Switch. Empire will be responsible for repairing its DSL services and any Customer-related DSL component at the Customer premise that impacts Verizon's Voice Service. Each entity will be responsible for maintaining its own equipment. In response to a trouble ticket opened by Empire, Verizon shall conduct any necessary repair work for line sharing on a twenty-four (24) hour a day, seven (7) days a week basis, and shall maintain a mean-time-to-repair interval of twenty-four (24) hours, applied monthly. Verizon is responsible for all repair and maintenance of facilities and equipment terminated to its main distribution frame and Empire is responsible for all repair and maintenance of facilities located within its collocation space. Where Verizon owns the splitter and does not provide Empire access to the splitter, Verizon shall conduct any necessary repair work on the splitter on a twenty-four (24) hour a day, seven (7) day a week basis, and shall maintain a mean-time-to-repair interval of twenty-four (24) hours, applied monthly. Where Empire owns the splitter, Empire is responsible for performing maintenance, repair and testing on the splitter.
- 3.10.3 Party Coordination. Verizon and Empire agree to coordinate in good faith any splitter testing, repair and maintenance that will significantly impact the service provided by the other Party. Verizon and Empire will work together to diagnose and resolve any troubles reported by the Customer and to develop a permanent process for repair of shared lines. In the interim, Verizon and Empire will work together to address Customer initiated repair requests and to prevent adverse impacts to the Customer. Where Verizon has isolated a trouble with the Voice Service to be in Empire provided equipment, Empire will be required to clear the trouble associated with the Verizon Voice Services. Where such troubles are not cleared within three (3) hours, Verizon will strap-through the Voice Service on the Verizon MDF, isolating Empire equipment from the Verizon loop facility. Empire is responsible for informing Verizon of any lifeline data services (e.g., heart monitor) which may be being provided over the high frequency portion of the loop that would preclude any such strap-through activity by Verizon.
- 3.10.4 Electronic Security Systems. Where Empire provides DSL service to a Customer via a line sharing arrangement, the Parties acknowledge that the high frequencies associated with DSL can cause interference with

some electronic security systems, resulting in false alarms, or in some instances, impair the system to the point that it becomes inoperative⁴. When Empire provides line sharing services to a Customer, Empire shall be required to inquire and to determine whether the Customer has an electronic security system. For Customers with electronic systems, Empire is responsible for taking the necessary preventive actions to ensure that the Customer's electronic security system remains operative and the high frequencies associated with line sharing services do not interfere with its operation. Empire shall be liable for all damages, costs, expenses, etc., which arise in conjunction with, are caused by or result from Empire's line sharing services' interference with, or impairment of, the Customers' electronic security systems.

3.10.5 Customer Education Verizon and Empire shall make Customers aware of the following conditions and requirements regarding the Line Sharing UNE:

3.10.5.1 The Customer should call Verizon for problems related to its Voice Service. The Customer should call its Empire contact for problems related to its DSL service.

3.10.5.2 The Customer's DSL service is dependent on its Voice Service. If there is a problem with the physical line that causes the Voice Service to be inoperative, the Customer may also be unable to use DSL services for some period of time.

3.10.5.3 Customers will not be able to use Empire DSL services if Verizon Voice Services on the shared line are cancelled or terminated for any reason.

4. Financial Matters.

4.1 Rates and Charges.

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

4.1.1 Interim Pricing. Notwithstanding anything in this Agreement to the contrary, the rates and charges for Loop Conditioning and Line Sharing, as specified in Appendix D to this Unbundled Network Elements Attachment, are interim pending the outcome of a Commission rate proceeding regarding Loop Conditioning and/or Line Sharing. Verizon's interim pricing does not reflect all the costs associated with

⁴ To mitigate these issues, for its DSL Customers with electronic security systems, Verizon generally takes the following preventive actions: (1) where the electronic security system interfaces the inside wiring of the Customer premise via an RJ11 jack, Verizon places a micro-filter between the electronic security system dial-up unit and the inside wiring; and (2) where the electronic security system is "hard-wired" to the inside wiring at the Customer premise, Verizon places a splitter to isolate the high frequency data signals from the electronic security system's dial-up unit. Nothing in this Section 4.9.4 shall be read to constitute a warranty or representation that Empire's replication of Verizon's practices/procedures outlined herein will be sufficient to avoid interference with electronic security systems in all cases or in any way absolve Empire of its duties and obligations set forth in this section 4.9.4, or elsewhere in the Agreement.

Loop Conditioning and Line Sharing for all configurations (e.g., the costs associated with collaborative testing, costs associated with OSS-related implementation costs, etc.). Verizon will present these alleged costs and seek recovery for them (including a retroactive true-up) in the Commission proceeding. To the extent that the Commission orders (the "Initial Order") Loop Conditioning and/or Line Sharing rates, or the terms and conditions for application of the Loop Conditioning and/or Line Sharing rates, for Verizon (the "Rates") that are different than specified in this Agreement, the Rates will be applied prospectively pending the issuance of a final, binding and non-appealable order (the "Final Order"). Upon the issuance of such Final Order, the Rates will be applied retroactively to the Effective Date of this Agreement, or the Effective Date of the Initial Order if required under the terms, or based on the subject matter, of the Final Order. The Parties will true up any resulting over or under billing. Any underpayment shall be paid, and any overpayment shall be refunded, within forty-five (45) business days after the date on which the Rates become final, binding and non-appealable. Such true-up payments, if any, shall also include interest computed at the prime rate of the Bank of America, NA in effect at the date of said order. The provisions of this Section shall survive the termination, rescission, modification or expiration of this Agreement without limit as to time.

4.1.2 Nonwaiver. The Parties do not waive, and hereby expressly reserve, their rights to assert or continue to assert that certain rates, charges or terms established by the Commission or in any other proceeding (including, without limitation, the Line Sharing Rates) are unlawful, illegal and improper. The Parties further expressly reserve their past, present and future rights to challenge and seek review of any and all such rates, charges or terms in any court or commission of competent jurisdiction or other available forum. Such terms, rates or charges are further subject to change and/or modification resulting from future orders or decisions of any commission, court or other governmental authority having competent jurisdiction that address the following: (a) Verizon's costs (e.g., actual costs, contribution, undepreciated reserve deficiency, or similar Verizon costs (including Verizon's interim universal service support charge)); (b) the establishment of a competitively neutral universal service system; (c) any and all actions seeking to invalidate, stay, vacate or otherwise modify any FCC order in effect as of the Effective Date, or during the term, of this Agreement which impact such terms, rates and/or charges; or (d) any other relevant appeal or litigation. If any such rates, charges and/or terms are adjusted or otherwise modified, in whole or in part, in any other proceeding, then this Agreement shall be deemed to have been automatically amended, and such amendment shall be effective upon the date of the applicable order. Such adjusted or modified rates and charges will be applied prospectively pending the issuance of a final, binding and non-appealable order in the subject proceeding. At such time as the applicable order becomes final, binding and non-appealable, the adjusted or modified rates and charges established therein shall be applied retroactively to the Effective Date of this Agreement. The Parties will true-up any resulting over or under billing in accordance with the requirements of Section 4.1.1. The Parties agree that the provisions of this Section shall survive the termination, rescission, modification or expiration of this Agreement without limit as to time. The Parties acknowledges that either Party may seek to enforce the provisions of this Section before a commission or court of competent jurisdiction.

4.1.3 Line Sharing Loop Costs. In developing its interim prices for Line Sharing, as described in Section 4.1.1 above, Verizon did not include any direct loop costs. Verizon's pricing methodology, however, is premised on the assumption that Verizon will be afforded an opportunity to recover all its actual costs, including the total actual cost of the loop, in prices for services and in explicit universal service support. If Verizon cannot recover all its costs, then Verizon's pricing methodology

must change and Verizon reserves the right to require such a change. Also, Verizon does not agree with the FCC's UNE pricing rules, which do not allow prices to be based on an ILEC's actual costs or opportunity costs. The Court of Appeals for the Eighth Circuit is considering the substantive validity of the FCC's pricing rules, and Verizon reserves its right to change its prices if the court stays, vacates, or modifies the FCC's rules.

4.1.4 In compliance with the FCC order approving the merger of GTE Corporation and Bell Atlantic (CC Docket No. 98-1840), Verizon will offer limited duration promotional discounts on residential UNE Loops and UNE Advanced Services Loops. The terms and conditions on which these promotional discounts are being made available can be found on Verizon's web site, at <http://www.gte.com/wise>.

4.2 Billing.

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

4.2.1 Incollects. Verizon will provide the rated record it receives from the CMDS network, or which Verizon records (non-intercompany), to Empire for billing to Empire's end-users. Verizon will settle with the earning company, and will bill Empire the amount of each incollect record less the Billing & Collection (B&C) fee for end-user billing of the incollects. The B&C credit associated with Empire's incollect messages that are incurred by Verizon will be billed to Empire on the monthly statement.

4.2.2 Outcollects. When the Verizon end office switch from which the UNE port is served utilizes a Verizon operator services platform, Verizon will provide to Empire the unrated message detail that originates from an Empire resale service line or UNE port, but which is billed to a telephone number other than the originating number (e.g., calling card, bill-to-third number, etc.). As the local service provider, Empire will be deemed the earning company and will be responsible for rating the message at Empire's rates and for providing the billing message detail to the billing company for end-user billing. Empire will pay to Verizon charges as agreed to for services purchased, and Empire will be compensated by the billing company for the revenue due to Empire. When a non-Verizon entity provides operator services to the Verizon end office from which the resale line or UNE port is provisioned, Empire must contract with the operator services provider to obtain any EMR records required by Empire.

4.3 Measurement of Originating Usage.

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

4.4 Measurement of Terminating Usage.

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

4.5 Switched Access Usage.

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

ARTICLE VIII

ADDITIONAL SERVICES AND COORDINATED SERVICE ARRANGEMENTS

1. Transfer of Service Announcements.

When an end-user customer transfers service from one Party to the other Party, and does not retain its original telephone number, the Party formerly providing service to the end-user will provide, upon request and if such service is provided to its own customers, a referral announcement on the original telephone number. This announcement will provide the new number of the customer and will remain in effect for the same time period this service is provided to such Party's own end-users.

2. Misdirected Calls.

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

- 2.1 To the extent the correct provider can be determined, each Party will refer misdirected calls to the proper provider of local exchange service. When referring such calls, both Parties agree to do so in a courteous manner at no charge.
- 2.2 For misdirected repair calls, the Parties will provide their respective repair bureau contact number to each other on a reciprocal basis and provide the end-user the correct contact number.
- 2.3 In responding to misdirected calls, neither Party shall make disparaging remarks about each other, nor shall they use these calls as a basis for internal referrals or to solicit end-users or to market services.

3. 911/E-911 Arrangements.

3.1 Description of Service.

Empire will install from each of its central offices a minimum of two (2) dedicated trunks to Verizon's 911/E-911 selective routers (i.e., 911 tandem offices) that serve the areas in which Empire provides Exchange Services, for the provision of 911/E-911 services and for access to all subtending PSAPs. The dedicated trunks shall be, at a minimum, DS-0 level trunks configured as a 2-wire analog interface or as part of a digital (1.544 Mbps) interface in which all circuits are dedicated to 9-1-1 traffic. Either configuration shall use CAMA type signaling with multi-frequency (MF) tones that will deliver ANI with the voice portion of the call. Verizon will provide Empire with the appropriate CLLI (Common Language Location Identifier) Codes and specifications of the tandem office serving area or the location of the primary Public Safety Answering Point (PSAP) when there is no 911 routing in that 911 district. If an Empire central office serves end-users in an area served by more than one (1) Verizon 911/E-911 selective router, Empire will install a minimum of two (2) dedicated trunks in accordance with this Section to each of such 911/E-911 selective routers or primary PSAP. Empire, at its option, may purchase such trunks as dedicated transport UNEs, purchase such trunks from Verizon tariffs or it may "self provision" such trunks itself or obtain such transport from a third party provider.

3.2 Transport.

If Empire, at its sole option, desires to obtain transport from Verizon to the Verizon 911 selective routers, Empire may purchase such transport from Verizon at the rates set forth in Appendix E .

3.3 Cooperation and Level of Performance.

The Parties agree to provide access to 911/E-911 in a manner that is transparent to the end-user. The Parties will work together to facilitate the prompt, reliable and efficient interconnection of Empire's systems to the 911/E-911 platforms, with a level of performance that will provide the same grade of service as that which Verizon provides to its own end-users. To this end, Verizon will provide documentation to Empire showing the correlation of its rate centers to its E-911 tandems at rates set forth in Appendix E .

3.4 Basic 911 and E-911 General Requirements:

- 3.4.4 Basic 911 and E-911 provides a caller access to the appropriate emergency service bureau by dialing a 3-digit universal telephone number (911).
- 3.4.5 Where Verizon has a 911 selective router installed in the network serving the 911 district, Verizon shall use subscriber data derived from the Automatic Location Identification/Database Management System (ALI/DMS) to selectively route the 911 call to the PSAP responsible for the caller's location.
- 3.4.6 All requirements for E-911 also apply to the use of SS7 as a type of signaling used on the interconnection trunks from the local switch to an end office or a selective router.
- 3.4.7 Basic 911 and E-911 functions provided to Empire shall be at least at parity with the support and services that Verizon provides to its subscribers for such similar functionality.
- 3.4.8 Basic 911 and E-911 access from Local Switching shall be provided to Empire in accordance with the following:
 - 3.4.5.1 Verizon and Empire shall comply with all federal and state laws and regulations concerning emergency services.
 - 3.4.5.2 For E-911, both Empire and Verizon shall use their respective service order processes to update access line subscriber data for transmission to the database management systems. Validation will be done via MSAG comparison listed in Section 3.4.5.5.
 - 3.4.5.3 If legally required by the appropriate jurisdiction, Verizon shall provide for overflow 911 traffic to be routed to Verizon operator services or, at Empire's discretion, directly to Empire operator services.
 - 3.4.5.4 Basic 911 and E-911 access from the Empire local switch shall be provided from Verizon to Empire in accordance with the following:
 - 3.4.5.4.1 If required by Empire and Currently Available, Verizon shall interconnect direct trunks from the Empire network to the E-911 PSAP, or to the E-911 selective routers as designated by Empire. Such trunks may alternatively be provided by Empire.
 - 3.4.5.4.2 In government jurisdictions where Verizon has obligations under existing Agreements as the primary provider of the 911 System to the county (i.e., "lead telco"), Empire shall participate in the provision of the 911 System as follows:

3.4.5.4.2.1 Each Party shall be responsible for those portions of the 911 System for which it has control, including any necessary maintenance to each Party's portion of the 911 System.

3.4.5.4.2.2 Empire and Verizon recognize that the lead telco in a 911 district has the responsibility of maintaining the ALI database for that district. Each company will provide its access line subscriber records to the database organization of that lead telco. Empire and Verizon will be responsible for correcting errors when notified by either the 911 district or its customer, and then submitting the corrections to the lead telco. Lead telco database responsibilities are covered in Section 3.4.5.5 of this Article.

3.4.5.4.2.3 Empire shall have the right to verify the accuracy of information regarding Empire customers in the ALI database using methods and procedures mutually agreed to by the Parties. The fee for this service shall be determined based upon the agreed upon solution.

3.4.5.4.3 If a third party is the primary service provider to a 911 district, Empire shall negotiate separately with such third party with regard to the provision of 911 service to the agency. All relations between such third party and Empire are totally separate from this Agreement and Verizon makes no representations on behalf of the third party.

3.4.5.4.4 If Empire or Affiliate is the primary service provider to a 911 district, Empire and Verizon shall negotiate the specific provisions necessary for providing 911 service to the agency and shall include such provisions in an amendment to this Agreement.

3.4.5.4.5 Interconnection and database access shall be at rates as set forth in Appendix E.

3.4.5.4.6 Verizon shall comply with established, competitively neutral intervals for installation of facilities, including any collocation facilities, diversity requirements, etc.

3.4.5.4.7 In a resale situation, where Verizon is required to update the ALI database, Verizon shall update such database with Empire data in an interval no less than is experienced by Verizon subscribers, or than for other carriers, whichever is faster, at no additional cost.

3.4.5.5 The following are Basic 911 and E-911 Database Requirements:

3.4.5.5.1 The ALI database shall be managed by Verizon, but is the property of Verizon and any participating LEC or Empire which provides their records to Verizon.

- 3.4.5.5.2 Copies of the MSAG shall be provided within five (5) Business Days after the date the request is received and provided on diskette or paper copy at the rates set forth in Appendix E.
 - 3.4.5.5.3 Empire shall be solely responsible for providing Empire database records to Verizon for inclusion in Verizon's ALI database on a timely basis.
 - 3.4.5.5.4 Verizon and Empire shall arrange for the automated input and periodic updating of the E-911 database information related to Empire end-users. Verizon shall work cooperatively with Empire to ensure the accuracy of the data transfer by verifying it against the Master Street Address Guide (MSAG). Verizon shall accept electronically transmitted files or magnetic tape that conform to National Emergency Number Association (NENA) Version #2 format.
 - 3.4.5.5.5 Empire shall assign an E-911 database coordinator charged with the responsibility of forwarding Empire end-user ALI record information to Verizon or via a third-party entity, charged with the responsibility of ALI record transfer. Empire assumes all responsibility for the accuracy of the data that Empire provides to Verizon.
 - 3.4.5.5.6 Verizon shall update the database within one (1) Business Day of receiving the data from Empire. If Verizon detects an error in the Empire provided data, the data shall be returned to Empire within one day from when it was provided to Verizon. Empire shall respond to requests from Verizon to make corrections to database record errors by uploading corrected records within one day. Manual entry shall be allowed only in the event that the system is not functioning properly.
 - 3.4.5.5.7 Verizon covenants to treat all data on Empire subscribers provided under this Agreement as strictly confidential and to use data on Empire subscribers only for the purpose of providing E-911 services.
- 3.4.5.6 Verizon shall adopt use of a Carrier Code (NENA standard five-character field) on all ALI records received from Empire. The Carrier Code will be used to identify the carrier of record in NP configurations. Verizon and Empire will comply with the following requirements for network performance, maintenance and trouble notification.
- 3.4.5.6.1 Equipment and circuits used for 911 shall be monitored at all times. Monitoring of circuits shall be done to the individual trunk level. Monitoring shall be conducted by Verizon for trunks between the selective router and all associated PSAPs.
 - 3.4.5.6.2 Repair service shall begin immediately upon report of a malfunction. Repair service includes testing and diagnostic service from a remote location, dispatch of or in-person visit(s) of personnel. Where an on-site technician is

determined to be required, a technician will be dispatched without delay.

3.4.5.6.3 Verizon shall notify Empire forty-eight (48) hours in advance of any scheduled testing or maintenance affecting Empire 911 service. Verizon shall provide notification as soon as possible of any unscheduled outage affecting Empire 911 service.

3.4.5.6.4 All 911 trunks must be capable of transporting Baudot Code necessary to support the use of Telecommunications Devices for the Deaf (TTY/TDDs).

3.4.5.7 Basic 911 and E-911 Additional Requirements

3.4.5.7.1 All Empire lines that have been ported via INP shall reach the correct PSAP when 911 is dialed. Where Verizon is the lead telco and provides the ALI, the ALI record will contain both the Empire number and Verizon ported number. The PSAP attendant shall see both numbers where the PSAP is using a standard ALI display screen and the PSAP extracts both numbers from the data that is sent. Verizon shall cooperate with Empire to ensure that 911 service is fully available to all Empire end-users whose telephone numbers have been ported from Verizon, consistent with State provisions.

3.4.5.7.2 Empire and Verizon shall be responsible for reporting all errors, defects and malfunctions to one another. Verizon and Empire shall provide each other with a point of contact for reporting errors, defects, and malfunctions in the service and shall also provide escalation contacts.

3.4.5.7.3 Empire may enter into subcontracts with third parties, including Empire Affiliates, for the performance of any of Empire's duties and obligations stated herein.

3.4.5.7.4 Where Verizon is the lead telco, Verizon shall provide Empire with notification of any pending selective router moves within at least ninety (90) days in advance.

3.4.5.7.5 Where Verizon is the lead telco, Verizon shall establish a process for the management of Numbering Plan Area (NPA) splits by populating the ALI database with the appropriate new NPA codes.

3.4.5.7.6 Where Verizon is the lead telco, Verizon shall provide the ability for Empire to update 911 database with end-user information for lines that have been ported via INP or LNP.

3.4.9 Basic 911 and E-911 Information Exchanges and interfaces. Where Verizon is the lead telco:

3.4.6.1 Verizon shall provide Empire access to the ALI Gateway which interfaces to the ALI/DMS database. Verizon shall provide error reports from the ALI/DMS database to Empire within one (1) day after Empire inputs information into the ALI/DMS database. Alternately,

Empire may utilize Verizon or a third-party entity to enter subscriber information into the database on a demand basis, and validate subscriber information on a demand basis. The rates are set forth in Appendix E.

- 3.4.6.2 Verizon and Empire shall arrange for the automated input and periodic updating of the E-911 database information related to Empire end-users. Verizon shall work cooperatively with Empire to ensure the accuracy of the data transfer by verifying it against the Master Street Address Guide (MSAG). Verizon shall accept electronically transmitted files or magnetic tape that conform to National Emergency Number Association (NENA) Version #2 format.
- 3.4.6.3 Updates to MSAG. Upon receipt of an error recording an Empire subscriber's address from Verizon, and where Verizon is the lead telco, it shall be the responsibility of Empire to ensure that the address of each of its end-users is included in the Master Street Address Guide (MSAG) via information provided on Empire's LSR or via a separate feed established by Empire pursuant to Section 3.4.5.7 of this Article.
- 3.4.6.4 The ALI database shall be managed by Verizon, but is the property of Verizon and all participating telephone companies. The interface between the E-911 Switch or Tandem and the ALI/DMS database for Empire subscriber shall meet industry standards.

3.5 Compensation.

- 3.5.1 In situations in which Verizon is responsible for maintenance of the 911/E-911 database and can be compensated for maintaining Empire's information by the municipality, Verizon will seek such compensation from the municipality. Empire will compensate Verizon for such maintenance of the 911/E-911 database only if and to the extent that Verizon is unable to obtain such compensation from the municipality. Verizon shall charge Empire a portion of the cost of the shared 911/E-911 selective router as set forth in Appendix E.
- 3.5.2 For states where Verizon bills and keeps the 9-1-1 surcharges, e.g. Hawaii, Ohio, and Michigan's Technical Surcharge, Empire will bill its access line subscribers the 9-1-1 surcharge that is currently in effect and remit that charge to Verizon. Payments to Verizon are due within thirty (30) days of Empire's payment due date from its access line subscribers and will be identified as "9-1-1 Surcharge Payment for the month of (list appropriate month)" as a separate line item in the remittance documentation.
- 3.5.3 For all states (except Hawaii and Ohio), including Michigan's Operational Surcharge, where Verizon bills and remits the 9-1-1 surcharges, less an administrative fee of one to three percent, to the 9-1-1 district, Empire will bill its access line subscribers the 9-1-1 surcharge that is currently in effect and remit that charge to that government agency. Verizon will have no responsibility in billing or remitting surcharges that apply to Empire's access line subscribers.
- 3.5.4 Should the 9-1-1 surcharge fee change, Verizon will promptly inform Empire of that change so that Empire may conform to the new rate(s).

3.6 Liability.

Neither Party will be liable to the other for errors with respect to 911/E-911 services except where such errors are caused by its gross negligence or willful misconduct, subject to the limitation set forth in applicable tariffs or the Agreement.

4. Information Services Traffic.

4.1 Routing.

Each Party shall route traffic for Information Services (i.e., 900-976, Internet, weather lines, sports providers, etc.) which originates on its network to the appropriate Information Service Platform.

4.2 Billing and Collection and Information Service Provider (ISP) Remuneration.

4.2.1 In the event Verizon performs switching of ISP traffic associated with resale or unbundled ports for Empire, Verizon shall provide to Empire the same call detail records that Verizon records for its own end-users, so as to allow Empire to bill its end-users. Verizon shall not be responsible or liable to Empire or ISP for Billing and Collection and/or any receivables of Information Service Providers.

4.2.2 Notwithstanding and in addition to Article III, Section 28, each Party shall be indemnified and held harmless by the other Party from and against any and all suits, actions, losses, damages, claims, or liability of any character, type, or description, including all expenses of litigation and court cost which may arise as a result of the provisions contained in this Article VIII, Section 4.2.1 supra. The indemnity contained in this section shall survive the termination of this Agreement, for whatever reason.

4.2.3 Each Party agrees to notify the other Party in writing within ten (10) Business Days, by registered or certified mail at the address specified in Article III, Section 31, of any claim made against the notifying Party on the obligations indemnified against pursuant to this Article VIII, Section 4, and shall cooperate with the defending Party in the defense of such claim.

4.2.4 It is understood and agreed that the indemnity provided for in this Article VIII, Section 4 is to be interpreted and enforced so as to provide indemnification of liability to each Party to the fullest extent now or hereafter permitted by law.

4.3 900-976 Call Blocking.

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

4.4 Miscellaneous.

Verizon reserves the right to provide to any Information Service Provider a list of any and all Telecommunications Providers doing business with Verizon.

5. Telephone Relay Service.

Local and intraLATA Telephone Relay Service (TRS) enables deaf, hearing-impaired, or speech-impaired TRS users to reach other telephone users. With respect to resold services, Empire's

end-users will have access to the state authorized TRS provider to the extent required by the Commission, including any applicable compensation surcharges.

6. Directory Assistance and Operator Services.

Where Empire is providing local service with its own switch, upon Empire's request Verizon will provide to Empire rebranded or unbranded DA services and/or OS pursuant to separate contracts to be negotiated in good faith between the Parties. If Empire so requests DA services and/or OS, such contracts shall provide for the following:

6.1 Directory Assistance Calls.

Verizon DA centers shall provide number and addresses to Empire end-users in the same manner that number and addresses are provided to Verizon end-users. If information is provided by an automated response unit (ARU), such information shall be repeated twice in the same manner in which it is provided to Verizon end-users. Where available, Verizon will provide call completion to Empire end-users in the same manner that call completion is provided to Verizon end-users. Verizon will provide its existing services to Empire end-users consistent with the service provided to Verizon end-users.

6.2 Operator Services Calls.

Verizon OS provided to Empire end-users shall be provided in the same manner Verizon OS are provided to Verizon end-users. In accordance with Verizon practices and at Verizon rates, Verizon will offer to Empire end-users collect, person-to-person, station-to-station calling, third-party billing, emergency call assistance, calling card services, credit for calls, time and charges, notification of the length of call, and real time rating. Verizon operators shall also have the ability to quote Empire rates upon request but only if there is appropriate cost recovery to Verizon and to the extent it can be provided within the technical limitations of Verizon's switches. Verizon will provide its existing services to Empire end-users consistent with the service Verizon provides to its own end-users.

7. Directory Assistance Listings Information.

Verizon will make available to Empire, at Empire's request, Verizon end-user and authorized LEC DA listing information stored in Verizon's DA database for the purposes of Empire providing DA service to its customers. Implementation of customized routing, pursuant to Article VII, Section 3.5 is required for Empire to provide DA Service for Verizon Resold and Unbundled Port services.

7.1 DA Listing Information includes the listed names, addresses and telephone numbers of Verizon and authorized LEC subscribers, except as otherwise provided herein. Excluded are listings for restricted LEC lines and non-published listings. Verizon DA listing information includes 800/888 listings, non-listed numbers and foreign listings within the Verizon franchise.

7.2 Verizon shall provide to Empire, at Empire's request, DA listing information within sixty (60) Business Days after an order is received for that specific state. The DA listing information will be provided in Verizon format via magnetic tape or National Data Mover (NDM) as specified by Empire. Updates to the DA listing information shall be provided on a daily basis through the same means used to transmit the initial load. DA listing information provided shall indicate whether the customer is a residence or business customer.

7.2.1 Such listings shall be confidential information pursuant to Article III of this Agreement and Empire will use the listings only for its DA services to its end-

users. Empire is not authorized to release Verizon's DA listing information to any third party or to provide DA to any other party using Verizon DA listing information, including Empire's affiliates, subsidiaries or partners, except with the expressed written permission of Verizon. In those instances where Empire's affiliates, subsidiaries or partners also desire to use Verizon's DA listing information, each affiliate, subsidiary or partner must negotiate a separate contract with Verizon to obtain the listings.

7.2.2 If Empire uses a third-party DA service for its end-users, Empire will ensure that such third party likewise treats the listings as Confidential Information pursuant to Article III of this Agreement, and uses them only for Empire end-user DA.

7.2.3 Verizon will include Empire's DA listing information in Verizon's DA data base which may be released to third parties which request Verizon's DA listing information, unless Empire provides Verizon written notice within sixty (60) Business Days after the Effective Date of this Agreement that its DA listing information is restricted and should not be released to third parties. In the event that Empire does properly notify Verizon that its DA listing information is restricted, Verizon will so advise third parties requesting such information.

7.3 Empire agrees to pay Verizon's standard charges for the initial load and daily updates of Verizon's DA listing information, which will be provided upon request.

7.4 The Parties will work together to identify and develop procedures for database error corrections.

8. Directory Listings and Directory Distribution.

Empire will be required to negotiate a separate agreement for directory listings and directory distribution, except as set forth below, with Verizon's directory publication company.

8.1 Listings.

Empire agrees to supply Verizon on a regularly scheduled basis, at no charge, and in a mutually agreed upon format (e.g. Ordering and Billing Forum developed), all listing information for Empire's subscribers who wish to be listed in any Verizon published directory for the relevant operating area. Listing information will consist of names, addresses (including city, state and zip code) and telephone numbers. Nothing in this Agreement shall require Verizon to publish a directory where it would not otherwise do so.

Listing inclusion in a given directory will be in accordance with Verizon's solely determined directory configuration, scope, and schedules, and listings will be treated in the same manner as Verizon's listings.

8.2 Distribution.

Upon directory publication, Verizon will arrange for the initial distribution of the directory to service subscribers in the directory coverage area at no charge.

Empire will supply Verizon in a timely manner with all required subscriber mailing information including non-listed and non-published subscriber mailing information, to enable Verizon to perform its distribution responsibilities.

9. Busy Line Verification and Busy Line Verification Interrupt.

Each Party shall establish procedures whereby its operator assistance bureau will coordinate with the operator assistance bureau of the other Party to provide Busy Line Verification (BLV) and Busy Line Verification and Interrupt (BLVI) services on calls between their respective end-users. Each Party shall route BLV and BLVI inquiries over separate inward OS trunks. Each Party's operator assistance bureau will only verify and/or interrupt the call and will not complete the call of the end-user initiating the BLV or BLVI. Each Party shall charge the other for the BLV and BLVI services at the rates contained in the respective tariffs.

10. Street Address Guide (SAG).

Verizon will provide to Empire upon request the Street Address Guide at a reasonable charge. Two companion files will be provided with the SAG which lists all services and features at all end offices, and lists services and features that are available in a specific end office.

11. Dialing Format Changes.

Verizon will provide reasonable notification to Empire of changes to local dialing format, *i.e.*, 7 to 10 digit, by end office.

ARTICLE IX
COLLOCATION

ARTICLE IX
COLLOCATION

1. General.

Verizon shall provide collocation services in accordance with and subject to the terms and conditions of this Article IX and other applicable requirements of this Agreement. Collocation provides for access to those Verizon Wire Centers or access tandems listed in the NECA, Tariff FCC No. 4 for the purpose of interconnection for the exchange of traffic with Verizon and/or access to unbundled network elements (UNEs). Collocation shall be accomplished through caged or cageless service offerings, as described below, except if not practical for technical reasons or due to space limitations. In such event, Verizon shall provide adjacent collocation or other methods of collocation, subject to space availability and technical feasibility. Verizon grants Empire, at Empire's sole option, the right to utilize any of the following types of collocation, and to occupy space within Verizon Wire Centers and access tandems pursuant to this Article IX.

By agreeing to the terms of this Article IX or the collocation of any equipment hereunder: (1) Verizon does not waive, and expressly reserves, its rights to continue to challenge the legality of the FCC Collocation order (Docket No. 98-147) and to take further action regarding this matter as future circumstances warrant; (2) Verizon does not intend to, and therefore does not establish any precedent, waiver, course of dealing or in any way evidence Verizon's position or intent with regard to future collocation requests; and (3) Verizon specifically reserves the right to incorporate herein the decision by the United States Court of Appeals for the District of Columbia Circuit on March 17, 2000 (See, GTE Service Corporation, et. al. v. Federal Communications Commission and United States of America, No. 99-1176, consolidated with No. 99-1201, 2000 U.S. App. Lexis 4111 (D.C. Cir. 2000))

On August 10, 2000, the Federal Communications Commission released its Order on Reconsideration and Second Further Notice of Proposed Rulemaking in CC Docket No. 98-147 and Fifth Further Notice of Proposed Rulemaking in CC Docket No. 96-98, ("Collocation Order on Reconsideration") which among other things, amended and revised Part 51 of Title 47 of the Code of Federal Regulations (the "Revised Rules"). Pursuant to that order, Verizon intends, where necessary, to file amendments to its effective or proposed collocation tariffs to bring such tariffs into compliance with the processing and provisioning requirements of the Collocation Order on Reconsideration and Revised Rules, and/or to file requests that the State set longer processing or provisioning intervals. The Parties agree that, to the extent that such processing and provisioning intervals are incorporated into and remain a part of an effective or proposed Verizon collocation tariff ("Amended Intervals"), they will replace any conflicting processing and provisioning interval set forth in this Agreement.

Nothing herein shall limit Verizon's right to seek relief in the State from any of the Amended Intervals based on specific circumstances. Further, Verizon reserves its full rights to challenge the Collocation Order on Reconsideration and Revised Rules in any available forum and to seek processing and provisioning intervals of general application in the State that are different from those imposed by the Collocation Order on Reconsideration and/or the Revised Rules.

2. Types of Collocation.

2.1 Single Caged.

A single caged arrangement is a form of caged collocation, which allows a single CLEC to lease caged floor space to house its equipment within Verizon Wire Center(s) or access tandem(s).

2.2 Shared Caged.

A shared caged arrangement is a caged collocation arrangement that is jointly applied for and occupied by two or more CLECs within a Verizon Wire Center or access tandem. When two or more CLECs request establishment and jointly apply for a new caged collocation arrangement to be used as a shared caged arrangement, one of the participating CLECs must agree to be the host CLEC (HC) and the other(s) to be the guest CLEC (GC). The HC and GC(s) are solely responsible for determining whether to share a shared caged collocation arrangement and if so, upon what terms and conditions. Verizon will not issue separate billing for any of the rate elements associated with the shared caged collocation arrangement between the HC and the GC(s), but Verizon will provide the HC with information on the proportionate share, determined in accordance with 47 C.F.R. § 51.323(k)(i) of the NRCs for each CLEC in the shared arrangement. The HC will be responsible for ordering and payment of all collocation applicable services ordered by the HC and GC(s). The HC and GC(s) are Verizon's customers and have all the rights and obligations applicable hereunder to CLECs purchasing collocation-related services, including, without limitation, the obligation to pay all applicable charges, whether or not the HC is reimbursed for all or any portion of such charges by the guest(s). All terms and conditions for caged collocation as described in this Article IX will apply to shared caged collocation requirements. For additional details on shared caged collocation see Verizon's Collocation Services Packet (CSP), which is described in Section 3.1 below.

2.3 Subleased Caged.

Vacant space available in a CLEC's caged collocation arrangement may be made available to a third party(s) for the purpose of interconnection and/or for access to UNEs in Verizon's Wire Center(s) or access tandem(s) via the subleasing collocation arrangement detailed in Verizon's CSP. The CLEC would sublease the floor space to the third party(s) pursuant to terms and conditions agreed to by the CLEC and the third party(s) involved. The third party(s) must each be independently collocated within the subleased caged space and interconnected to Verizon's network for the purposes set forth in this Agreement. The CLEC is solely responsible for determining whether to sublease a shared caged collocation arrangement and if so, upon what terms and conditions. Verizon will not issue separate billing for any of the rate elements associated with the subleased caged collocation arrangement between the CLEC and the third party(s). The CLEC will be responsible for ordering and payment of all collocation applicable services ordered by the CLEC and the third party(s). The CLEC and third party(s) are Verizon's customers and have all the rights and obligations applicable hereunder to CLECs purchasing collocation-related services, including, without limitation, the obligation to pay all applicable charges, whether or not the CLEC is reimbursed for all or any portion of such charges by the third party(s). All terms and conditions for caged collocation as described in this Article IX will apply to subleased caged collocation requirements. For additional details on subleased caged collocation, see Verizon's CSP.

2.4 Cageless.

Cageless collocation is a form of collocation in which CLECs can place their equipment, subject to technical feasibility, in Verizon Wire Center(s) or access tandem(s) conditioned space without construction of a cage or similar structure for a particular CLEC. A cageless collocation arrangement allows a CLEC, using Verizon approved vendors, to install equipment in single bay or an entire rack increments in an area designated by Verizon. This space will be in a separate lineup, if available. If a separate bay lineup is not available, the CLEC's bay will be segregated by at least one vacant bay from Verizon's own equipment unless no other collocation space is available. The equipment location will be designated by

Verizon and will vary based on individual Wire Center or access tandem configurations. CLEC equipment will not share the same equipment bays with Verizon equipment.

2.5 Adjacent.

An adjacent collocation arrangement permits a CLEC to construct or procure a structure on Verizon property for collocation for the purposes of provisioning expanded interconnection and/or access to UNEs in accordance with the terms and conditions of this Agreement. Adjacent collocation is only an option when the following conditions are met: (1) space is legitimately exhausted in Verizon's Wire Center or access tandem for caged and cageless collocation; and (2) it is technically feasible to construct a hut or similar structure on Verizon property that adheres to local building code, zoning requirements, and Verizon building standards. For additional details on adjacent collocation, see Verizon's CSP, which is described in Section 3.1 below. At Empire's option, Verizon will make available power and physical collocation services to Empire in the same non-discriminatory manner as it provides itself for its own Remote Equipment Buildings.

2.6 Other.

2.6.1 A CLEC shall also have the right to order collocation services offered pursuant to Verizon tariffs, including, without limitation, the right to order virtual collocation services in accordance with, and subject to, the terms of Verizon's existing federal collocation tariff (GTOC Tariff No. 1). The terms of this Article IX shall not apply to said tariff collocation services. However, any collocation services ordered outside of said tariffs on or after the date of this Agreement will be provided pursuant to the terms of this Agreement.

2.6.2 Notwithstanding anything to the contrary set forth in this Section 2 or Verizon's CSP, if two (2) or more CLECs who have interconnection agreements with Verizon utilize a shared collocation arrangement, Verizon shall permit each to order UNEs to and provision service from such space, regardless of which was the original collocater.

3. Ordering.

3.1 Application.

3.1.1 Point of Contact/CSP Packet. Verizon will establish points of contact for Empire to contact to place a request for collocation no later than fourteen (14) days after the date of this Agreement and will provide Empire with written notice of such points of contact. The point of contact will provide Empire with the CSP, which shall contain general information and requirements, including a list of engineering and technical specifications, fire, safety, security policies and procedures, and an application form. In the event of any conflict between the terms of this Agreement and the CSP, the terms of the Agreement shall control.

3.1.2 Application Form/Fee. When Empire requests collocation at a Wire Center or access tandem Empire must complete the application form and submit it and the non-refundable Engineering Fee set forth in Appendix G described in Section 6.1 for each Wire Center or access tandem at which collocation is requested. The application and Engineering Fee shall be submitted to the Verizon contact point designated pursuant to Article IX, Section 3.1.1 of this Agreement. The application form requires Empire to provide all engineering, floor space, power, environmental and other requirements necessary for the function of the service. Empire will provide Verizon with specifications for any non-standard or special

requirements at the time of application. Verizon reserves the right to assess Empire any additional charges, on an individual case basis (“ICB”) associated with complying with Empire’s non-standard requirements or to refuse an application where extensive modifications are required. Nothing shall herein obligate Empire to accept an ICB. Any such charges shall be noticed to the CLECs. Empire may begin placing applications for collocation space anytime after the Agreement is signed by both Parties.

3.1.3 Notification of Acceptance/Rejection. In addition to the notice of space availability pursuant to Section 3.2, Verizon will notify Empire in writing within fifteen (15) days following receipt of the completed application if Empire's requirements cannot be accommodated as specified. If Empire requirements cannot be accommodated, the Parties will, within a reasonable amount of time, work together in an effort to accommodate Empire’s requirements. Should Empire submit ten (10) or more applications within a ten (10) day period, the response interval will be increased by ten (10) days for every ten (10) additional applications or fraction thereof.

3.1.4 Changes. The first application form filed by Empire for a particular Verizon Wire Center or access tandem shall be designated the original application. Original applications for collocation arrangements for sites that have not been inspected and approved by Empire and Verizon are subject to requests for minor or major changes to the site requested in the application. Changes will not be initiated until a completed application has been submitted along with appropriate Engineering Fee, if applicable.

3.1.4.1 Major changes are requests that add additional Empire telecommunications equipment to the collocation space, require additional AC or DC power; heating, ventilation, and air conditioning (HVAC) system modifications to accommodate Empire’s changes; or change the size of the cage. At the election of Empire, major changes may be handled in one of the following two (2) methods to the extent technically feasible.

(a) Method 1: Additional Application. Empire may elect to have a major change to its original collocation application treated by Verizon as a separate, additional application. An additional application is subject to the same provisioning process and conditions as an original application. On receipt of a complete additional application and Engineering Fee, Verizon will notify Empire in writing within fifteen (15) days following receipt of the completed additional application if Empire additional requirements can or cannot be accommodated as specified. Filing an additional application does not change Verizon’s obligation to process and fulfill the original application nor does it change the time intervals applicable to the processing and fulfillment of the original application. All of the provisions herein applicable to an original application similarly apply to an additional application.

(b) Method 2: Supplemental Application. Empire may elect to have a major change to its original collocation application treated by Verizon as a supplemental application. A supplemental application may affect Verizon’s obligation to process and fulfill the original application. On receipt of a supplemental application and Engineering Fee, Verizon will notify Empire in writing within fifteen (15) days following receipt of the

completed supplemental application if Empire requirements can or cannot be accommodated as specified. Upon notification that Verizon can accommodate the requirements of the supplemental application, Empire may elect to proceed with the supplemental application. Verizon's obligations under the original application will be merged with the obligations of the supplemental application and the combined project time line will commence on the date the supplemental application was received. All of the provisions herein applicable to an original application similarly apply to a supplemental application.

- (c) Minor changes are those requests that do not require additional AC or DC power, HVAC upgrades, or changes in cage/floor space. Empire will be required to submit a revised application but the deliverable dates for the project will not change.

3.2 Space Availability.

Verizon shall permit Empire to secure collocation space on a first-come, first-serve priority basis upon Verizon's receipt of fifty percent (50%) of the applicable NRCs described in Section 4.1. If Verizon is unable to accommodate caged and cageless collocation requests at a Verizon premise due to space limitations or other technical reasons, Verizon will post a list of all such sites on its web site and will update the list within ten (10) calendar days of the date at which a Verizon premise runs out of caged and cageless collocation space. This information will be listed at the following public internet URL: <http://www.gte.com/regulatory>. Where Verizon is unable to accommodate caged and cageless collocation requests at a Verizon premise due to space limitations or other technical reasons, Verizon shall (a) submit to the State commission, subject to any protective order as the State may deem necessary, detailed floor plans or diagrams of the Verizon premise; and (b) allow Empire to tour the entire premises of the Verizon premise, without charge, within ten (10) calendar days of the tour request.

3.3 Price Quote.

Verizon shall provide Empire with a price quote, based on the rates set forth in Appendix G, for collocation services required to accommodate Empire's request within thirty (30) days of the date of Empire's application. Verizon reserves the right to change the price quote at any time prior to acceptance by Empire. If Empire and Verizon do not agree upon a price for the collocation services to be provided by Verizon within such ninety (90) days after Empire's receipt of Verizon's initial price quote, Empire will be required to submit a new application form and engineering fee and a new quote will be provided based on the new application form unless otherwise agreed upon by the Parties.

3.4 ASR.

Upon notification of available space, Empire will submit a completed Access Service Request ("ASR") form to Verizon's collocation point of contact. A copy of an ASR form is included in the CSP.

3.5 Augmentation.

All requests for an addition or change to an existing collocation arrangement that has been inspected and turned over to Empire is considered an augmentation. An augmentation request will require the submission of a complete application form and a non-refundable Engineering or Minor Augment Fee as set forth in Appendix G as described in Section 6.1. A Minor Augment Fee may not be required under the circumstances outlined below. The definition of a major or minor augment is as follows:

- 3.5.1 Major Augments are those requests that: (a) require changes in or adjustments to AC or DC power; (b) add equipment that generates more BTU's of heat, or (c) increase the caged floor space over what Empire requested in its original application. A complete application and Engineering Fee will be required when submitting a caged or cageless request that requires a Major Augment to a caged or cageless collocation arrangement.
- 3.5.2 Minor Augments of caged and cageless collocation arrangements will require the submission of a complete application form and the Minor Augment Fee. Minor Augments are those requests that: (a) do not require additional DC and AC power, (b) do not add equipment that generates more BTU's of heat, or (c) do not increase the caged floor space, over what Empire requested in its original application. The requirements of a Minor Augment request cannot exceed the capacity of the existing/proposed electrical, power or HVAC system in the collocation arrangement. Requests for CLEC to CLEC Interconnects and DSO, DS1, and DS3 facility terminations are included as Minor Augments.
- 3.5.3 Minor Augments that also require a Minor Augment Fee are those requests that require Verizon to perform a service or function on behalf of Empire including but not limited to: requests to pull cable for CLEC to CLEC Interconnects and DSO, DS1, and DS3 facility terminations.
- 3.5.4 Minor Augments that do not require a fee are those augments performed solely by Empire, that do not require Verizon to provide a service or function on behalf of Empire, including but not limited to, requests to install additional equipment in Empire cage. Prior to the installation of the additional equipment, Empire agrees to provide Verizon an application form with an updated equipment listing that includes the new equipment to be installed in Empire's collocation arrangement. Once the equipment list is submitted to Verizon, Empire may proceed with the augment. Empire agrees that changes in equipment provided by Empire under this provision as a Minor Augment will not exceed the engineering specifications for power and HVAC as requested on original application. All augments will be subject to Verizon inspection, in accordance with term of this Agreement for the purpose of ensuring compliance with applicable safety standards set forth herein.

3.6 Expansion.

Verizon will not be required to construct additional space to provide for caged, cageless and/or adjacent collocation when available space has been exhausted. Where Empire seeks to expand its existing collocation space, Verizon shall make contiguous space available to the extent possible; provided, however, Verizon does not guarantee contiguous space to Empire to expand its existing collocation space. Empire requests for expansion of existing space within a specific Wire Center or access tandem will require the submission of an application form and the appropriate Major Augment Fee.

3.7 Relocation.

Empire requests for relocation of Empire equipment from one location to a different location within the same Wire Center or access tandem will be handled on an ICB basis. Empire will be responsible for all costs associated with the relocation of its equipment.

4. Installation and Operation.

4.1 Planning and Coordination.

Upon receipt of the ASR and fifty percent (50%) of the applicable NRCs, as set forth in Appendix G described in Section 6.1, associated with the ordered collocation services, Verizon will:

- (a) Schedule a meeting with Empire within fourteen (14) days to determine engineering and network requirements.
- (b) Initiate the necessary modifications to the Wire Center or access tandem to accommodate Empire's request.
- (c) Work cooperatively with Empire to ensure that services are timely installed in accordance with the ASR.

Empire is responsible for coordinating with Verizon to ensure that services are installed in accordance with the ASR. Empire shall meet with Verizon, if requested by Verizon, to review design and work plans for installation of Empire's designated equipment within the Verizon premises. Verizon and Empire shall meet and begin implementation of the ASR within three (3) months of receipt of the collocation application form and Engineering Fee(s) set forth in Appendix G described in Section 6.1. If Empire fails or refuses to meet with Verizon within such three (3) months period, the identified space may be reclaimed and made available for use as provided in Section 5.6. Empire is responsible for having all cables and other equipment to be furnished by Empire ready for installation on the date(s) scheduled by Verizon and Empire. If Empire fails to notify Verizon of a delay in the installation date, Empire will be subject to the appropriate additional labor charge set forth on Appendix G described in Section 6.1.

4.2 Space Preparation.

4.2.1 Cage Construction. For caged collocation, Verizon will construct the cage with a standard enclosure or Empire may subcontract this work to a Verizon approved contractor. The criteria Verizon uses to approve a contractor selected by Empire shall be the same as those used by Verizon to approve its own contractors.

4.2.2 Site Selection/Power. Verizon shall designate the space within its Wire Center and/or access tandem where Empire shall collocate its equipment. Verizon shall provide, at the rates set forth in Appendix G described in Section 6.1, 48V DC power with generator and/or battery back-up, AC convenience outlet, heat, air conditioning and other environmental support to Empire's equipment in the same standards and parameters as Verizon provides for its own equipment within that Wire Center or access tandem. Standard 48V DC power shall be provided in 40 amp increments. Verizon will be responsible for the installation of the AC convenience outlets, overhead lighting and equipment superstructure at the rates set forth in Appendix G.

4.2.3 Timing. Verizon shall use its best efforts to minimize the additional time required to condition collocation space, and will inform Empire of the time estimates as soon as possible. Verizon shall complete delivery of the floor space to Empire within ninety (90) days of receipt of the ASR and fifty percent (50%) of the NRCs assuming that the material shipment and construction intervals for third-party vendors or contractors for the improvements required to accommodate the request (e.g., HVAC, system/power plant upgrade/cables) are met. Space

delivery within such timeframe shall also be subject to the permitting process of the local municipality, and Verizon covenants that it will promptly apply for all required permits and will diligently and continuously pursue obtaining such permits. Prior to Empire beginning the installation of its equipment in a cage, bay or cabinet, Empire and Verizon must conduct a walk through of the designated collocation space. Upon acceptance of the arrangement by Empire, billing will be initiated, access cards will be issued and Empire may begin installation of its equipment.

4.3 Equipment and Facilities.

- 4.3.1 Purchase of Equipment. Empire will be responsible for supply, purchase, delivery, installation and maintenance of its equipment and equipment bay(s) in the collocation area. If Empire chooses, Verizon will assist Empire in the purchase of equipment by establishing a contact point with Verizon Supply. Verizon is not responsible for the design, engineering, or performance of Empire's equipment and provided facilities for collocation.
- 4.3.2 Permissible Equipment. Empire is permitted to place in its collocation space only equipment that is used or useful for interconnection or access to unbundled network elements. Empire shall not place in its collocation space equipment that is designed exclusively for switching or enhanced services and that are not necessary for interconnection or access to unbundled network elements. Empire may place in its collocation space ancillary equipment such as cross connect frames, and metal storage cabinets. Metal storage cabinets must meet the same Verizon Wire Center environmental standards that Verizon applies to its own metal storage cabinets.
- 4.3.3 Specifications. Empire's facilities shall not physically, electronically, or inductively interfere with or impair the service of Verizon's or other CLEC's facilities, create hazards or cause physical harm to any individual or the public. All CLEC equipment used for caged and cageless collocation must be tested to, and expected to meet, one of the following requirements as described in the CSP: (a) be tested to, and fully meet, Network Equipment Building Systems (NEBS) Level 3 requirements; or (b) be tested to, and meet, at least the NEBS Level 1 safety requirements as described in Bellcore Special Report SR-3580, plus specific additional risk/safety/hazard criteria specified in the CSP. Equipment that does not conform to this requirement must be installed in a compliant NEBS Level 3 cabinet. However, any CLEC equipment that does not conform to NEBS Level 1 will not be allowed to be installed.

Verizon reserves the right to remove and/or refuse use of CLEC facilities and equipment from its list of approved products if such products, facilities, and equipment are determined to be no longer compliant with NEBS Level 1 safety standards or Electromagnetic Compatibility and Electrical Safety Generic Criteria for Network Telecommunications Equipment (GR-1089-CORE). Verizon also reserves the right to remove and/or refuse use of Empire facilities or equipment which does not meet or comply with: (a) fire and safety codes; (b) the same specific risk/safety/hazard standards which Verizon imposes on its own equipment in the particular Wire Center or access tandem; (c) Verizon practices for AC/DC bonding and grounding requirements; and/or (d) the industry safety, but not performance, standard requirements shown in the following publications, so long as Verizon's equipment in the particular Wire Center or access tandem also meets all of the same requirements:

- (a) TR-NWT-000499
- (b) TR-NWT-000063
- (c) TR-TSY-000191
- (d) TR-TSY-000487
- (e) TR-NPL-000320
- (f) Part 15.109 (47 C.F.R. FCC Rules and Regulations)
- (g) ANSI T1.102
- (h) UL 94

More detailed specifications information will be provided to Empire in the CSP.

Verizon may not object to the collocation of Empire's facilities or equipment on the grounds that the facilities or equipment do not comply with safety, industry or engineering standards that are more stringent than the safety, industry or engineering standards that Verizon applies to its own equipment. Except as otherwise set forth in this section, Verizon may not object to the collocation of Empire's facilities or equipment on the grounds that the facilities or equipment fails to comply with National Equipment and Building Specifications performance standards beyond Level 1. If Verizon denies collocation of Empire's facilities or equipment citing safety standards, it shall provide to Empire, within five (5) business days of the denial, a list of all equipment that Verizon locates within the Wire Center or access tandem in question, together with an affidavit attesting that all of Verizon's equipment meets or exceeds the safety standard that Verizon contends Empire's equipment fails to meet.

4.3.4 Cable. Empire is required to provide proper cabling, based on circuit type (VF, DS0, xDSL, DS1, DS3, etc.) to ensure adequate shielding. Verizon cable standards (which are set forth in the CSP) are required to reduce the possibility of interference. Empire is responsible for providing fire retardant riser cable that meets Verizon standards. Verizon is responsible for placing Empire's fire retardant riser cable from the cable vault to the collocation space. Verizon is responsible for installing Empire provided fiber optic cable in the cable space or conduit from the first manhole outside of the Wire Center or access tandem into the Wire Center or access tandem. This may be shared conduit with dedicated inner duct. Where Empire is providing underground fiber optic cable in the first manhole outside of the Wire Center or access tandem, it must be of sufficient length as reasonably specified by Verizon to be pulled through the Wire Center or access tandem to Empire's collocation space. Due to physical and technical constraints, removal of cable will be at Verizon's option. Verizon will notify Empire in the event Empire's equipment disrupts the network. If Verizon is unable to notify Empire, or if Empire fails to correct such disruption after receipt of notice of disruption from Verizon, Verizon may temporarily disconnect Empire's service, as provided in Section 4.7. Verizon will notify Empire as soon as possible after any disconnects of Empire's equipment.

4.3.5 Manhole/Splicing Restrictions. Verizon reserves the right to prohibit all equipment and facilities, other than fiber optic cable, in its manholes. Empire will not be

permitted to splice fiber optic cable in the first manhole outside of the Wire Center or access tandem. Where Empire is providing underground fiber optic cable in Manhole #1, it must be of sufficient length as specified by Verizon to be pulled through the Wire Center or access tandem to Empire's collocation space. Verizon is responsible for installing a cable splice, if necessary, where Empire provided fiber optic cable meets Verizon standards within the Wire Center or access tandem cable vault or designated splicing chamber. Verizon will provide space and racking for the placement of an approved secured fire retardant splice enclosure.

- 4.3.6 Access Points and Restrictions. The interconnection point for caged and cageless collocation is the point where Empire-owned cable facilities connect to Verizon termination equipment. The demarcation point for Empire is Empire's terminal equipment or interconnect/cross connect panel within Empire's cage, bay/frame or cabinet. Empire must tag all entrance facilities to indicate ownership. Empire will not be allowed access to Verizon's DSX line-ups, MDF or any other Verizon facility termination points. The DSX and MDF are to be considered Verizon demarcation points only. Only Verizon employees, agents or contractors will be allowed access to the MDF or DSX to terminate facilities, test connectivity, run jumpers and/or hot patch in-service circuits. Verizon shall have the right to require Empire to terminate its facilities onto a Point of Termination ("POT") Bay.
- 4.3.7 Staging Area. For caged and cageless collocation arrangements, Empire shall have the right to use a designated staging area, a portion of the Wire Center(s) or access tandem(s) and loading areas, if available, on a temporary basis during Empire's equipment installation work in the collocation space. Empire is responsible for protecting Verizon's equipment and Wire Center or access tandem walls and flooring within the staging area and along the staging route. Empire will meet all Verizon fire, safety, security and environmental requirements. The temporary staging area will be vacated and delivered to Verizon in an acceptable condition upon completion of the installation work. Empire may also utilize a staging trailer, which can be located on the exterior premises of Verizon's Wire Center or access tandem. Verizon may assess Empire a market value lease rate for the area occupied by the trailer.
- 4.3.8 Testing. Upon installation of Empire's equipment, and notice, Verizon will promptly schedule time to work with Empire during the turn-up phase of the equipment to ensure proper functionality between Empire's equipment and the connections to Verizon equipment. The time period for this to occur will correspond to Verizon's maintenance window installation requirements. It is solely the responsibility of Empire to provide its own monitor and test points, if required, for connection directly to their terminal equipment.
- 4.3.9 Collocator to Collocator Interconnect Arrangements. Verizon shall provide, upon Empire's request, a Collocator to Collocator Interconnect arrangement between Empire's equipment and the equipment of other collocated CLECs. When initiating a Collocator to Collocator Interconnect request, Empire must submit and Application Form, ASR, and a Minor Augment Fee. Verizon will be responsible for engineering and installing the overhead superstructure for the Collocator to Collocator Interconnect arrangement. Empire has the option of providing all cables and connectors and the option of pulling the cables for the Collocator to Collocator Interconnect arrangement. If Verizon provides the cables and connectors and/or pulls the cable, the applicable cable and labor rates set forth in appendix G will be applied.

4.4 Access to Collocation Space.

Verizon will permit Empire's employees, agents, and contractors approved by Verizon shall have direct access to Empire's caged or cageless collocation space and collocated equipment twenty-four (24) hours a day, seven (7) days a week. Empire's employees, agents, or contractors must comply with the policies and practices of Verizon pertaining to fire, safety, and security as described in Verizon's Security Procedures and Requirements Guidelines, which are attached to the CSP and which guidelines are equally applicable to Verizon employees, agents and contractors. Verizon reserves the right, with 24 hours prior notice to Empire, to access Empire's collocated partitioned space to perform periodic inspections to ensure compliance with Verizon installation, safety and security practices. Where Empire shares a common entrance to the Wire Center or access tandem with Verizon, the reasonable use of shared building facilities, e.g., elevators, unrestricted corridors, etc., will be permitted. However, access to such facilities may be restricted by reasonable security requirements for good cause shown at no additional cost to Empire.

4.5 Network Outage, Damage and Reporting.

Empire shall be responsible for: (a) any damage or network outage occurring as a result of Empire owned or Empire designated termination equipment in Verizon Wire Center or access tandem; (b) providing trouble report status when requested; (c) providing a contact number that is readily accessible 24 hours a day, 7 days a week; (d) notifying Verizon of significant outages which could impact or degrade Verizon's switches and services and provide estimated clearing time for restoral; and (e) testing its equipment to identify and clear a trouble report when the trouble has been sectionalized (isolated) to Empire service.

4.6 Security Requirements.

4.6.1 Background Tests; Training. All employees, agents and contractors of Empire must meet certain minimum requirements as established in Verizon's CSP, which requirements shall be no more stringent than those that Verizon applies to its own employees, agents or contractors. At the time Empire places the collocation ASR for caged or cageless collocation, or as soon as reasonably practicable thereafter, Empire will submit to Verizon's Security Department for prior approval the background investigation certification form included in the CSP for all employees, agents and contractors that will require access to Verizon Wire Centers and/or access tandems. Empire agrees that its employees/vendors with access to Verizon Wire Center(s) or access tandem(s) shall at all times adhere to the rules of conduct established by Verizon for the Wire Center or access tandem and Verizon's personnel and vendors. Verizon reserves the right to make changes to such procedures and rules to preserve the integrity and operation of Verizon's network or facilities or to comply with Applicable Laws and regulations. Verizon will provide Empire with written notice of such changes. Where applicable, Verizon will provide information to Empire on the specific type of security training required so that Empire's employees can undergo the same level of security training that Verizon's employees or contractors providing similar functions, must undergo.

4.6.2 Security Standards. Verizon will be solely responsible for determining the appropriate level of security in each Wire Center or access tandem. Verizon reserves the right to deny access to Verizon buildings for any Empire employee, agent or contractor who cannot meet Verizon's established security standards. Employees, agents or contractors of Empire are required to meet the same

security requirements and adhere to the same work rules that Verizon's employees and contractors are required to follow. Verizon also reserves the right: (a) to deny access to Verizon buildings for Empire's employee, agent and contractor for falsification of records, violation of fire, safety or security practices and policies or other just cause; and (b) to provide a Verizon employee, agent or contractor to accompany and observe Empire at no cost to Empire. Verizon may use reasonable security measures to protect its equipment, including enclosing its equipment in its own cage or other separation, utilizing monitored card reader systems, digital security cameras, badges with computerized tracking systems, identification swipe cards, keyed access and/or logs, as deemed appropriate by Verizon.

- 4.6.3 Access Cards/Identification. Access cards or keys will be provided to no more than six (6) individuals for Empire for each Verizon Wire Center or access tandem. All Empire employees, agents and contractors requesting access to the Wire Center or access tandem are required to have a photo identification card, which identifies the person by name and the name of Empire. The ID must be worn on the individual's exterior clothing while on Verizon premises. Verizon will provide Empire with instructions and necessary access cards or keys to obtain access to Verizon buildings. Empire is required to immediately notify Verizon by the most expeditious means, when any Empire's employee, agent or contractor with access privileges to Verizon buildings is no longer in its employ, or when keys, access cards or other means of obtaining access to Verizon buildings are lost, stolen or not returned by an employee, agent or contractor no longer in its employ. Empire is responsible for the immediate retrieval and return to Verizon of all keys, access cards or other means of obtaining access to Verizon buildings upon termination of employment of Empire's employee and/or termination of service. Empire shall be responsible for the replacement cost of keys, access cards or other means of obtaining access when lost, stolen or failure of Empire or Empire's employee, agent or contractor to return to Verizon.

4.7 Emergency Access.

Empire is responsible for providing a contact number that is readily accessible 24 hours a day, 7 days a week. Empire will provide access to its collocation space at all times to allow Verizon to react to emergencies, to maintain the building operating systems (where applicable and necessary) and to ensure compliance with OSHA/Verizon regulations and standards related to fire, safety, health and environment safeguards. Verizon will attempt to notify Empire in advance of any such emergency access. If advance notification is not possible Verizon will provide notification of any such entry to Empire as soon as possible following the entry, indicating the reasons for the entry and any actions taken which might impact Empire's facilities or equipment and its ability to provide service. Verizon will restrict access to Empire's collocation space to persons necessary to handle such an emergency. The emergency provisioning and restoration of interconnection service shall be in accordance with Part 64, Subpart D, Paragraph 64.401, of the FCC's Rules and Regulations, which specifies the priority for such activities. Verizon reserves the right, without prior notice, to access Empire's collocation space in an emergency, such as fire or other unsafe conditions, or for purposes of averting any immediate threat of harm created by Empire or Empire's equipment upon the operation of Verizon's equipment, facilities and/or employees located outside Empire's collocation space. Verizon will notify Empire as soon as possible when such an event has occurred. In case of a Verizon work stoppage, Empire's employees, contractors or agents will comply with the emergency operation procedures established by Verizon. Such emergency procedures should not

directly affect Empire's access to its premises, or ability to provide service. Empire will notify Verizon point of contact of any work stoppages by Empire employees.

5. Space Requirements.

5.1 Space Availability.

Verizon shall permit Empire to reserve collocation space on a the first-come, first-serve priority basis upon Verizon's receipt of the ASR and fifty percent (50%) of the applicable NRCs described in Section 4.1. If Verizon is unable to accommodate caged and cageless collocation requests at a Wire Center or access tandem due to space limitations or other technical reasons, Verizon will post a list of all such sites on its Website and will update the list within ten (10) business days of any known changes. This information will be listed at the following public Internet URL:

<http://www.gte.com/Regulatory>

Where Verizon is unable to accommodate caged and cageless collocation requests at a Wire Center or access tandem due to space limitations or other technical reasons, Verizon shall: (a) submit to the state commission, subject to any protective order as the state may deem necessary, detailed floor plans or diagrams of the Wire Center or access tandem; and (b) allow Empire to tour the entire premises of the Wire Center or access tandem, without charge, within (10) business days of the tour request.

5.2 Minimum/Maximum/Additional Space.

The minimum amount of floor space available to Empire at the time of the initial application will be twenty-five (25) square feet of caged collocation space or one (1) single bay in the case of cageless collocation. The maximum amount of space available in a specific Wire Center or access tandem to Empire will be limited to the amount of existing suitable space which is technically feasible to support the collocation arrangement requested. Existing suitable space is defined as available space in a Wire Center or access tandem which does not require the addition of AC/DC power, heat and air conditioning, battery and/or generator back-up power and other requirements necessary for provisioning collocation services. Additional space to provide for caged, cageless and/or adjacent collocation will be provided on a per request basis, where available. Additional space can be requested by Empire by completing and submitting a new application form and the applicable non-refundable engineering fee set forth in Appendix G described in Section 6.1. Verizon will not be required to lease additional space when available space has been exhausted. If no other space is available for collocation of Empire's equipment, Verizon shall, at the request of Empire, remove obsolete unused equipment from a Wire Center or access tandem to increase the amount of available space for collocation.

5.3 Use of Space.

Verizon and Empire will work cooperatively to determine proper space requirements, and efficient use of space. In addition to other applicable requirements set forth in this Agreement, Empire shall install all its equipment within its designated area in contiguous line-ups in order to optimize the utilization of space within Verizon's premises. Empire shall use the collocation space solely for the purposes of installing, maintaining and operating Empire's equipment to interconnect for the exchange of traffic with Verizon and/or for purposes of accessing unbundled network elements and as set forth in Section 4.3.9, and for no other purposes. Empire shall not construct improvements or make alterations or repairs to the collocation space without the prior written approval of Verizon. The collocation space may not be used for administrative purposes and may not be used as Empire's

employee(s) work location, office or retail space, or storage. The collocation space shall not be used as Empire's mailing or shipping address.

5.4 Reservation of Space.

Verizon reserves the right to manage its Wire Center and access tandem conduit requirements and to reserve vacant space for planned facility. Verizon will retain and reserve a limited amount of vacant floor space within its Wire Centers and access tandems for its own specific future uses on terms no more favorable than applicable to other CLECs seeking to reserve collocation space for their own future use. If the remaining vacant floor space within a Wire Center or access tandem is reserved for Verizon's own limited specific future use in accordance with 51.323(f)(4), the Wire Center or access tandem will be exempt from future caged and cageless collocation requests. Empire shall not be permitted to reserve Wire Center or access tandem cable space or conduit system. If new conduit is required, Verizon will negotiate with Empire to determine an alternative arrangement for the specific location. Empire will be allowed to reserve collocation space for its caged/cageless arrangements based on Empire's documented forecast provided Verizon and subject to space availability. Such forecast must demonstrate a legitimate need to reserve the space for use on terms no more favorable than applicable to Verizon seeking to reserve vacant space for its own specific use. Cageless collocation bays may not be used solely for the purpose of storing Empire equipment.

5.5 Collocation Space Report.

Upon request by Empire and upon Empire signing a collocation nondisclosure agreement, Verizon will make available a collocation space report with the following information for the Wire Center or access tandem requested:

- (a) Amount of caged and cageless collocation space available;
- (b) Number of telecommunications carriers with existing collocation arrangements;
- (c) Modifications of the use of space since the last collocation space report requested; and,
- (d) Measures being taken, if any, to make additional collocation spaces available.

The collocation space report is not required prior to the submission of a collocation application for a specific Wire Center or access tandem in order to determine collocation space availability for the Wire Center or access tandem. The collocation space report will be provided to Empire within ten (10) business days of the request provided the request is submitted during the ordinary course of business. A collocation space report fee contained in Appendix G will be assessed per request and per Wire Center or access tandem.

5.6 Reclamation.

When initiating an application form, Empire must have started installing equipment approved for collocation at Verizon Wire Center or access tandem within a reasonable period of time, not to exceed six (6) months from the date Empire accepts the collocation arrangement. If Empire does not utilize its collocation space within the established time period, and has not met the space reservation requirements of Section 5.4, Verizon may reclaim the unused collocation space to accommodate another CLEC's request or Verizon's future space requirements. Verizon shall have the right, for good cause shown, and upon six (6) months' notice, to reclaim any collocation space, cable space or conduit

space in order to fulfill its obligation under public service law and its tariffs to provide telecommunication services to its end users. In such cases, Verizon will reimburse Empire for reasonable direct costs and expenses in connection with such reclamation. Verizon will make every reasonable effort to find other alternatives before attempting to reclaim any such space.

6. Pricing.

6.1 Rate Sheet.

Except as otherwise described herein, the rates for Verizon's collocation services provided pursuant to this Agreement are set forth in Appendix G attached hereto. The rates identified in this Attachment may be superseded by rates contained in future final, binding and non-appealable regulatory orders of the Commission or the FCC or as otherwise required by legal requirements (the "Final Rates"). In particular, Verizon may elect to file a state tariff which shall contain Final Rates that supersede the rates in said attachment. To the extent that the Final Rates, or the terms and conditions for application of the Final Rates, are different than the rates in Appendix G, the Final Rates will be applied retroactively to the Effective Date of this Agreement or the Effective Date for application of the Final Rates as set forth in such final orders or legal requirements. The Parties will true up any resulting over or under billing.

6.2 Billing and Payment.

The initial payment of NRCs shall be due and payable in accordance with Section 4.1. The balance of the NRCs and all related monthly recurring service charges for the collocation space will be billed to Empire when Verizon provides Empire access to the caged, cageless or adjacent collocation arrangement and shall be payable in accordance with the provisions of Article III of this Agreement.

6.3 Allocation of Site Preparation Costs.

Empire shall be responsible for payment of the site preparation charge with respect to: (i) each original application; and (ii) each additional application or augment application which involves expansion of existing square footage or additional bays. The site preparation charge is a nonrecurring charge designed to recover Verizon's costs associated with preparing Wire Center(s) or access tandem(s) to accommodate collocation. For caged collocation arrangements (including shared and sublease arrangements), the site preparation charge shall be applied on a per square foot basis. For cageless collocation arrangements, the site preparation charge shall be applied on a per bay basis. Site preparation rates are specified in Appendix G. Verizon represents that such charges and allocations comply with site preparation cost allocation guidelines set out by the FCC in Paragraphs 41 and 51 of the Advanced Services Order and 46 C.F.R. § 51.323(k)(i).

7. Indemnification.

In addition to their other respective indemnification and liability obligations hereunder, the Parties shall meet the following obligations. To the extent that this provision conflicts with any other provision in this Agreement, this provision shall control.

7.1 Empire shall defend, indemnify and save harmless Verizon, its directors, officers, employees, servants, agents, affiliates and parent from and against any and all suits, claims, demands, losses, claims, and causes of action and costs, including reasonable attorneys' fees ("Claims"), whether suffered, made, instituted or asserted by Empire or by any other party, which are caused by, arise out of or are in any way related to: (i) the installation, maintenance, repair, replacement, presence, engineering, use or removal of

Empire's equipment or by the proximity of such equipment to the equipment of other parties occupying space in Verizon's Wire Center(s) or access tandem(s), including, without limitation, damages to property and injury or death to persons, including payments made under Workers' Compensation Law or under any plan for employees' disability and death benefits; (ii) Empire's failure to comply with any of the terms of this Agreement; or (iii) any act or omission of Empire, its employees, agents, affiliates, former or striking employees or contractors. Empire's indemnification obligations set forth in this Section shall not apply to any Claims proximately caused by the negligence or acts or omissions constituting willful misconduct, of Verizon or its employees, agents, affiliates, former or striking employees or contractors. The obligations of this Section shall survive the termination, cancellation, modification or rescission of this Agreement, without limit as to time.

- 7.2 Subject to any limitations of liability set forth in this Agreement, Verizon shall be liable to Empire for Claims only for and to the extent of any damage to Empire facilities or equipment occupying Verizon's Wire Center or access tandem, in either case caused by the negligence or acts or omissions constituting willful misconduct, of Verizon or its employees, agents or contractors. Verizon shall not be liable to Empire or its customers for any interruption of Empire's service or for interference with the operation of Empire's facilities arising in any manner out of Empire's presence in Verizon's Wire Center(s) or access tandem(s), unless such interruption or interference is caused by acts or omissions constituting willful misconduct of Verizon or its employees, agents or contractors. In no event shall Verizon or any of its directors, officers, employees, servants, agents, affiliates and parent be liable for any loss of profit or revenue by Empire or for any loss of AC or DC power, HVAC interruptions, consequential, incidental, special, punitive or exemplary damages incurred or suffered by Empire, even if Verizon has been advised of the possibility of such loss or damage. Verizon's failure to meet any of its obligations under this Agreement shall be excused by labor difficulties, governmental orders, civil commotions, acts of God or any circumstances beyond Verizon's reasonable control.

8. Insurance.

- 8.1 Coverage Limits. Empire shall, at its sole cost and expense, obtain, maintain, pay for and keep in force the following minimum insurance, underwritten by an insurance company(s) having a Best's insurance rating of at least A-, financial size category VII.
- (a) Commercial general liability coverage on an occurrence basis in an amount of \$1,000,000 combined single limit for bodily injury and property damage with a policy aggregate per location of \$2,000,000. This coverage shall include contractual liability.
 - (b) Umbrella/Excess Liability coverage in an amount of \$10,000,000 excess of coverage specified in (a) above.
 - (c) All Risk Property coverage on a full replacement cost basis insuring all of Empire's real and personal property located on or within Verizon Wire Centers. Empire may also elect to purchase business interruption and contingent business interruption insurance, knowing that Verizon has no liability for loss of profit or revenues should an interruption of service occur.
 - (d) Statutory Workers Compensation coverage.
 - (e) Employers Liability coverage in an amount of \$500,000 each accident.

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

Notwithstanding anything herein to the contrary, the coverage requirements described in (c)-(f) above shall only be required if Empire orders collocation services pursuant to this Article IX. The minimum amounts of insurance required in this section, may be satisfied by Empire purchasing primary coverage in the amounts specified or by Empire buying a separate umbrella and/or excess policy together with lower limit primary underlying coverage. The structure of the coverage is at Empire's option, so long as the total amount of insurance meets Verizon's minimum requirements.

- 8.2 Deductibles. Any deductibles, self-insured retentions (SIR), loss limits, retentions, etc. (collectively, "retentions") must be disclosed on a certificate of insurance provided to Verizon, and Verizon reserves the right to reject any such retentions in its reasonable discretion. All retentions shall be the responsibility of Empire.
- 8.3 Additional Insureds. Verizon and its affiliates (which includes any corporation controlled by, controlling or in common control with Verizon), its respective directors, officers and employees shall be named as additional insureds under all General Liability and Umbrella/Excess Liability Policies obtained by Empire. Said endorsement shall provide that such additional insurance is primary insurance and shall not contribute with any insurance or self-insurance that Verizon has secured to protect itself. All of the insurance afforded by Empire shall be primary in all respects, including Empire's Umbrella/Excess Liability insurance. Verizon's insurance coverage shall be excess over any indemnification and insurance afforded by Empire and required hereby.
- 8.4 Waiver of Subrogation Rights. Empire waives and will require all of its insurers to waive all rights of subrogation against Verizon (including Verizon and any other affiliated and/or managed entity), its directors, officers and employees, agents or assigns, whether in contract, tort (including negligence and strict liability) or otherwise.
- 8.5 Evidence of Insurance. All insurance must be in effect on or before Verizon authorizes access by Empire employees or placement of Empire equipment or facilities within Verizon premises and such insurance shall remain in force as long as Empire's facilities remain within any space governed by this Agreement. If Empire fails to maintain the coverage, Verizon may pay the premiums and seek reimbursement from Empire. Failure to make a timely reimbursement will result in disconnection of service. Empire agrees to submit to Verizon a certificate of insurance ACORD Form 25-S (1/95), or latest edition, such certificate to be signed by a duly authorized officer or agent of the Insurer, certifying that the minimum insurance coverages and conditions set forth herein are in effect, and that Verizon will receive at least thirty (30) days notice of policy cancellation, expiration or non-renewal. At least thirty (30) days prior to the expiration of the policy, Verizon must be furnished satisfactory evidence that such policy has been or will be renewed or replaced by another policy. At Verizon's request, Empire shall provide copies of the insurance provisions or endorsements as evidence that the required insurance has been procured, and that Verizon has been named as an additional insured, prior to commencement of any service. In no event shall permitting Empire access be construed as a waiver of the right of Verizon to assert a claim against Empire for breach of the obligations established in this section.
- 8.6 Compliance Requirements. Empire shall require its contractors to comply with each of the provisions of this insurance section. This includes, but is not limited to, maintaining the minimum insurance coverages and limits, naming Verizon (including Verizon and any other affiliated and/or managed entity) as an additional insured under all liability insurance

policies, and waiving all rights of subrogation against Verizon (including Verizon and any other affiliated and/or managed entity), its directors, officers and employees, agents or assigns, whether in contract, tort (including negligence and strict liability) or otherwise. Prior to commencement of any work, Empire shall require and maintain certificates of insurance from each contractor evidencing the required coverages. At Verizon's request, Empire shall supply to Verizon copies of such certificates of insurance or require the contractors to provide insurance provisions or endorsements as evidence that the required insurance has been procured. Empire must also conform to the recommendation(s) made by Verizon's fire insurance company, which Verizon has already agreed to or shall hereafter agree to.

9. Confidentiality.

In addition to its other confidentiality obligations hereunder, Empire shall not use or disclose and shall hold in confidence all information of a competitive nature provided to Empire by Verizon in connection with collocation or known to Empire as a result of Empire's access to Verizon's Wire Center(s) or access tandem(s) or as a result of the interconnection of Empire's equipment to Verizon's facilities. Similarly, Verizon shall not use or disclose and shall hold in confidence all information of a competitive nature provided to it by Empire in connection with collocation or known to Verizon as a result of the interconnection of Empire's equipment to Verizon's facilities. Such information is to be considered proprietary and shared within Verizon and Empire on a need to know basis only. Neither Verizon nor Empire shall be obligated to hold in confidence information that:

- (a) Was already known to Empire free of any obligation to keep such information confidential;
- (b) Was or becomes publicly available by other than unauthorized disclosure; or
- (c) Was rightfully obtained from a third party not obligated to hold such information in confidence.

To the extent that this provision conflicts with any other provision in this Agreement, this provision shall control.

10. Casualty.

If the collocation equipment location in Verizon's Wire Center(s) or access tandem(s) is rendered wholly unusable through no fault of Empire, or if the building shall be so damaged that Verizon shall decide to demolish it, rebuild it, or abandon it for Wire Center or access tandem purposes (whether or not the demised premises are damaged in whole or in part), then, in any of such events, Verizon may elect to terminate the collocation arrangements in the damaged building by providing written notification to Empire as soon as practicable but no later than one hundred eighty (180) days after such casualty specifying a date for the termination of the collocation arrangements, which shall not be more than sixty (60) days after the giving of such notice. Upon the date specified in such notice, the term of the collocation arrangement shall expire as fully and completely as if such date were the date set forth above for the termination of this Agreement. Empire shall forthwith quit, surrender and vacate the premises without prejudice. Unless Verizon shall serve a termination notice as provided for herein, Verizon shall make the repairs and restorations with all reasonable expedition subject to delays due to adjustment of insurance claims, labor troubles and causes beyond Verizon's reasonable control. After any such casualty, Empire shall cooperate with Verizon's restoration by removing from the collocation space, as promptly as reasonably possible, all of Empire's salvageable inventory and movable equipment, furniture and other property. Verizon will work cooperatively with Empire to minimize any disruption to service, resulting from any damage. Verizon shall provide written notification to

Empire detailing its plans to rebuild and will restore service as soon as practicable. In the event of termination, Verizon's rights and remedies against Empire in effect prior to such termination, and any fees owing, shall be paid up to such date. Any payments of fees made by Empire which were because any period after such date shall be returned to Empire. During the time that Empire is unable to fully utilize its collocation space, there shall be a pro rata (or complete in the event the space is wholly unusable) abatement of all charges for said space, and for any ordered Verizon services that are not provided to Empire.

11. Termination of Service.

11.1 Grounds for Termination. Verizon's obligation to provide collocation is contingent upon Empire's compliance with the terms and conditions of this Article IX and other applicable requirements of this Agreement, including, without limitation, Verizon's receipt of all applicable fees, charges, application forms and required permits. Failure of Empire to make payments as provided in Article III may result in termination of service. In addition to the other grounds for termination of collocation services set forth herein, Verizon also reserves the right to terminate such services upon thirty (30) days advance written notice in the event Empire: (a) fails to comply with this Article IX and the other applicable requirements to this Agreement; and/or (b) causes a continued disruption and threat of harm to Verizon employees and/or network, or Verizon's ability to provide service to other CLECs, and fails to correct same within thirty (30) days after its receipt of Verizon's notice of such non-compliance, disruption or threat of harm.

11.2 Effects of Termination. Upon the termination of collocation service, Empire shall disconnect and remove its equipment from the designated collocation space. Verizon reserves the right to remove Empire's equipment if Empire fails to remove and dispose of the equipment within the thirty (30) days of discontinuance. Empire will be charged the appropriate additional labor charge in Appendix G for the removal of such equipment. Upon removal by Empire of all its equipment from the collocation space, Empire will reimburse Verizon for any cost incurred to restore the collocation space to substantially the same condition as existed at time of Empire's occupancy. The cost will be applied based on the additional labor charges rate set forth in Appendix G. Upon termination of collocation services, Empire relinquishes all rights, title and ownership of any cable provided to Verizon.

12. Miscellaneous.

Verizon retains ownership of Wire Center or access tandem floor space, adjacent land and equipment used to provide all forms of collocation. Verizon reserves for itself and its successors and assignees, subject to Applicable Laws, orders, rules and regulations of the FCC, the Commission or any judicial or any other Regulatory Authority having jurisdiction, the right to utilize the Wire Center(s) or access tandem(s) space in such a manner as will best enable it to fulfill Verizon's service requirements. Empire does not receive, as a result of entering into a collocation arrangement hereunder, any right, title or interest in Verizon's Wire Center facility, the multiplexing node, multiplexing node enclosure, cable space, cable racking, vault space or conduit space other than as expressly provided herein. To the extent that Empire requires use of a Verizon local exchange line, Empire must order a business local exchange access line (B1). Empire may not use Verizon official lines.

ARTICLE X

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

To the extent required by the Act, Verizon and Empire shall each afford to the other access to the poles, ducts, conduits and ROWs it owns or controls on terms, conditions and prices comparable to those offered to any other entity pursuant to each Party's tariffs and/or standard agreements. Accordingly, if Verizon and Empire desire access to the other Party's poles, ducts, or ROWs, Verizon and Empire shall execute pole attachment and conduit occupancy agreements. Empire agrees that pole attachment and conduit occupancy agreements must be executed separately before it makes any attachments to Verizon facilities or uses Verizon's conduit according to the terms of this Agreement. Unauthorized attachments or unauthorized use of conduit will be a breach of this agreement.

ARTICLE XI
SIGNATURE PAGE

IN WITNESS WHEREOF, each Party has executed this Agreement to be effective as stated in Article III Section 36.

**VERIZON SOUTH INC.
F/K/A GTE SOUTH INCORPORATED**

EMPIRE TELECOM SERVICES, INC.

By _____

By _____

Name _____

Name _____

Title _____

Title _____

Date _____

Date _____

APPENDIX A

RATES AND CHARGES FOR TRANSPORT AND TERMINATION OF TRAFFIC

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

Each Party will bill the other Party as appropriate:

- A. The Local Interconnection rate element that applies to Local Traffic on a minute of use basis that each Party switches for termination purposes at its wire centers. The local interconnection rate is **\$0.0059446**.
- B. The Tandem Switching rate element that applies to tandem routed Local Traffic on a minute of use basis. The tandem switching rate is **\$0.0035977**.
- C. The Common Transport Facility rate element that applies to tandem routed Local Traffic on a per minute/per mile basis. The Common Transport Facility rate is **\$0.0000325**.
- D. The Common Transport Termination element that applies to tandem routed Local Traffic on a per minute/per termination basis. The Common Transport Termination rate is **\$0.0001733**.
- E. The Tandem Transiting Charge is comprised of the following rate elements:

Tandem Switching:	=	\$0.0035977
Tandem Transport (10 mile average): 10 x \$0.0000325	=	\$0.0003250
Transport Termination (2 Terminations): 2 x \$0.0001733	=	\$0.0003466
Transiting Charge:	=	\$0.0042693
- F. Initial Factors:

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

APPENDIX B

RATES AND CHARGES FOR INTERIM NUMBER PORTABILITY USING RCF

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

Interim Number Portability

Remote Call Forwarding (line/month) \$ 2.43

Non-Recurring Charges (NRCs) for Interim Number Portability

CLEC Account Establishment \$ 166.32

Initial Service Order - Manual \$ 37.31

Initial Service Order – Semi-Mechanized \$ 27.65

Initial Service Order – Provisioning \$ 10.70

Subsequent Service Order - Manual \$ 23.05

Subsequent Service Order – Semi-Mechanized \$ 19.65

Subsequent Service Order - Provisioning \$ 4.91

Custom Handling (Applicable to both INP and LNP)

Service Order Expedite \$ 3.36

Coordinated Conversion Per Quarter Hour \$ 30.72

Hot Coordinated Conversion First Hour \$ 108.57

Hot Coordinated Conversion Per Additional Quarter Hour \$ 26.97

Application of NRCs

Pre-ordering:

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

Ordering and Provisioning:

Initial Service Order (ISO) applies per Local Service Request (LSR) if not apart of a Unbundled Network Element (UNE) ISO.

Subsequent Service Order applies per LSR for modifications to an existing LNP service.

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

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

Service Order Expedite applies if **CLEC requests service prior to the standard due date intervals and if not a part of a UNE Expedite.

Coordinated Conversion applies if **CLEC requests notification and coordination of service cut-over prior to the service becoming effective and if not a part of a UNE Coordinated Conversion.

Hot Coordinated Conversion First Hour applies if **CLEC requests real-time coordination of a service cut-over that takes one hour or less, and if not a part of a UNE Hot Coordinated Conversion First Hour.

Hot Coordinated Conversion Per Additional Quarter Hour applies, in addition to the Hot Coordinated Conversion First Hour, for every 15-minute segment of real-time coordination of a service cut-over that takes more than one hour, and if not a part of a UNE Hot Coordinated Conversion Per Additional Quarter Hour.

In addition, as defined in the Interconnection Attachment, the Party providing the ported number will pay the other Party the following rate per line per month for each ported business line and the rate per line per month for each ported residential line for the sharing of Access Charges on calls to ported numbers.

Business Rate Per Line Per Month: \$ 5.18

Residential Rate Per Line Per Month: \$ 3.71

APPENDIX C

SERVICES AVAILABLE FOR RESALE

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

Interim Universal Service Charge. It is Verizon's position that Verizon's current intraLATA toll rates include implicit subsidies that support below-cost prices for other services and thus promote universal service. This universal service support is lost where a CLEC resells Verizon's local service but does not resell Verizon's intraLATA toll service. For this reason, Verizon will not resell basic exchange residential or business services unless **CLEC pays the monthly interim universal service support charge set forth in Appendix A. Verizon believes that this interim surcharge is required by state and federal law. The lawfulness of Verizon's interim surcharge is being addressed (or will be addressed) by the Commission or a court of competent jurisdiction. The parties agree that Verizon will offer for resale basic exchange residential and business services at the avoided cost discount rate set forth in Appendix A without the interim surcharge, but subject to the following terms and conditions:

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

The avoided cost discount for all services, excluding OS/DA, is 15.95%.

Non-Recurring Charges (NRCs) for Resale Services

Pre-ordering

CLEC Account Establishment Per CLEC	\$ 273.09
Customer Record Search Per Account	\$ 11.69

Ordering and Provisioning

Engineered Initial Service Order (ISO) - New Service	\$ 311.98
Engineered Initial Service Order - As Specified	\$ 123.84
Engineered Subsequent Service Order	\$ 59.61

Non-Engineered Initial Service Order - New Service	\$ 42.50
Non-Engineered Initial Service Order - Changeover	\$ 21.62
Non-Engineered Initial Service Order - As Specified	\$ 82.13
Non-Engineered Subsequent Service Order	\$ 19.55

Central Office Connect \$ 12.21

Outside Facility Connect \$ 68.30

Manual Ordering Charge \$ 12.17

Product Specific:

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

Custom Handling:

Service Order Expedite:	
Engineered	\$ 35.48
Non-Engineered	\$ 12.59

Coordinated Conversions:	
ISO	\$ 17.76
Central Office Connection	\$ 10.71
Outside Facility Connection	\$ 9.59

Hot Coordinated Conversion First Hour:	
ISO	\$ 30.55
Central Office Connection	\$ 42.83
Outside Facility Connection	\$ 38.34

Hot Coordinated Conversion per Additional Quarter Hour:	
ISO	\$ 4.88
Central Office Connection	\$ 9.43
Outside Facility Connection	\$ 8.37

Application of NRCs

Pre-ordering:

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

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

Ordering and Provisioning:

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

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

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

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

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

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

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

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

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

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

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

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

Universal Service Support Surcharge

Residential (per line)	\$ 4.88
Business (per line)	\$ 3.52

APPENDIX D

PRICES FOR UNBUNDLED NETWORK ELEMENTS (MONTHLY RECURRING CHARGES)

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

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

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

Local Loop

2 Wire Analog Loop (inclusive of NID)	
Zone 1	\$ 40.92
Zone 2	\$ 51.95
Zone 3	\$ 60.25
4 Wire Analog Loop (inclusive of NID)	
Zone 1	\$ 74.87
Zone 2	\$ 95.19
Zone 3	\$ 110.51
2 Wire Digital Loop (inclusive of NID)	\$ 47.95
4 Wire Digital Loop (inclusive of NID)	\$ 87.81
DS-1 Loop	\$ 160.31
DS-3 Loop	\$2,584.44
Supplemental Features:	
ISDN-BRI Line Loop Extender	TBD
DS1 Clear Channel Capability	\$23.22

Subloop

2-Wire Feeder	\$	15.83
2-Wire Distribution	\$	29.39
4-Wire Feeder	\$	29.20
4-Wire Distribution	\$	54.24
2-Wire Drop	\$	5.88
4-Wire Drop	\$	10.85
Inside Wire		BFR

Network Interface Device (leased separately)

Basic NID:	\$.79
Complex (12 x) NID	\$	1.60

Switching

Port		
Basic Analog Line Side Port	\$	5.49
Coin Line Side Port	\$	9.91
ISDN BRI Digital Line Side Port	\$	26.16
DS-1 Digital Trunk Side Port	\$	196.11
ISDN PRI Digital Trunk Side Port	\$	378.55

Vertical Features See Attached List

Usage Charges (must purchase Port)

Local Central Office Switching (Overall Average MOU)	\$0.0059446
Common Shared Transport	
Transport Facility (Average MOU/ALM)	\$0.0000325
Transport Termination (Average MOU/Term)	\$0.0001733
Tandem Switching (Average MOU)	\$0.0035977

Terminating to Originating Ratio	1.00
Assumed Minutes	TBD

Operator and Directory Assistance Services (OS/DA)

National DA	\$0.5500000
DA	\$0.4500000
Mechanized Operator Calling Card	\$0.0890000
Live Operator	\$0.4490000
Originating Line Number Screening	\$0.0180000
Call Detail Record	\$0.0200000
Busy Line Verify	\$0.9900000
Busy Line Interrupt	\$1.0500000

Dedicated Transport Facilities

CLEC Dedicated Transport	
CDT 2 Wire	\$ 26.81
CDT 4 Wire	\$ 42.90
CDT DS1	\$ 330.00
CDT DS3 Optical Interface	\$1,125.00
CDT DS3 Electrical Interface	\$1,297.18
Interoffice Dedicated Transport	
IDT DS0 Transport Facility per ALM	\$.27
IDT DS0 Transport Termination	\$ 11.59
IDT DS1 Transport Facility per ALM	\$ 2.85
IDT DS1 Transport Termination	\$ 80.49
IDT DS3 Transport Facility per ALM	\$ 3.65
IDT DS3 Transport Termination	\$ 118.29
Multiplexing	
DS1 to Voice Multiplexing	\$ 185.24
DS3 to DS1 Multiplexing	\$ 887.13
DS1 Clear Channel Capability	\$ 23.22

Unbundled Dark Fiber

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

Packet Switching	BFR
Call Related Database	BFR
Service Management System	BFR
OSS	BFR

UNE-P Pricing

MRCs. The MRC for a UNE-P will generally be equal to the sum of the MRCs for the combined UNEs (e.g. the total of the UNE loop charge plus the UNE port charges in the Agreement (see Note A) plus: UNE local switching (per minute originating usage plus T/O factor to determine terminating minutes) based on UNE local switching rates in the Agreement plus UNE shared transport and tandem switching (based on factors for percent interoffice and tandem switch usage, plus assumed transport mileage of 10 miles and 2 terms) based on UNE shared transport rates in the Agreement plus UNE Vertical Services charges (optional per line charges, if allowed by the Agreement).

(Note A): UNE platforms are available in four loop/port configurations as shown below. If the

price for any component of these platforms is not set forth herein, Verizon will use the ICB process to determine the appropriate price and TBD pricing shall apply.

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

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

UNE ISDN BRI Platform consists of the following components:

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

UNE ISDN PRI Platform consists of the following components:

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

UNE DS1 Platform consists of the following components:

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

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

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

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

Universal Service Support Surcharge

Per Loop	TBD
Per Port	TBD

KENTUCKY UNBUNDLED VERTICAL FEATURES

VERTICAL FEATURES		(Subject to Availability)
Three Way Calling	\$/Feature/Month	\$1.32
Call Forwarding Variable	\$/Feature/Month	\$0.35
Cust. Changeable Speed Calling 1-Digit	\$/Feature/Month	\$0.21
Cust. Changeable Speed Calling 2-Digit	\$/Feature/Month	\$0.30
Call Waiting	\$/Feature/Month	\$0.12
Cancel Call Waiting	\$/Feature/Month	\$0.05
Automatic Callback	\$/Feature/Month	\$0.21
Automatic Recall	\$/Feature/Month	\$0.12
Calling Number Delivery	\$/Feature/Month	\$0.11
Calling Number Delivery Blocking	\$/Feature/Month	\$0.32
Distinctive Ringing / Call Waiting	\$/Feature/Month	\$0.44
Customer Originated Trace	\$/Feature/Month	\$0.12
Selective Call Rejection	\$/Feature/Month	\$0.56
Selective Call Forwarding	\$/Feature/Month	\$0.65
Selective Call Acceptance	\$/Feature/Month	\$0.78
Call Forwarding Variable CTX	\$/Feature/Month	\$0.31
Call Forwarding Incoming Only	\$/Feature/Month	\$0.29
Call Forwarding Within Group Only	\$/Feature/Month	\$0.16
Call Forwarding Busy Line	\$/Feature/Month	\$0.16
Call Forwarding Don't Answer All Calls	\$/Feature/Month	\$0.19
Remote Call Forward	\$/Feature/Month	\$2.43
Call Waiting Originating	\$/Feature/Month	\$0.08
Call Waiting Terminating	\$/Feature/Month	\$0.12
Cancel Call Waiting CTX	\$/Feature/Month	\$0.02
Three Way Calling CTX	\$/Feature/Month	\$0.53
Call Transfer Individual All Calls	\$/Feature/Month	\$0.20
Add-on Consultation Hold Incoming Only	\$/Feature/Month	\$0.18
Speed Calling Individual 1-Digit	\$/Feature/Month	\$0.08
Speed Calling Individual 2-Digit	\$/Feature/Month	\$0.17
Direct Connect	\$/Feature/Month	\$0.08
Distinctive Alerting / Call Waiting Indicator	\$/Feature/Month	\$0.07
Call Hold	\$/Feature/Month	\$0.26
Semi-Restricted (Orig/Term)	\$/Feature/Month	\$1.52
Fully-Restricted (Orig/Term)	\$/Feature/Month	\$1.51
Toll Restricted Service	\$/Feature/Month	\$0.18
Call Pick-up	\$/Feature/Month	\$0.09
Directed Call Pick-up w/Barge-In	\$/Feature/Month	\$0.08
Directed Call Pick-up w/o Barge-In	\$/Feature/Month	\$0.10
Special Intercept Announcements	\$/Feature/Month	\$12.05
Conference Calling - 6-Way Station Cont.	\$/Feature/Month	\$23.63
Station Message Detail Recording	\$/Feature/Month	\$10.17
Station Message Detail Recording to Premises	\$/Feature/Month	\$30.76

Fixed Night Service - Key	\$/Feature/Month	\$4.00
Attendant Camp-on (Non-DI Console)	\$/Feature/Month	\$0.55
Attendant Busy Line Verification	\$/Feature/Month	\$17.36
Control of Facilities	\$/Feature/Month	\$0.05
Fixed Night Service - Call Forwarding	\$/Feature/Month	\$2.00
Attendant Conference	\$/Feature/Month	\$62.35
Circular Hunting	\$/Feature/Month	\$1.72
Preferential Multiline Hunting	\$/Feature/Month	\$0.05
Uniform Call Distribution	\$/Feature/Month	\$5.65
Stop Hunt Key	\$/Feature/Month	\$5.74
Make Busy Key	\$/Feature/Month	\$5.75
Queuing	\$/Feature/Month	\$10.62
Automatic Route Selection	\$/Feature/Month	\$3.07
Facility Restriction Level	\$/Feature/Month	\$0.23
Expansive Route Warning Tone	\$/Feature/Month	\$0.04
Time-of-Day Routing Control	\$/Feature/Month	\$8.63
Foreign Exchange Facilities	\$/Feature/Month	\$8.99
Anonymous Call Rejection	\$/Feature/Month	\$4.72
Basic Business Group Sta-Sta ICM	\$/Feature/Month	\$0.52
Basic Business Group CTX	\$/Feature/Month	\$0.10
Basic Business Group DOD	\$/Feature/Month	\$0.05
Basic Business Auto ID Outward Dialing	\$/Feature/Month	\$0.00
Basic Business Group DID	\$/Feature/Month	\$0.00
Business Set Group Intercom All Calls	\$/Feature/Month	\$5.13
Dial Call Waiting	\$/Feature/Month	\$0.15
Loudspeaker Paging	\$/Feature/Month	\$8.76
Recorded Telephone Dictation	\$/Feature/Month	\$10.54
On-Hook Queuing for Outgoing Trunks	\$/Feature/Month	\$0.42
Off-Hook Queuing for Outgoing Trunks	\$/Feature/Month	\$0.03
Teen Service	\$/Feature/Month	\$0.06
Bg - Automatic Call Back	\$/Feature/Month	\$0.12
Voice/Data Protection	\$/Feature/Month	\$0.01
Authorization Codes for Afr	\$/Feature/Month	\$0.10
Account Codes for Afr	\$/Feature/Month	\$0.27
Code Restriction Diversion	\$/Feature/Month	\$0.26
Code Calling	\$/Feature/Month	\$11.12
Meet-Me Conference	\$/Feature/Month	\$9.38
Call Park	\$/Feature/Month	\$0.12
Executive Busy Override	\$/Feature/Month	\$0.08
Last Number Redial	\$/Feature/Month	\$0.09
Direct Inward System Access	\$/Feature/Month	\$0.13
Authorization Code Immediate Dialing	\$/Feature/Month	\$0.00
Bg - Speed Calling Shared	\$/Feature/Month	\$0.01
Attendant Recall from Satellite	\$/Feature/Month	\$3.47

Bg - Speed Calling 2-Shared	\$/Feature/Month	\$0.01
Business Set - Call Pick-up	\$/Feature/Month	\$0.07
Authorization Code for Mdr	\$/Feature/Month	\$0.00
Locked Loop Operation	\$/Feature/Month	\$0.00
Attendant Position Busy	\$/Feature/Month	\$2.60
Two-Way Splitting	\$/Feature/Month	\$5.04
Call Forwarding - All (Fixed)	\$/Feature/Month	\$0.41
Business Group Call Waiting	\$/Feature/Month	\$0.00
Music on Hold	\$/Feature/Month	\$1.42
Automatic Alternate Routing	\$/Feature/Month	\$0.35
DTMF Dialing	\$/Feature/Month	\$0.06
BG DTMF Dialing	\$/Feature/Month	\$0.05
Business Set Access to Paging	\$/Feature/Month	\$2.54
Call Flip-Flop (Ctx-A)	\$/Feature/Month	\$0.44
Selective Calling Waiting (Class)	\$/Feature/Month	\$0.32
Direct Inward Dialing	\$/Feature/Month	\$7.97
Customer Dialed Account Recording	\$/Feature/Month	\$1.24
Deluxe Automatic Route Selection	\$/Feature/Month	\$23.44
MDC Attendant Console	\$/Feature/Month	\$34.04
Warm Line	\$/Feature/Month	\$0.01
Calling Name Delivery	\$/Feature/Month	\$0.30
Call Forwarding Enhancements	\$/Feature/Month	\$0.00
Caller ID Name and Number	\$/Feature/Month	\$1.03
InContact	\$/Feature/Month	\$1.68
Call Waiting ID	\$/Feature/Month	\$0.08
Att'd ID on Incoming Calls	\$/Feature/Month	\$4.02
Privacy Release	\$/Feature/Month	\$0.40
Display Calling Number	\$/Feature/Month	\$0.20
Six-Port Conference	\$/Feature/Month	\$41.54
Business Set Call Back Queuing	\$/Feature/Month	\$0.01
ISDN Code Calling - Answer	\$/Feature/Month	\$0.23
Att'd Call Park	\$/Feature/Month	\$2.09
Att'd Autodial	\$/Feature/Month	\$0.99
Att'd Speed Calling	\$/Feature/Month	\$1.69
Att'd Console Test	\$/Feature/Month	\$0.11
Att'd Delayed Operation	\$/Feature/Month	\$0.00
Att'd Lockout	\$/Feature/Month	\$0.00
Att'd Multiple Listed Directory Numbers	\$/Feature/Month	\$0.00
Att'd Secrecy	\$/Feature/Month	\$0.82
Att'd Wildcard Key	\$/Feature/Month	\$0.34
Att'd Flexible Console Alerting	\$/Feature/Month	\$0.00
Att'd VFG Trunk Group Busy on Att'd Console	\$/Feature/Month	\$0.17
Att'd Console Act/Deact of CFU/CFT	\$/Feature/Month	\$1.55
Att'd Display of Queued Calls	\$/Feature/Month	\$0.03

Att'd Interposition Transfer	\$/Feature/Month	\$0.22
Att'd Automatic Recall	\$/Feature/Month	\$0.70

**APPENDIX D-1
PRICES FOR UNBUNDLED NETWORK ELEMENTS (NON-RECURRING CHARGES)**

LOCAL WHOLESALE SERVICES	Ordering 100% Manual	Ordering Semi- Mech.	Provisioning Initial Unit	Add'l Unit
UNBUNDLED LOOP				
Exchange - Basic - Initial	\$ 38.75	\$ 27.60	\$ 42.17	\$ 38.87
Exchange - Basic - Subsequent	\$ 17.44	\$ 12.55	\$ 14.49	\$ 13.53
Exchange - Complex Nondigital - Initial	\$ 40.56	\$ 25.03	\$ 107.58	\$ 26.67
Exchange - Complex Nondigital - Subsequent	\$ 18.87	\$ 13.98	\$ 14.49	\$ 13.53
Exchange - Complex Digital - Initial	\$ 40.56	\$ 25.03	\$ 96.76	\$ 26.53
Exchange - Complex Digital - Subsequent	\$ 18.87	\$ 13.98	\$ 14.49	\$ 13.53
Advanced - Basic - Initial	\$ 36.18	\$ 25.03	\$ 573.73	\$ 202.79
Advanced - Complex - Initial	\$ 40.56	\$ 25.03	\$ 569.13	\$ 303.39
UNBUNDLED PORT				
Exchange - Basic - Initial	\$ 33.04	\$ 21.89	\$ 31.29	\$ 29.38
Exchange - Basic - Subsequent (Port Feature)	\$ 19.78	\$ 14.89	\$ 1.14	\$ 1.14
Exchange - Basic - Subsequent (CO Interconnection)	\$ 19.78	\$ 14.89	\$ 14.49	\$ 13.53
Exchange - Complex Nondigital - Initial	\$ 43.54	\$ 28.01	\$ 75.32	\$ 38.07
Exchange - Complex Nondigital - Subsequent (Port Feature)	\$ 25.90	\$ 21.01	\$ 6.23	\$ 6.23
Exchange - Complex Nondigital – Subsequent (Switch Feature Group)	\$ 30.28	\$ 21.01	\$ 23.06	\$ -
Exchange - Complex Nondigital – Subsequent (CO Interconnection)	\$ 25.90	\$ 21.01	\$ 14.49	\$ 13.53
Exchange - Complex Digital - Initial	\$ 43.54	\$ 28.01	\$ 29.72	\$ 32.97
Exchange - Complex Digital - Subsequent (Port Feature)	\$ 25.90	\$ 21.01	\$ 5.45	\$ 5.45
Exchange - Complex Digital – Subsequent (Switch Feature Group)	\$ 30.28	\$ 21.01	\$ 23.06	\$ -
Exchange - Complex Digital - Subsequent (CO Interconnection)	\$ 25.90	\$ 21.01	\$ 14.49	\$ 13.53
Advanced - Basic - Initial	TBD	TBD	TBD	TBD
Advanced - Complex - Initial	TBD	TBD	TBD	TBD
Advanced - Basic - Subsequent	TBD	TBD	TBD	TBD
Advanced - Complex - Subsequent	TBD	TBD	TBD	TBD
UNBUNDLED NID				
Exchange - Basic	\$ 27.06	\$ 18.83	\$ 33.99	N/A
SUBLOOP				
Exchange - Basic - Initial	TBD	TBD	TBD	TBD
Exchange - Complex Digital - Initial	TBD	TBD	TBD	TBD
Inside Wire	BFR	BFR	BFR	BFR

DARK FIBER

Service Inquiry Charge	TBD	TBD	TBD	TBD
Initial Service Order	TBD	TBD	TBD	TBD
Connection Charge	TBD	TBD	TBD	TBD

ENHANCED EXTENDED LINK

Initial Service Order - Advanced/Special-Complex	TBD	TBD	TBD	TBD
EEL Changeover Charge	TBD	TBD	TBD	TBD
EEL Subsequent Order	TBD	TBD	TBD	TBD

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

Loop Conditioning - Bridged Tap	N/A	N/A	\$ 318.71	\$ 34.88
Loop Conditioning - Load Coils	N/A	N/A	\$ 249.91	\$ -
Loop Conditioning - Load Coils / Bridged Tap	N/A	N/A	\$ 568.62	\$ 34.88
Loop Conditioning - Feeder - Bridged Tap	TBD	TBD	TBD	TBD
Loop Conditioning - Feeder - Load Coils	TBD	TBD	TBD	TBD
Loop Conditioning - Feeder - Load Coils / Bridged Tap	TBD	TBD	TBD	TBD
Loop Conditioning - Distribution - Bridged Tap	TBD	TBD	TBD	TBD
Loop Conditioning - Distribution - Load Coils	TBD	TBD	TBD	TBD
Loop Conditioning - Distribution - Load Coils / Bridged Tap	TBD	TBD	TBD	TBD

UNE PLATFORM

Advanced - Basic - Initial	TBD	TBD	TBD	TBD
Advanced - Complex - Initial	TBD	TBD	TBD	TBD
Exchange - Basic - Initial	TBD	TBD	TBD	TBD
Exchange - Complex Nondigital - Initial	TBD	TBD	TBD	TBD
Exchange - Complex Digital - Initial	TBD	TBD	TBD	TBD
Advanced - Basic - Subsequent	TBD	TBD	TBD	TBD
Advanced - Complex - Subsequent	TBD	TBD	TBD	TBD
Exchange - Basic - Subsequent	TBD	TBD	TBD	TBD
Exchange - Complex Nondigital - Subsequent	TBD	TBD	TBD	TBD
Exchange - Complex Digital - Subsequent	TBD	TBD	TBD	TBD
UNE-P Changeover Charge	TBD	TBD	TBD	TBD

DEDICATED TRANSPORT

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

SIGNALING SYSTEM 7 (SS7)

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

SIGNALING SYSTEM 7 (SS7) (cont'd)

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

COORDINATED CONVERSIONS

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

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

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

CUSTOMIZED ROUTING

BFR BFR BFR BFR

EXPEDITES

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

OTHER

Customer Record Search (per account)	\$ 4.21	\$ -	N/A	N/A
CLEC Account Establishment (per CLEC)	\$ 166.32	\$ 166.32	N/A	N/A

LINE SHARING - CLEC OWNED SPLITTER

CLEC Splitter Connection - Initial	\$ 32.19	\$ 22.52	\$ 53.04	\$ 47.25
CLEC Splitter Connection - Subsequent	\$ 13.24	\$ 9.83	\$ 14.49	\$ 13.50

PACKET SWITCHING

TBD TBD TBD TBD

CALL RELATED DATABASE

TBD TBD TBD TBD

SERVICE MANAGEMENT SYSTEM

TBD TBD TBD TBD

OSS

TBD TBD TBD TBD

Application of NRCs

Preordering:

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

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

Ordering and Provisioning:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

APPENDIX E

RATES AND CHARGES FOR 911/E-911 ARRANGEMENTS

- I. The following services are offered by Verizon for purchase by Empire for UNEs or Interconnection, where an individual item is not superseded by a tariffed offering.

	<u>NRC</u>	<u>MRC</u>
A. 9-1-1 Selective Router Map	\$125.00	N/A
<p>Provided is a color map showing a selective router's location and the Verizon central offices that send their 9-1-1 call to it. The selective router and central office information will include CLLI codes and NPA/NXXs served. The map will include boundaries of each central office and show major streets and the county boundary. Permission to reproduce by Empire for its internal use is granted without further fee. Non-tariffed price.</p>		
B. 9-1-1 Selective Router Pro-Rata Fee/trunk	\$0	\$100.77
<p>This fee covers the cost of selective routing switch capacity per trunk to cover investment to handle the additional capacity without going to the 9-1-1 districts for additional funding.</p>		
C. PS ALI Software	\$790.80	
<p>A personal computer software program running on Windows 3.1™ for formatting subscriber records into NENA Version #2 format to create files for uploading to Verizon's ALI Gateway. Fee includes software, warranty and 1 800 872-3356 support at no additional cost.</p>		
D. ALI Gateway Service	\$135.00	\$36.12
<p>Interface for delivery of ALI records to Verizon's Data Base Management System. This provides a computer access port for Empire to transmit daily subscriber record updates to Verizon for loading into ALI databases. It includes support at 1 800 872-3356 at no additional cost.</p>		

E. 9-1-1 Interoffice Trunk	<u>NRC</u> Tariff	<u>MRC</u> Tariff
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This is a tariffed offering, to be found in each state's Emergency Number Service Tariff.

F. ALI Database	Tariff	Tariff
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This is a tariffed offering, to be found in each state's Emergency Number Service Tariff.

G. Selective Router Database per Record Charge	Tariff	Tariff
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Fee for each ALI record used in a Verizon selective router. This is a tariffed offering, to be found in each state's Emergency Number Service Tariff.

H. MSAG Copy

Production of one copy of a 9-1-1 Customer's Master Street Address Guide, postage paid.

(l)	Copy provided in paper format	\$238.50	\$54.00
(b)	Copy provided in flat ASCII file on a 3-1/2" diskette	\$276.00	\$36.00

II. The following services are offered by Verizon when Empire resells Verizon's local exchange services, where an item is not superseded by a tariffed offering:

A. 911 Selective Router Map

Provided is a color map showing a selective router's location and the Verizon central offices that send their 911 call to it. The selective router and central office information will include CLLI codes and NPA/NXXs served. The map will include boundaries of each central office and show major streets and the county boundary. Permission to reproduce by Empire for its internal use is granted without further fee. Non-tariffed price.

		<u>NRC</u>	<u>MRC</u>
B.	MSAG Copy		
	Production of one copy of a 911 Customer's Master Street Address Guide, postage paid	\$238.50	\$ 54.00
	1. Copy provided in proper format		
	2. Copy provided in flat ASCII file on a 3-1/2" diskette	\$276.00	\$ 36.00

APPENDIX F

COMPENSATION FOR EXCHANGE OF TRAFFIC USING UNBUNDLED ELEMENTS

1. This Appendix describes the compensation terms that apply for exchanging local, intraLATA, toll and interexchange traffic when Empire uses Verizon-provided unbundled ports, local switching and shared transport to provide service to Empire's end-users. Reciprocal compensation does not apply in a resale environment.
2. Compensation for Empire's Purchase of Verizon's unbundled local switching.
 - 2.1 For local intra-switch calls between lines connected to Verizon's switch where Empire has purchased Verizon's unbundled local switching, the Parties agree to impose no call termination charges on each other. Verizon's local switching charge will apply as described below where the call is:
 - 2.1.1 Originated by Empire's customer using Verizon's unbundled local switching and completed to a Verizon customer:
 - (a) (For use of the local switch): local switching charge the originating office will apply to Empire.
 - 2.1.2 Originated by Empire's customer using Verizon's unbundled local switching and completed to the customer of a third party LEC (not affiliated with Empire) using Verizon's unbundled local switching.
 - (a) (For use of the local switch): local switching charge at the originating office will apply to Empire.
 - 2.1.3 Originated by Empire's customer using Verizon's unbundled local switching and completed to another Empire's customer using Verizon's unbundled local switching.
 - (a) (For use of the local switch): local switching charge at the originating office will apply to Empire.
 - 2.1.4 Originated by a Verizon customer and terminated to Empire's customer using Verizon's unbundled local switching.
 - (a) No local switching charge will apply to Empire.
 - 2.1.5 Originated by the customer of a third-party LEC (not affiliated with Empire) using Verizon's unbundled local switching and terminated to Empire's customers using Verizon's unbundled local switching.
 - (a) No local switching charge will apply to Empire.
 - 2.2 For local inter-switch calls where Empire has purchased Verizon's unbundled local switching. Verizon's charges will apply to CLEC as described below where the call is:
 - 2.2.1 Originated from Empire's end-user customer using Verizon's unbundled local switching and completed to a Verizon customer:

- (a) (For use of the local switch): local switching charge at the originating office.
 - (b) A mileage-based transport charge will apply when Empire uses Verizon's transport.
 - (c) Tandem Switching, if applicable.
 - (d) (For call termination): Charges for local interconnection/call termination, when applicable
- 2.2.2 Originated from Empire's customer using Verizon's unbundled local switching and completed to a third-party LEC (not affiliated with Empire) customer using Verizon's unbundled local switching.
- (a) (For use of the local switch): local switching charge at the originating office.
 - (b) A mileage-based transport charge will apply when Empire uses Verizon's transport.
 - (c) Tandem Switching, if applicable.
- 2.2.3 Originated from Empire's customer using Verizon's unbundled local switching and completed to the interconnected network of a third-party LEC (not affiliated with Empire).
- (a) (For use of the local switch): local switching charge at the originating office.
 - (b) A mileage-based transport charge will apply when Empire uses Verizon's transport, and mileage shall be measured between the originating office and the IP of the Third Party's network.
 - (c) Tandem Switching, if applicable.
- 2.2.4 Originated from Empire's customer using Verizon's unbundled local switching and completed to Empire's customer using Verizon's unbundled local switching.
- (a) (For use of the local switch): local switching charge at the originating office.
 - (b) A mileage-based transport charge will apply when Empire uses Verizon's transport.
 - (c) Tandem Switching, if applicable.
 - (d) (For use of the local switch): Local switching charge at the terminating office.
- 2.2.5 Originated by a Verizon customer and terminated to Empire's customer using Verizon's unbundled local switching.

- (a) (For use at local switch): local switching charge at the terminating office.
 - (b) (For call termination): Empire shall charge Verizon for local interconnection/call termination, when applicable.
- 2.2.6 Originated by a customer of a third-party LEC using Verizon's unbundled local switching and terminated to Empire's customer using Verizon's unbundled local switching.
 - (a) (For use of the local switch): local switching charge at the terminating office.
- 2.2.7 Originated by a customer of the interconnected network of a third-party LEC and terminated to Empire's customers using Verizon's unbundled local switching.
 - (a) (For use of the local switch): local switching charge at the terminating office.
- 2.3 For intraLATA toll calls where Empire has purchased Verizon's unbundled local switching, charges shall apply as follows:
 - 2.3.1 Originated by Empire's customer and completed to a Verizon customer:
 - (a) (For use of the local switch): local switching charge at the originating office.
 - (b) Shared transport charge between the two offices will apply when Empire uses Verizon's transport.
 - (c) Tandem Switching, if applicable.
 - (d) (For call termination): End Office Switching charge at the terminating office (Switched Access Rate).
 - 2.3.2 Originated by Empire's customer and completed to the customer of a third-party LEC using Verizon's unbundled local switching in a distant end office.
 - (a) (For use of the local switch): local switching charge at the originating office.
 - (b) Shared transport charge between the two offices will apply when Empire uses Verizon's transport.
 - (c) Tandem Switching, if applicable.
 - 2.3.3 Originated by Empire's customer and completed to the network of a third-party LEC interconnected with Verizon's network.
 - (a) (For use of the local switch): local switching charge at the originating office.

- (b) Common transport charge will apply when Empire uses Verizon's transport, and mileage shall be measured between the originating office and the IP of the Third Party's network.
 - (c) Tandem Switching, where applicable.
- 2.3.4 Originated by Empire's customer and completed by another of Empire's customers being served through Verizon's unbundled local switching in a distant office.
 - (a) (For use of the local switch): local switching charge at the originating office.
 - (b) Shared transport charge between the two offices will apply when Empire uses Verizon's transport.
 - (c) Tandem Switching, if applicable.
 - (d) (For use of the local switch): local switching charge at the terminating office.
- 2.3.5 Originated by a Verizon customer and terminated to Empire's customer using Verizon's unbundled local switching.
 - (a) (For use of the local switch): local switching charge at the terminating office.
 - (b) (For call termination): Empire will charge Verizon local switching at the terminating office.
- 2.3.6 Originated by a customer of a third-party LEC (not affiliated with Empire) using Verizon's unbundled local switching in a distant end office and terminated to Empire's customers using Verizon's unbundled local switching.
 - (a) (For use of the local switch): local switching charge at the terminating office.
- 2.3.7 Originated by a customer of the network of a third-party LEC interconnected with Verizon's network and terminated to Empire's customers using Verizon's unbundled local switching.
 - (a) (For use of the local switch): local switching charge at the terminating office.
- 2.4 For intrastate Switched Access calls where Empire is using Verizon's unbundled local switching for calls originated from or terminated to an IXC for completion:
 - 2.4.1 For calls originated from Empire's customer to an IXC switch for completion.
 - (a) (For use of the local switch): local switching charge at the office.
 - (b) Shared Transport;

- (c) Tandem Switching
 - 2.4.2 For calls terminating to Empire's end-user customer from an IXC switch for completion.
 - (a) (For use of the local switch): local switching charge at the terminating office.
 - (b) Shared Transport;
 - (c) Tandem Switching
- 2.5 For interstate Switched Access calls where Empire is using Verizon's unbundled local switching for calls originated from or terminated to an IXC for completion:
 - 2.5.1 For calls originated from Empire's customer to an IXC switch for completion.
 - (a) (For use of the local switch): local switching charge at the originating office.
 - (b) Shared Transport;
 - (c) Tandem Switching
 - 2.5.2 For calls terminating to Empire's customer from an IXC switch for completion:
 - (a) (For use of the local switch): local switching charge at the terminating office.
 - (b) Shared Transport;
 - (c) Tandem Switching
- 3. Unbundled local switching will be billed on a per minute of use basis and applied to all originating and interswitch terminating traffic, including, but not limited to local, toll, operator services, directory assistance, 911/E-911, 500, 700, 800/888, 900, 950, 976, busy calls, no answer, incomplete. Where non-conversation time cannot be measured, the parties will mutually agree on the appropriate measure and charge. Where measurement of terminating local switching minutes is not available, the number of minutes billed for terminating usage will be equal to the number of originating minutes. The Parties will mutually agree on a method and procedure to periodically sample and validate or adjust the ratio of originating to terminating minutes for billing purposes.

APPENDIX G

COLLOCATION RATES

CAGED COLLOCATION RATES			
Elements	Increment	NRC / MRC	Rate
<u>Non-Recurring Prices</u>			
Engineering Costs			
Engineering/Major Augment Fee	per occurrence	NRC	\$1,169.68
Minor Augment Fee	per occurrence	NRC	\$199.42
Access Card Administration (New/Replacement)	per card	NRC	\$22.88
Site Preparation Charge			
Initial 100 Square Feet	per sq ft	NRC	336.00
Incremental - Over 100 Square Feet	per sq ft	NRC	42.00
Cable Racking - Dedicated			
Engineering	per project	NRC	\$78.19
Installation and Materials - Racking	per linear foot	NRC	\$34.42
Cage Enclosure			
Cable Fencing	per sq. ft. fencing	NRC	\$8.09
Cage Gate	per gate	NRC	\$458.72
Cage Grounding Bar	per bar	NRC	\$1,420.59
DC Power Facility			
Termination	per pwr run	NRC	\$66.56
Power Cable Pull - Labor	per linear foot	NRC	\$11.09
Engineering	per project	NRC	\$78.19
Fiber Cable Pull			
Engineering Costs	per project	NRC	\$606.30
Place Innerduct	per linear foot	NRC	\$1.36
Pull Cable	per linear foot	NRC	\$0.93
Cable Fire Retardant	per occurrence	NRC	\$44.37
Fiber Cable Splice	per fiber	NRC	\$49.33
Facility Pull			
Engineering Costs	per project	NRC	\$33.82
Per Foot Pull (labor)-DSO,DS1,DS3 or Fiber	per linear foot	NRC	\$1.11
Per DSO Cable Termination (Connectorized)	per 100 pr	NRC	\$4.44
Per DS1 Cable Termination (Connectorized)	per 28 pr	NRC	\$1.11
Per DS3 (coaxial) Termination			
Per Termination (Preconnectorized)	per DS3	NRC	\$1.11
Per Termination (Unconnectorized)	per DS3	NRC	\$11.09
BITS Timing			
Engineering Costs	per project	NRC	\$34.93
Material Cost and Pull Shielded Cable	per linear foot	NRC	\$1.25

Monthly Recurring Prices

Cage Floor Space including Shared Access Area	1 sq ft	MRC	\$2.73
Cable Space (Subduct Space)			
Manhole	per project	MRC	\$4.85
Subduct	per linear foot	MRC	\$0.04
DC Power Facility and Utility			
Utility, Power Supply, Fuse Panels and Fuses	40 amps	MRC	\$612.87
Facility Termination			
DSO Cable - Material	per 100 pr.	MRC	\$3.13
DS1 Cable - Material	per 28 pr.	MRC	\$12.34
DS3 Cable - Material	per DS3	MRC	\$16.11
Cable Vault Splice			
Fiber Cable - 48 fiber			
Material	per splice	MRC	\$8.66
Space Utilization in Cable Vault	per subduct	MRC	\$0.82
Fiber Cable - 96 fiber			
Material	per splice	MRC	\$24.66
Space Utilization in Cable Vault	per subduct	MRC	\$0.82
Cable Rack - Common			
Metallic DSO Cable - Space Utilization	per linear foot	MRC	\$0.01
Metallic DS1 Cable - Space Utilization	per linear foot	MRC	\$0.01
Fiber Cable - Space Utilization	per innerduct ft.	MRC	\$0.01
BITS Timing	per port	MRC	\$9.06

CAGELESS COLLOCATION RATES

Elements	Increment	NRC / MRC	Rate
<u>Non-Recurring Prices</u>			
Engineering Costs			
Engineering Fee	per occurrence	NRC	\$1,169.68
Augment/Change Current Svc Arrangements	per occurrence	NRC	\$199.42
Access Card Administration (New/Replacement)	per card	NRC	\$22.88
Cageless Site Preparation Charge	per bay	NRC	4800.00
Cable Racking - Dedicated			
Engineering	per project	NRC	\$78.19
Installation and Materials - Racking	per linear foot	NRC	\$34.42
DC Power Facility			
Termination	per pwr run	NRC	\$66.56
Power Cable Pull - Labor	per linear foot	NRC	\$11.09
Engineering	per project	NRC	\$78.19
Fiber Cable Pull			
Engineering Costs	per project	NRC	\$606.30
Place Innerduct	per linear foot	NRC	\$1.36
Pull Cable	per linear foot	NRC	\$0.93
Cable Fire Retardant	per occurrence	NRC	\$44.37
Fiber Cable Splice	per fiber	NRC	\$49.33
Facility Pull			
Engineering Costs	per project	NRC	\$33.82
Per Foot Pull (labor)-DSO,DS1,DS3 or Fiber	per linear foot	NRC	\$1.17
Per DSO Cable Termination (Connectorized)	per 100 pr	NRC	\$4.44
Per DS1 Cable Termination (Connectorized)	per 28 pr	NRC	\$1.17
Per DS3 (coaxial) Termination			
Per Termination (Preconnectorized)	per DS3	NRC	\$1.17
Per Termination (Unconnectorized)	per DS3	NRC	\$11.09
BITS Timing			
Engineering Costs	per project	NRC	\$34.93
Material Cost and Pull Shielded Cable	per linear foot	NRC	\$1.25
<u>Monthly Recurring Prices</u>			
Relay Rack Floor Space including Shared Access Area	per linear foot	MRC	\$11.59
Cabinet Floor Space including Shared Access Area	per linear foot	MRC	\$15.68
Cable Space			
Subduct Space			
Manhole	per project	MRC	\$4.88
Subduct	per linear foot	MRC	\$0.04
DC Power Facility and Utility			
Utility, Power Supply, Fuse Panels and Fuses	40 amps	MRC	\$612.87
Facility Termination			
DSO Cable - Material	per 100 pr.	MRC	\$3.13
DS1 Cable - Material	per 28 pr.	MRC	\$12.34
DS3 Cable - Material	per DS3	MRC	\$16.17

Cable Vault Splice

Fiber Cable - 48 fiber

Material

per splice

MRC

\$8.66

Space Utilization in Cable Vault

per subduct

MRC

\$0.82

Fiber Cable - 96 fiber

Material

per splice

MRC

\$24.66

Space Utilization in Cable Vault

per subduct

MRC

\$0.82

Cable Rack - Common

Metallic DSO Cable - Space Utilization

per linear foot

MRC

\$0.07

Metallic DS1 Cable - Space Utilization

per linear foot

MRC

\$0.07

Fiber Cable - Space Utilization

per innerduct
ft.

MRC

\$0.07

BITS Timing

per port

MRC

\$9.06

ADJACENT COLLOCATION RATES

Elements	Increment	NRC / MRC	Rate
<u>Non-Recurring Prices</u>			
Engineering Fee	per occurrence	NRC	\$958.00
Fiber Cable Pull			
Engineering Costs	per project	NRC	\$606.30
Place Innerduct	per linear foot	NRC	\$1.36
Pull Cable	per linear foot	NRC	\$0.93
Cable Fire Retardant	per occurrence	NRC	\$44.37
Metallic Cable Pull			
Engineering Costs	per project	NRC	\$606.30
Pull Cable	per linear foot	NRC	\$1.05
Cable Fire Retardant	per occurrence	NRC	\$44.37
Cable Splice			
Metallic DSO, DS1 or Fiber			
Engineering Costs	per project	NRC	\$30.32
Splicing (greater than 200 pair)	per DSO/DS1 pair	NRC	\$1.38
Splicing (less than 200 pair)	per DSO/DS1 pair	NRC	\$1.38
Splicing Fiber Cable	per fiber	NRC	\$49.33
Facility Pull			
Engineering Costs	per project	NRC	\$33.82
Per Foot Pull (labor)-DSO,DS1,DS3 or Fiber	per linear foot	NRC	\$1.11
Per DSO Cable Termination			
Per Termination (C)	per 100 pr	NRC	\$4.44
Per Termination (UC)	per 100 pr	NRC	\$44.37
Per DS1 Cable Termination			
Per Termination (C)	per 28 pr	NRC	\$1.11
Per Termination (UC)	per 28 pr	NRC	\$33.28
Per DS3 (coaxial) Termination			
Per Termination (Preconnectorized)	per DS3	NRC	\$1.11
Per Termination (Unconnectorized)	per DS3	NRC	\$11.09
Per Fiber Cable Termination			
Per Termination	per fiber	NRC	\$49.33
BITS Timing			
Engineering Costs	per project	NRC	\$34.93
Material Cost and Pull Shielded Cable	per linear foot	NRC	\$1.25

Monthly Recurring Prices

Cable Space

Subduct Space

Manhole	per project	MRC	\$4.89
Subduct	per linear foot	MRC	\$0.04

Conduit Space - 4" Duct - Metallic Cable

Manhole	per project	MRC	\$8.84
Conduit	per linear foot	MRC	\$0.05

Facility Termination

DSO Cable - Material	per 100 pr.	MRC	\$3.13
DS1 Cable - Material	per 28 pr.	MRC	\$12.34
DS3 Cable - Material	per DS3	MRC	\$16.11

Cable Vault Splice

Metallic DSO Cable per 1200 pair

Material	per splice	MRC	\$449.44
Space Utilization in Cable Vault	per cable	MRC	\$3.00

Metallic DSO Cable per 900 pair

Material	per splice	MRC	\$329.12
Space Utilization in Cable Vault	per cable	MRC	\$2.75

Metallic DSO Cable per 600 pair

Material	per splice	MRC	\$218.79
Space Utilization in Cable Vault	per cable	MRC	\$1.94

Metallic DS1 Cable

Material	per splice	MRC	\$45.54
Space Utilization in Cable Vault	per cable	MRC	\$0.44

Fiber Cable - 48 fiber

Material	per splice	MRC	\$8.66
Space Utilization in Cable Vault	per subduct	MRC	\$0.82

Fiber Cable - 96 fiber

Material	per splice	MRC	\$24.66
Space Utilization in Cable Vault	per subduct	MRC	\$0.82

Cable Rack - Common

Metallic DSO Cable - Space Utilization	per linear foot	MRC	\$0.01
Metallic DS1 Cable - Space Utilization	per linear foot	MRC	\$0.01
Fiber Cable - Space Utilization	per innerduct ft.	MRC	\$0.01

BITS Timing

	per port	MRC	\$9.06
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MISCELLANEOUS COLLOCATION RATES
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Elements	Increment	NRC / MRC	Rate
Labor:			
Overtime Installation Labor	per rates below		
Overtime Repair Labor	per rates below		
Additional Installation Testing Labor	per rates below		
Standby Labor	per rates below		
Testing & Maintenance with Other Telcos, Labor	per rates below		
Other Labor	per rates below		
Labor Rates:			
Basic Time, Business Day, Per Technician			
First Half Hour or Fraction Thereof		NRC	\$42.76
Each Additional Half Hour or Fraction Thereof		NRC	\$21.38
Overtime, Outside the Business Day			
First Half Hour or Fraction Thereof		NRC	\$100.00
Each Additional Half Hour or Fraction Thereof		NRC	\$75.00
Prem.Time,Outside Business Day, Per Tech			
First Half Hour or Fraction Thereof		NRC	\$150.00
Each Additional Half Hour or Fraction Thereof		NRC	\$125.00
Verizon Provided Cable Rates:			
Facility Cable			
DS-O Cable (Connectorized) 100 pair	100 ft.	NRC	\$157.69
DS-1 Cable (Connectorized)	100 ft.	NRC	\$165.77
DS-3 Coax Cable	per linear foot	NRC	\$0.42
Shielded Cable (Orange jacket)	per linear foot	NRC	\$0.16
Power Cable			
Wire Power 1/0	per linear foot	NRC	\$0.77
Wire Power 2/0	per linear foot	NRC	\$1.11
Wire Power 3/0	per linear foot	NRC	\$1.24
Wire Power 4/0	per linear foot	NRC	\$1.52
Wire Power 350 MCM	per linear foot	NRC	\$2.60
Wire Power 500 MCM	per linear foot	NRC	\$3.63
Wire Power 750 MCM	per linear foot	NRC	\$5.58
Wire Ground #6	per linear foot	NRC	\$0.15
Collocation Space Report	per premise	NRC	\$1,637.25

APPENDIX 49A

AMENDMENT TO CERTAIN RATES, TERMS AND CONDITIONS
AT&T TERMS

State of KENTUCKY

Pursuant to Article III Section 49 of this Agreement and subject to all of the terms and conditions thereof, the attached AT&T Terms referred to in Section 49 and attached herein as pages 49A-2 through 49A-12 will be substituted for the Verizon Terms which are set out in Appendix 49B.

Attachment 1 to Amendment 49A
Amendment to Certain Rates, Terms and Conditions
AT&T/GTE TERMS
State of KENTUCKY
From the Main Section of the AT&T/GTE Arbitrated Agreement

25.3 Restrictions on Resale. To the extent consistent with the applicable rules and regulations of the FCC and the Commission, AT&T may resell all GTE Local Services as defined in GTE's tariffs. The following restrictions shall apply to the resale of Local Services, as described in Section 24 of this Agreement by AT&T: (i) AT&T shall not resell residential services to non-residential end users; (ii) AT&T shall not resell means-tested services such as Lifeline to customers who do not meet the required means test; and (iii) AT&T shall comply with the continuous property restriction applicable to Shared Tenant Services.

Attachment 2 to Amendment 49A
Amendment to Certain Rates, Terms and Conditions
AT&T/GTE Pricing Agreement

State of KENTUCKY

Prices for Unbundled Network Elements

Beginning with the Effective Date of this Agreement, Network Elements and-Combinations will be priced in accordance with the standards and prices described in this Appendix.

The prices listed in Appendix 2 to this Attachment 14 are interim and are subject to true-up provisions and further order of the Commission pending submission of cost studies by GTE. The application of any intrastate or interstate access charges to Network Elements is interim and transitional pending Commission consideration of any Universal Service funding requirements.

The prices listed in this Appendix 2 will remain in effect for the Initial Contract Period unless and until amended pursuant to the pricing orders applicable to Network Elements and Combinations provided by GTE to AT&T in this State. Upon expiration of the Initial Contract Period and upon written notice by a Party, the Parties agree to renegotiate any or all of the prices, subject to the then applicable pricing standards established in accordance with Applicable Law.

Attachment 2 to Amendment 49A
Amendment to Certain Rates, Terms and Conditions
Annex 1 to Attachment 14
AT&T/GTE Pricing Agreement

State of KENTUCKY

Summary of PSC Prices for Network Elements

	<u>Rates</u>
<u>Unbundled Loops</u>	
2-Wire Analog Loop	\$19.65
4-Wire Analog Loop	\$27.51
<u>Network Interface Device</u>	
Basic NID	\$1.86
12x NID	\$2.00
<u>Local Switching</u>	
Originating MOU	
Setup	\$0.0088173
per MOU	\$0.0012553
Average MOU	\$0.0036192
Terminating MOU	
Setup	\$0.0073541
per MOU	\$0.0012560
Average MOU	\$0.0032276
Ports	
2-wire Analog Port	\$4.02
DS-1 Port	\$60.06
<u>Intrastate End Office Switching:</u>	
Originating MOU	
Setup	\$0.0088173
per MOU	\$0.0012553
Average MOU	\$0.0036192
Terminating MOU	
Setup	\$0.0073541
per MOU	\$0.0012560
Average MOU	\$0.0032276
Interconnection Charge Intrastate - per MOU	\$0.0078026

	<u>Rates</u>
Carrier Common Line	
Intrastate	
Originating	\$0.0318779
Terminating	\$0.0318779
<u>Interstate End Office Switching:</u>	
Originating MOU	
Setup	\$0.0088173
per MOU	\$0.0012553
Average MOU	\$0.0036192
Terminating MOU	
Setup	\$0.0073541
per MOU	\$0.0012560
Average MOU	\$0.0032276
Interconnection Charge Interstate - per MOU	\$0.0079315
Carrier Common Line Interstate	
Originating	\$0.0100000
Terminating	\$0.0195150
Features Various	Resale Tariff
<u>Local Interconnection</u>	
A. Bill and Keep +/- 10% Traffic B. Out of Balance Terminating Traffic Average MOU	Interim \$0.0032276
<u>Dedicated Transmission Links</u>	
Entrance Facility:	
2 Wire Voice	\$31.14
4 Wire Voice	\$44.01
DS1 Standard 1st System	\$145.20
DS1 Standard Add'l System	\$145.20
DS3 Protected, Electrical	\$908.83
DS1 to Voice Multiplexing	\$175.00
DS3 to DS1 Multiplexing	\$256.85
Direct Trunked Transport:	
Voice Facility per ALM	\$2.52
DS1 Facility per ALM	\$1.39
DS1 Per Termination	\$31.83
DS3 Facility per ALM	\$33.02
DS3 Per Termination	\$306.99

	<u>Rates</u>
<u>Common Transmission Facilities</u>	
Transport Termination Average MOU/Term	\$.0000726
Transport Facility per Mile Average MOU/Mile	\$.0000031
<u>Tandem Switching</u>	
Setup	\$0.0011286
per MOU	\$0.0005183
Average MOU	\$0.0008209
<u>Database and Signaling Systems</u>	
Signaling Links and STP 56 Kbps Links	\$83.91
DS-1 Link	\$145.20
Signal Transfer Point (STP) Port Termination	\$240.97
Call Related Databases:	
Line Information Database ABS - Queries	\$0.039
ABS Transport - Queries	\$0.0051
Toll Free Calling Databases DB800 Queries	\$0.010909
Service Provider Number Portability	Each Carrier Bears Own Costs*
<u>Other Network Elements</u>	
Operator Services	Under Study
Directory Assistance	Under Study
Subscriber Numbers	Under Study
<p>* Each party shall bear its own costs with respect to interim service provider number portability pursuant to the Commission's Orders in Case No. 96-478 and Case No. 96-440. Neither party waives its right to assert and pursue claims that the Commission's determinations on issues related to this Agreement including, but not limited to pricing of GTE's services, do not comport with the requirements of the Act. To the extent Applicable Law revises the Commission's Orders with regard to number portability charges in either Case No. 96-478 or 96-440 the parties shall abide by such decisions.</p>	

Summary of PSC Non-recurring Prices for Unbundled Services

<u>Network Local Interconnection/Element</u>	<u>Non-recurring Charge</u>
Service Ordering (loop or port)	
Initial Service Order, per order	\$51.84
Transfer of Services Charge, per order	\$17.41
Subsequent Service Order, per order	\$26.37
Customer Service Record Research, per order	\$5.65
Installation	
Unbundled Loop, per order	\$10.64
Unbundled Port, per port	\$10.64
Loop Facility Charge, per order*	\$69.59
*The Loop Facility Charge will apply when field work is required for establishment of a new unbundled loop service.	

Attachment 4 to Amendment 49A

Amendment to Certain Rates, Terms and Conditions
From Attachment 14
AT&T/GTE Pricing Agreement

State of KENTUCKY

Reciprocal Compensation

1. **Scope.**

This Appendix prescribes the methods and means for reciprocal compensation of interconnect traffic between GTE's and AT&T's networks as well as transiting traffic between AT&T and third party LECs or ILECs.

2. **Interconnecting Local Traffic.**

Compensation for exchange of Local Traffic will be paid on a Bill and Keep basis.

3. **Transiting Traffic.**

AT&T shall pay to GTE a Transiting Service Charge for the use of its Tandem Switching as described in Annex 1 to this Appendix 4.

4. **BLV/BLVI Traffic.**

Each party shall charge the other for BLV/BLVI Services on a reciprocal basis as provided in Section 21 of this Agreement.

Attachment 4 to Amendment 49A
Amendment to Certain Rates, Terms and Conditions
Annex 1 from Attachment 14
AT&T/GTE Pricing Agreement
State of KENTUCKY

Prices for Reciprocal Compensation (Transiting Traffic)

The prices listed in this Annex will remain in effect for the Initial Contract Period unless amended pursuant to pricing orders applicable to the services provided to each other by AT&T and GTE listed in this Appendix 4. Upon expiration of the Initial Contract Period, upon written notice by a Party, the Parties agree to renegotiate any or all of the prices, subject to the then applicable pricing standards established in accordance with Applicable Law. A Party may deliver only one request to renegotiate during a Contract Year. If the Parties are unable to agree upon revised prices within sixty (60) days of the request to renegotiate, a Party may invoke the Dispute resolution procedures. Until such time as the revised prices are agreed to, or established by the decision of the Arbitrator in the dispute resolution procedure, the prices described in this Annex will continue to remain in effect.

Dedicated transport - \$0.0000726/Termination

Common transport - \$0.0000031/Mile

End Office Switching - \$0.0032276/MOU

Tandem Switching - \$0.0008209/MOU

Transiting Service Charge - Tandem Switching Rate of \$0.0008209 per minute plus applicable Transport Access Rates

Attachment 5 to Amendment 49A
Amendment to Certain Rates, Terms and Conditions
From Attachment 14
AT&T/GTE Pricing Agreement
State of KENTUCKY

Prices for Local Number Portability

Each party shall bear its own costs for providing interim number portability options.

Attachment 6 to Amendment 49A
Amendment to Certain Rates, Terms and Conditions
From Attachment 14
AT&T/GTE Pricing Agreement
State of KENTUCKY
Prices for Trunking Interconnection

The prices listed in this Appendix are not subject to change for the Initial Contract Period. Upon expiration of the Initial Contract Period, upon written notice by a Party, the Parties agree to renegotiate any or all of the prices, subject to the then applicable pricing standards established in accordance with Applicable Law.

Dedicated Transport Rates

AT&T Dedicated Transport

See Appendix 2 - Annex 1 to this Attachment 14

GTE Dedicated Transport -

See Appendix 2 - Annex 1 to this Attachment 14

Attachment 9 to Amendment 49A
Amendment to Certain Rates, Terms and Conditions
From Attachment 14
AT&T/GTE Pricing Agreement
State of KENTUCKY

Treatment of ESP/ISP Traffic

The Parties have not agreed as to how ESP/ISP Traffic should be exchanged between the Parties and whether and to what extent compensation is due either Party for exchange of such traffic. GTE's position is that the FCC cannot divest itself of rate setting jurisdiction over such traffic, that such traffic is interstate and subject to Part 69 principles, and that a specific interstate rate element should be established for such traffic. AT&T's position is that ESP/ISP traffic should be treated as local for the purposes of inter-carrier compensation and should be compensated on the same basis as voice traffic between end users. The FCC has issued a NPRM on prospective treatment of ESP/ISP traffic. Nevertheless, without waiving any of its rights to assert and pursue its position on issues related to ESP/ISP Traffic, each Party agrees that until the FCC enters a final, binding, and nonappealable order ("Final FCC Order"), the Parties shall exchange and each Party may track ESP/ISP Traffic but no compensation shall be owed for ESP/ISP Traffic exchanged between the Parties and neither Party shall bill the other for such traffic. At such time as a "Final FCC Order" becomes applicable, the Parties shall meet to discuss implementation of the Order and shall make adjustments to reflect the impact of the Order. This agreement to leave issues related to ESP/ISP Traffic unresolved until after the Final FCC Order becomes applicable and in the interim to not compensate for ESP/ISP Traffic, shall in no manner whatsoever establish any precedent, waiver, course of dealing or in any way evidence either Parties' position or intent with regard to exchange and/or compensation of ESP/ISP Traffic, each party reserving all its rights with respect to these issues.

APPENDIX 49B
AMENDMENT TO CERTAIN RATES, TERMS AND CONDITIONS
VERIZON TERMS

Pursuant to Article III, Section 49 of this Agreement, the following terms shall be applied in place of the terms in Appendix 49A (AT&T Terms) in the event the terms from the selected arbitrated agreement are deemed to be unlawful, or are stayed or enjoined by a court or commission of competent jurisdiction.

The Interconnection Rates in Appendix A will apply.

The Interim Number Portability Rates in Appendix B will apply.

The Unbundled Network Element rates in Appendix D will apply.