

## **Agreement Between BellSouth Telecommunications, Inc. and Network One, Inc. Regarding The Sale of BellSouth Telecommunications Services to Network One For The Purposes of Resale**

**THIS AGREEMENT** is by and between **BellSouth Telecommunications, Inc.**, (“BellSouth or Company”), a Georgia corporation, and CRG International, Inc. D/B/A Network One (“Network One or Reseller”), a Georgia Corporation, and shall be deemed effective as of November 13, 1997.

### **WITNESSETH**

**WHEREAS**, BellSouth is a local exchange telecommunications company authorized to provide telecommunications services in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee; and

**WHEREAS**, Network One is or seeks to become an alternative local exchange telecommunications company authorized to provide local exchange telecommunications services in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee; and

**WHEREAS**, Network One desires to resell BellSouth’s telecommunications services; and

**WHEREAS**, BellSouth has agreed to provide such services to Network One for resale purposes and pursuant to the terms and conditions set forth herein;

**NOW, THEREFORE**, for and in consideration of the mutual premises and promises contained herein, BellSouth and Network One do hereby agree as follows:

#### **I. Term of the Agreement**

**A.** The term of this Agreement shall be two years beginning November 13, 1997 and shall apply to all of BellSouth’s serving territory as of January 1, 1997 in the state(s) of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee; and

**B.** This Agreement shall be automatically renewed for two additional one year periods unless either party indicates its intent not to renew, change, and/or amend the Agreement. Notice of such intent must be provided, in writing, to the other party no later than 60 days prior to the end of the then-existing contract period. The rates, prices, charges, terms and conditions of this Agreement shall remain in effect after the term of the existing agreement has expired and while a new agreement is being negotiated.

**C.** The rates pursuant by which Network One is to purchase services from BellSouth for resale shall be at a discount rate off of the retail rate for the telecommunications service. The discount rates shall be as set forth in Exhibit A, attached hereto and incorporated herein by this reference.

#### **II. Definition of Terms**

2.01. **ACT** - means the Telecommunications Act of 1996, Public Law 104-104 of the 104th United States Congress effective February 8, 1996.

- 2.02. ALTERNATE LOCAL EXCHANGE CARRIER (ALEC) - means any alternative local telecommunications company authorized to provide telecommunications services or exchange services.
- 2.03. COMMISSION - any state administrative agency to which the United States Congress or any state legislative body has delegated any authority to supervise or regulate the operations of Local Exchange Carriers pursuant to the Act or state constitution or statute such as a Public Service Commission, or Public Utilities Commission.
- 2.04. CUSTOMER OF RECORD (CUSTOMER) - means the entity responsible for placing application for service; requesting additions, rearrangements, maintenance or discontinuance of service; payment in full of charges incurred such as non-recurring, monthly recurring, toll, directory assistance, etc.
- 2.05. DEPOSIT means assurance provided by a customer in the form of cash, surety bond or bank letter of credit to be held by the Company.
- 2.06. END USER means the ultimate user of the telecommunications services.
- 2.07. END USER CUSTOMER LOCATION means the physical location of the premises where an end user makes use of the telecommunications services.
- 2.08. EXCHANGE SERVICE - the definition of telephone exchange service found at Section 3 (1) (A) / (B) of the Act which shall be interpreted to include any services, regardless of whether wireline or wireless, offered to end users which provides the end user with a telephonic connection to, and a unique telephone number address on, the public switched telecommunications network, and which enables such end user to generally place calls to, or receive calls from, other stations on the public switched telecommunications network. Exchange Service includes basic residential and business line service, PBX trunk line service, pay phone access line service, Centrex line service and ISDN line services. Exchange Service does not include Private Line, and Exchange Special Access Service.
- 2.09. LOCAL ACCESS AND TRANSPORT AREA (LATA) - as defined by the Act, means a contiguous geographic area - (A) established before the date of enactment of the Act by a BellSouth operating company such that no exchange area includes points within more than one (1) metropolitan statistical area, consolidated metropolitan statistical area, or state, except as expressly permitted under the AT&T consent decree; or (B) established or modified by a BellSouth operating company after such date of enactment and approved by the Commission.
- 2.10. LOCAL EXCHANGE CARRIER (LEC) - means any person or entity engaged in the provision of Exchange Service or Exchange Access. For purposes of this Agreement, BellSouth is the incumbent LEC.
- 2.11. LOCAL TRAFFIC - means any telephone call that originates and terminates in the same LATA and is billed by the originating party as a local call, including any call terminating in an exchange outside of BellSouth's service area with respect to which BellSouth has a local interconnection agreement with an independent LEC, with which the Companies are not directly interconnected.

- 2.12. NEW SERVICES means functions, features or capabilities that are not currently offered by BellSouth. This includes packaging of existing services or combining a new function, feature or capability with an existing service.
- 2.13. OTHER LOCAL EXCHANGE COMPANY (OLEC) means a telephone company certified by the public service commissions of the Company's franchised area to provide local exchange service within the Company's franchised area.
- 2.14. RESALE means an activity wherein a certified OLEC, such as Reseller subscribes to the telecommunications services of the Company and then offers those telecommunications services to the public (with or without "adding value").
- 2.15. RESALE SERVICE AREA means the area, as defined in a public service commission approved certificate of operation, within which an OLEC, such as Reseller, may offer resold local exchange telecommunications service.
- 2.16. TELECOMMUNICATIONS SERVICE - is As Defined by the Act
- 2.17. TOLL FREE SERVICE - means service provided with any dialing sequence that invokes toll-free service provisioning. Toll Free Service includes calls to the Toll Free Service 800/888 NPA SAC codes.

### **III. General Provisions**

**A.** The parties intend for the provisions contained in this section regarding BellSouth's telecommunications services available for resale to comply with the requirements of sections 251, 252, and 271 of the Act.

**B.** Reseller may resell the tariffed local exchange and toll telecommunications services of BellSouth contained in the General Subscriber Service Tariff and Private Line Service Tariff subject to the terms, and conditions specifically set forth herein. Notwithstanding the foregoing, the exclusions and limitations on services available for resale will be as set forth in Exhibit B, attached hereto and incorporated herein by this reference.

**C.** BellSouth shall make available telecommunications services for resale at a discount rate off the retail for said telecommunications services. The discount rates shall be as set forth in Exhibit A to this agreement, subject to the exclusions and limitations set forth in Exhibit B to this Agreement, and incorporated herein by this reference. Such discounts shall reflect the costs avoided by BellSouth when selling a service for wholesale purposes. In the event that any final and nonappealable legislative, regulatory, judicial or other legal action materially affects any material terms of this Agreement, or the ability of Network One or BellSouth to perform any material terms of this Agreement, Network One or BellSouth may, on thirty (30) days' written notice require that such terms be renegotiated, and the Parties shall renegotiate in good faith such mutually acceptable new terms as may be required. In the event that such new terms are not renegotiated within ninety (90) days after such notice, the Dispute shall be referred to the dispute resolution procedure set forth in Section XII.

**D.** The provision of services by the Company to Network One does not constitute a joint undertaking for the furnishing of any service.

**E.** Network One will be the customer of record for all services purchased from BellSouth. Except as specified herein, the Company will take orders from, bill and expect payment from Network One for all services.

**F.** Network One will be the Company's single point of contact for all services purchased pursuant to this Agreement including all ordering activities and repair calls. The Company shall have no contact with the end user except to the extent provided for herein.

**G.** BellSouth will continue to bill the end user for any services that the end user specifies it wishes to receive directly from the BellSouth.

**H.** BellSouth maintains the right to serve directly any end user within the service area of Network One. BellSouth will continue to directly market its own telecommunications products and services and in doing so may establish independent relationships with end users of Network One.

**I.** Neither Party shall interfere with the right of any person or entity to obtain service directly from the other Party.

**J.** Telephone numbers are the property of BellSouth and are assigned to the service furnished. Network One has no property right to the telephone number or any other call number designation associated with services furnished by BellSouth, and no right of continuance of service through a particular central office. BellSouth reserves the right to change such numbers, or the central office designation associated with such numbers, or both, whenever BellSouth deems it necessary to do so in the conduct of its business. In the implementation of such changes BellSouth agrees to make available to Network One the same capabilities as offered to its own customers or other OLEC's.

**K.** The Company may provide any service or facility for which a charge is not established herein, as long as it is offered on the same terms to Network One. All applicable discounts will apply.

**L.** The parties agree that services are subject to the condition that they will not be used for any unlawful purpose.

**M.** Service will be discontinued if any law enforcement agency advises that the service being used is in violation of the law.

**N.** BellSouth can refuse service when it has grounds to believe that service will be used in violation of the law.

**O.** BellSouth accepts no responsibility to any person for any unlawful act committed by Network One or its end users as part of providing service to Network One for purposes of resale or otherwise.

**P.** BellSouth will cooperate fully with law enforcement agencies with subpoenas and court orders for assistance with BellSouth's customers. Law enforcement agency subpoenas and court orders regarding end users of Network One will be directed to Network One. BellSouth will bill Network One for implementing any requests by law enforcement agencies regarding Network One's end users.

**Q.** The characteristics and methods of operation of any circuits, facilities or equipment provided by any person or entity other than BellSouth shall not:

1. Interfere with or impair service over any facilities of BellSouth, its affiliates, or its connecting and concurring carriers involved in its service;
2. Cause damage to their plant;
3. Impair the privacy of any communications; or
4. Create hazards to any employees or the public.

**R.** Network One assumes the responsibility of notifying the Company regarding less than standard operations with respect to services provided by Network One.

**S.** Facilities and/or equipment utilized by BellSouth to provide service to Network One shall remain the property of BellSouth.

**T.** White page directory listings will be provided in accordance with regulations set forth in Section A6 of the General Subscriber Service Tariff and will be available for resale.

**U.** BellSouth will provide customer record information to Network One provided Network One has the appropriate Letter(s) of Authorization. BellSouth may provide customer record information via one of the following methods: US mail, fax, or by electronic interface. BellSouth will provide customer record information via US mail or fax on an interim basis only.

**V.** Network One agrees to compensate BellSouth for all BellSouth incurred expenditures associated with providing customer record information to Network One. Network One will adopt and adhere to the BellSouth guidelines associated with each method of providing customer record information.

**W.** BellSouth's messaging services may be made available for resale subject to the execution of BellSouth's Messaging Agreement and without the wholesale discount.

**X.** BellSouth's Inside Wire Maintenance Plans may be made available for resale at rates, terms and conditions as set forth by BellSouth and without the wholesale discount.

#### **IV. BellSouth's Provision of Services to Network One**

**A.** Network One agrees that its resale of BellSouth services shall be as follows:

1. The resale of telecommunications services shall be limited to users and uses conforming to the class of service restrictions.

2. To the extent Network One is a telecommunications carrier that serves greater than 5 percent of the Nation's presubscribed access lines, Network One shall not jointly market interLATA services with the telecommunications services purchased from BellSouth pursuant to this Agreement in any of the states covered under this Agreement. For the purposes of this subsection, to jointly market means any advertisement, marketing effort or billing in which the telecommunications services purchased from BellSouth for purposes of resale to customers and interLATA services offered by Network One are packaged, tied, bundled, discounted or offered together in any way to the end user. Such efforts include, but are not limited to, sales referrals, resale arrangements, sales agencies or billing agreements. This subsection shall be void and of no effect for a particular state covered under this Agreement as of February 8, 1999 or on the date BellSouth is authorized to offer interLATA services in that state, whichever is earlier.

3. Hotel and Hospital PBX service are the only telecommunications services available for resale to Hotel/Motel and Hospital end users, respectively. Similarly, Access Line Service for Customer Provided Coin Telephones is the only local service available for resale to Independent Payphone Provider (IPP) customers. Shared Tenant Service customers can only be sold those telecommunications services available in the Company's A23 Shared Tenant Service Tariff.

4. Network One is prohibited from furnishing both flat and measured rate service on the same business premises to the same subscribers (end users) as stated in A2 of the Company's Tariff except for backup service as indicated in the applicable state tariff Section A3.

5. If telephone service is established and it is subsequently determined that the class of service restriction has been violated, Network One will be notified and billing for that service will be immediately changed to the appropriate class of service. Service charges for changes between class of service, back billing, and interest as described in this subsection shall apply at the Company's sole discretion. Interest at a rate as set forth in Section A2 of the General Subscriber Service Tariff and Section B2 of the Private Line Service Tariff for the applicable state, compounded daily for the number of days from the back billing date to and including the date that Network One actually makes the payment to the Company may be assessed.

6. The Company reserves the right to periodically audit services purchased by Network One to establish authenticity of use. Such audit shall not occur more than once in a calendar year. Network One shall make any and all records and data available to the Company or the Company's auditors on a reasonable basis. The Company shall bear the cost of said audit.

**B.** Network One services can only be used in the same manner as specified in BellSouth's Tariff. Resold services are subject to the same terms and conditions as are specified for such services when furnished to an individual end user of the Company in the appropriate section of the BellSouth's Tariffs. Specific tariff features, e.g. a usage allowance per month, shall not be aggregated across multiple resold services. Resold services cannot be used to aggregate traffic from more than one end user customer except as specified in Section A23. of the Company's Tariff referring to Shared Tenant Service.

**C.** Network One may resell services only within the specific resale service area as defined in its certificate.

**D.** Telephone numbers transmitted via any resold service feature are intended solely for the use of the end user of the feature. Resale of this information is prohibited.

**E.** No patent, copyright, trademark or other proprietary right is licensed, granted or otherwise transferred by this Agreement. Network One is strictly prohibited from any use, including but not limited to sales, marketing or advertising, of any BellSouth name or trademark.

## **V. Maintenance of Services**

**A.** Network One will adopt and adhere to the standards contained in the applicable BellSouth Work Center Interface Agreement regarding maintenance and installation of service.

**B.** Services resold under BellSouth's Tariffs and facilities and equipment provided by the Company shall be maintained by BellSouth.

**C.** Network One or its end users may not rearrange, move, disconnect, remove or attempt to repair any facilities owned by BellSouth, other than by connection or disconnection to any interface means used, except with the written consent of BellSouth.

**D.** Network One accepts responsibility to notify BellSouth of situations that arise that may result in a service problem.

**E.** Network One will be BellSouth's single point of contact for all repair calls on behalf of Network One's end users. The parties agree to provide one another with toll-free contact numbers for such purposes.

**F.** Network One will contact the appropriate repair centers, on a toll free basis, in accordance with procedures established by BellSouth.

**G.** For all repair requests, Network One accepts responsibility for adhering to BellSouth's prescreening guidelines prior to referring the trouble to BellSouth.

**H.** The Company will bill Network One for handling troubles that are found not to be in the Company's network pursuant to its standard time and material charges. The standard time and material charges will be no more than what BellSouth charges to its wholesale customers and other OLEC's for the same services.

**I.** The Company reserves the right to contact Network One's customers, if deemed necessary, for maintenance purposes. BellSouth shall have no other contact with the end user except to the extent provided herein.

**J.** Repair Services provided by BellSouth to Network One's customers under this agreement shall comply with the quality and/or time requirements as provided to other OLEC's and governed by applicable government agencies including but not limited to PSC, FCC standards and laws.

## **VI. Establishment of Service**

**A.** After receiving certification as a local exchange company from the state regulatory agency, Network One will provide the appropriate Company service center the necessary documentation to enable the Company to establish a master account for Network One. Such documentation shall include the Application for Master Account, proof of authority to provide telecommunications services, an Operating Company Number ("OCN") assigned by the National Exchange Carriers Association ("NECA") and a tax exemption certificate, if applicable. When necessary deposit requirements are met, BellSouth will begin taking orders for the resale of service.

**B.** Service orders will be in a standard format designated by BellSouth.

**C.** Service Order record information may be provided by one of the following methods: US mail, fax, or by electronic interface. US mail and fax will be used on an interim basis only.

**D.** When notification is received from Network One that a current customer of BellSouth will subscribe to Network One's service, standard service order intervals for the appropriate class of service will apply.

**E.** The Company will not require end user confirmation prior to establishing service for Reseller's end user customer. Reseller must, however, be able to demonstrate end user authorization upon request.

**F.** Network One will be the single point of contact with BellSouth for all subsequent ordering activity resulting in additions or changes to resold services except that BellSouth will accept a request directly from the end user for conversion of the end user's service from Network One to BellSouth or will accept a request from another OLEC for conversion of the end user's service from the Network One to the other LEC. BellSouth will notify Network One that such a request has been processed.

**G.** If BellSouth determines that an unauthorized change in local service to Network One has occurred, BellSouth will reestablish service with the appropriate local service provider and will assess Network One as the OLEC initiating the unauthorized change, the unauthorized change charge described in F.C.C. Tariff No. 1, Section 13. Appropriate nonrecurring charges, as set forth in Section A4. of the General Subscriber Service Tariff, will also be assessed to Network One. These charges can be adjusted if Network One provides satisfactory proof of authorization.

**H.** BellSouth may, in order to safeguard its interest, require Network One to make a deposit to be held by BellSouth as a guarantee of the payment of rates and charges, unless satisfactory credit has already been established. Any such deposit may be held during the continuance of the service as security for the payment of any and all amounts accruing for the service.

**I.** Such deposit may not exceed two months' estimated billing.



**J.** The fact that a deposit has been made in no way relieves Network One from complying with BellSouth's regulations as to advance payments and the prompt payment of bills on presentation nor does it constitute a waiver or modification of the regular practices of BellSouth providing for the discontinuance of service for non-payment of any sums due BellSouth.

**K.** BellSouth reserves the right to increase the deposit requirements when, in its sole judgment, the conditions justify such action.

**L.** In the event that Network One defaults on its account, service to Network One will be terminated and any deposits held will be applied to its account.

**M.** In the case of a cash deposit, interest at a rate as set forth in the appropriate BellSouth tariff shall be paid to Network One during the continuance of the deposit. Interest on a deposit shall accrue annually and, if requested, shall be annually credited to Network One by the accrual date.

## **VII. Payment And Billing Arrangements**

**A.** When the initial service is ordered by Network One, BellSouth will establish an accounts receivable master account for Network One.

**B.** BellSouth shall bill Network One on a current basis all applicable charges and credits.

**C.** Payment of all charges will be the responsibility of Network One. Network One shall make payment to BellSouth for all services billed. BellSouth is not responsible for payments not received by Network One from Network One's customer. BellSouth will not become involved in billing disputes that may arise between Network One and its customer. Payments made to BellSouth as payment on account will be credited to an accounts receivable master account and not to an end user's account.

**D.** BellSouth will render bills each month on established bill days for each of Network One's accounts.

**E.** BellSouth will bill Network One, in advance, charges for all services to be provided during the ensuing billing period except charges associated with service usage, which charges will be billed in arrears. Charges will be calculated on an end user account level, including, if applicable, any charges for usage or usage allowances. BellSouth will also bill all charges, including but not limited to 911 and E911 charges, telecommunications relay charges, and franchise fees, to Network One.

**F.** The payment will be due by the next bill date (i.e., same date in the following month as the bill date) and is payable in immediately available U.S. funds. Payment is considered to have been made when received by BellSouth.

If the payment due date falls on a Sunday or on a Holiday which is observed on a Monday, the payment due date shall be the first non-Holiday day following such Sunday or Holiday. If the payment due date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the payment due date shall be the last non-Holiday day preceding such Saturday or Holiday. If payment is not received by the payment due date, a late payment penalty, as set forth in I. following, shall apply.

**G.** Upon proof of tax exempt certification from Network One, the total amount billed to Network One will not include any taxes due from the end user. Network One will be solely responsible for the computation, tracking, reporting and payment of all federal, state and/or local jurisdiction taxes associated with the services resold to the end user.

**H.** As the customer of record, Network One will be responsible for, and remit to the Company, all charges applicable to its resold services for emergency services (E911 and 911) and Telecommunications Relay Service (TRS) as well as any other charges of a similar nature.

**I.** If any portion of the payment is received by BellSouth after the payment due date as set forth preceding, or if any portion of the payment is received by BellSouth in funds that are not immediately available to BellSouth, then a late payment penalty shall be due BellSouth. The late payment penalty shall be the portion of the payment not received by the payment due date times a late factor. The late factor shall be as set forth in Section A2 of the General Subscriber Service Tariff and Section B2 of the Private Line Service Tariff.

**J.** Any switched access charges associated with interexchange carrier access to the resold local exchange lines will be billed by, and due to BellSouth. No additional charges are to be assessed to Network One.

**K.** BellSouth will not perform billing and collection services for Network One as a result of the execution of this Agreement. All requests for billing services should be referred to the appropriate entity or operational group within BellSouth.

**L.** Pursuant to 47 CFR Section 51.617, BellSouth will bill Network One end user common line charges identical to the end user common line charges BellSouth bills its end users.

**M.** In general, BellSouth will not become involved in disputes between Network One and Network One's end user customers over resold services. If a dispute does arise that cannot be settled without the involvement of BellSouth, Network One shall contact the designated Service Center for resolution. BellSouth will make every effort to assist in the resolution of the dispute and will work with Network One to resolve the matter in as timely a manner as possible. Network One may be required to submit documentation to substantiate the claim.

## **VIII. Discontinuance of Service**

**A.** The procedures for discontinuing service to an end user are as follows:

1. Where possible, BellSouth will deny service to Network One's end user on behalf of, and at the request of, Network One. Upon restoration of the end user's service, restoral charges will apply and will be the responsibility of Network One.
2. At the request of Network One, BellSouth will disconnect a Network One end user customer.

3. All requests by Network One for denial or disconnection of an end user for nonpayment must be in writing.

4. Network One will be made solely responsible for notifying the end user of the proposed disconnection of the service.

5. BellSouth will continue to process calls made to the Annoyance Call Center and will advise Network One when it is determined that annoyance calls are originated from one of their end user's locations. BellSouth shall be indemnified, defended and held harmless by Network One and/or the end user against any claim, loss or damage arising from providing this information to Network One. It is the responsibility of Network One to take the corrective action necessary with its customers who make annoying calls. Failure to do so will result in BellSouth's disconnecting the end user's service.

**B.** The procedures for discontinuing service to Network One are as follows:

1. BellSouth reserves the right to suspend or terminate service for nonpayment or in the event of prohibited, unlawful or improper use of the facilities or service, abuse of the facilities, or any other violation or noncompliance by Network One of the rules and regulations of BellSouth's Tariffs.

2. If payment of account is not received by the bill day in the month after the original bill day, BellSouth may provide written notice to Network One, that additional applications for service will be refused and that any pending orders for service will not be completed if payment is not received by the fifteenth day following the date of the notice. If BellSouth does not refuse additional applications for service on the date specified in the notice, and Network One's noncompliance continues, nothing contained herein shall preclude BellSouth's right to refuse additional applications for service without further notice.

3. If payment of account is not received, or arrangements made, by the bill day in the second consecutive month, the account will be considered in default and will be subject to denial or disconnection, or both.

4. If Network One fails to comply with the provisions of this Agreement, including any payments to be made by it on the dates and times herein specified, BellSouth may, on thirty days written notice to the person designated by Network One to receive notices of noncompliance, discontinue the provision of existing services to Network One at any time thereafter. In the case of such discontinuance, all billed charges, as well as applicable termination charges, shall become due. If BellSouth does not discontinue the provision of the services involved on the date specified in the thirty days notice, and Network One's noncompliance continues, nothing contained herein shall preclude BellSouth's right to discontinue the provision of the services to Network One without further notice.

5. If payment is not received or arrangements made for payment by the date given in the written notification, Network One's services will be discontinued. Upon discontinuance of service on a Network One's account, service to Network One's end users will be denied. BellSouth will also reestablish service at the request of the end user or Network One upon payment of the appropriate connection fee and subject to BellSouth's normal application procedures. Network One is solely responsible for notifying the end user of the proposed disconnection of the service.

6. If within fifteen days after an end user's service has been denied no contact has been made in reference to restoring service, the end user's service will be disconnected.

## **IX. Liability and Indemnification**

**A.** With respect to any claim or suit by Network One, a Network One customer, or by any other person or entity, other than for willful misconduct, for damages associated with any of the services provided by BellSouth pursuant to this Agreement or otherwise, including but not limited to the installation, provision, preemption, termination, maintenance, repair or restoration of service, and subject to the provisions of C. through G. following, BellSouth's liability shall not exceed an amount equal to the proportionate charge for the service provided pursuant to this Agreement for the period during which the service was affected.

**B.** With respect to any claim or suit by BellSouth, a BellSouth customer or by any other person or entity other than for willful misconduct, for damages associated with any of the services provided by Network One pursuant to this Agreement or otherwise, including but not limited to the installation, provision, preemption, termination, maintenance, repair or restoration of service, Network One's liability shall not exceed an amount equal to the proportionate charge for the service provided pursuant to this Agreement for the period during which the service was affected.

**C.** BellSouth shall not be liable for any act or omission of any other telecommunications company providing a portion of a service, nor shall BellSouth hold liable any other telecommunications company providing a portion of a service for any act or omission of BellSouth.

**D.** BellSouth is not liable for damages to Network One's terminal location, nor Network One's customer premises resulting from the furnishing of a service, including but not limited to the installation and removal of equipment and associated wiring, unless the damage is caused by BellSouth's negligence.

**E.** BellSouth shall be indemnified, defended and held harmless by Network One against any claim, loss or damage arising from Network One's use of services offered by BellSouth under this Agreement, involving:

1. Claims for libel, slander, invasion of privacy or infringement of copyright arising from Network One's own communications;

2. Claims for patent infringement arising from Network One's acts combining or using the service furnished by BellSouth in connection with facilities or equipment furnished by Network One or Network One's customer;

3. All other claims arising out of an act or omission of Network One in the course of using services provided pursuant to this Agreement.

**G.** Network One accepts responsibility for providing access for maintenance purposes of any service resold under the provisions of this Agreement.

**H.** The obligations of the parties contained within this section shall survive the expiration of this Agreement.

**X. Treatment of Proprietary and Confidential Information**

**A.** Both parties agree that it may be necessary to provide each other during the term of this Agreement with certain confidential information, including trade secret information, including but not limited to, technical and business plans, technical information, proposals, specifications, drawings, procedures, customer account data and like information (hereinafter collectively referred to as "Information"). Both parties agree that all Information shall either be in writing or other tangible format and clearly marked with a confidential, private or proprietary legend, or, when the Information is communicated orally, it shall also be communicated that the Information is confidential, private or proprietary. The Information will be returned to the owner within a reasonable time. Both parties agree that the Information shall not be copied or reproduced in any form. Both parties agree to receive such Information and not disclose such Information. Both parties agree to protect the Information received from distribution, disclosure or dissemination to anyone except employees of the parties with a need to know such Information and which employees agree to be bound by the terms of this Section. Both parties will use the same standard of care to protect Information received as they would use to protect their own confidential and proprietary Information.

**B.** Notwithstanding the foregoing, both parties agree that there will be no obligation to protect any portion of the Information that is either: 1) made publicly available by the owner of the Information or lawfully disclosed by a nonparty to this Agreement; 2) lawfully obtained from any source other than the owner of the Information; or 3) previously known to the receiving party without an obligation to keep it confidential.

**XI. Option to Obtain Local Services and Network Elements Under Other Agreements**

BellSouth shall make available to Network One any interconnection service, or network element provided under any other agreement filed and approved pursuant to 47 USC, Section 252; provided however, the parties shall enter into such other agreement in its entirety. The adopted agreement shall apply to the same states as such other agreement and for the identical term.

**XII. Resolution of Disputes**

Except as otherwise stated in this Agreement, the parties agree that if any dispute arises as to the interpretation of any provision of this Agreement or as to the proper implementation of this Agreement, the parties will petition the applicable state Public Service Commission for a resolution of the dispute. However, each party reserves any rights it may have to seek judicial review of any ruling made by that Public Service Commission concerning this Agreement.

**XIII. Limitation of Use**

The parties agree that this Agreement shall not be proffered by either party in another jurisdiction as evidence of any concession or as a waiver of any position taken by the other party in that jurisdiction or for any other purpose.

**XIV. Waivers**

Any failure by either party to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement, and each party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

**XV. Governing Law**

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Georgia, without regard to its conflict of laws principles.

**XVI. Arm’s Length Negotiations**

This Agreement was executed after arm’s length negotiations between the undersigned parties and reflects the conclusion of the undersigned that this Agreement is in the best interests of all parties.

**XVII. Notices**

**A.** Every notice, consent, approval, or other communications required or contemplated by this Agreement shall be in writing and shall be delivered in person or given by postage prepaid mail, address to:

BellSouth Telecommunications, Inc.  
  
CLEC Account Team  
3535 Colonnade Parkway  
Room E4E1  
Birmingham, AL 35243

CRG International, Inc. d.b.a.  
Network One  
2000 Riveredge Parkway  
Suite # 900  
Atlanta, Georgia 30328-4618

or at such other address as the intended recipient previously shall have designated by written notice to the other party.

**B.** Where specifically required, notices shall be by certified or registered mail. Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent, and in the absence of such record of delivery, it shall be presumed to have been delivered the fifth day, or next business day after the fifth day, after it was deposited in the mails.

**XVIII. Amendments**

This Agreement may be amended at any time upon written agreement of both parties.

**XIX. Entire Agreement**

This Agreement sets forth the entire understanding and supersedes prior agreements between the parties relating to the subject matter contained herein and merges all prior discussions between them, and neither party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the party to be bound thereby.

**BellSouth Telecommunications, Inc.**

**CRG International, Inc. d.b.a. Network One**

**BY: original signed / Jerry Hendrix**  
**Signature**

**BY: original signed / Gene E. Lane, Jr.**  
**Signature**

**NAME: Jerry Hendrix**  
**Printed Name**

**NAME: Gene E. Lane, Jr.**  
**Printed Name**

**TITLE: Director**

**TITLE: President & CEO**

**DATE: November 13, 1997**

**DATE: November 10, 1997**

**EXHIBIT A**

**APPLICABLE DISCOUNTS**

The telecommunications services available for purchase by Reseller for the purposes of resale to Reseller end users shall be available at the following discount off of the retail rate.

**DISCOUNT**

<b><u>STATE</u></b>	<b><u>RESIDENCE</u></b>	<b><u>BUSINESS</u></b>
ALABAMA	17%	17%
FLORIDA	21.83%	16.81%
GEORGIA	20.3%	17.3%
KENTUCKY	16.79%	15.54%
LOUISIANA*	20.72%	20.72%
MISSISSIPPI	15.75%	15.75%
NORTH CAROLINA	21.5%	17.6%
SOUTH CAROLINA	14.8%	14.8%
TENNESSEE**	16%	16%

\* Effective as of the Commission's Order in Louisiana Docket No. U-22020 dated November 12, 1996.

\*\* The Wholesale Discount is set as a percentage off the tariffed rates. If OLEC provides its own operator services and directory services, the discount shall be 21.56%. These rates are effective as of the Tennessee Regulatory Authority's Order in Tennessee Docket No. 90-01331 dated January 17, 1997.



**EXHIBIT B**

Type of Service		AL		FL		GA		KY		LA	
		Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?
1	Grandfathered Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Contract Service Arrangements	Yes	Yes	Yes	Yes	Yes	No	Yes	No	Note 5	Note 5
3	Promotions - > 90 Days	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Promotions - < 90 Days	Yes	No	Yes	No	Yes	No	No	No	Yes	No
5	Lifeline/Link Up Services	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes
6	911/E911 Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	No
7	N11 Services	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	No
8	Non-Recurring Charges	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Type of Service		MS		NC		SC		TN	
		Resale?	Discount?	Resale?	Discount?	Resale?	Discount?	Resale?	Discount?
1	Grandfathered Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Contract Service Arrangements	Note 5	Note 5	Note 6	Yes	Yes	No	Yes	Yes
3	Promotions - > 90 Days	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Note 3
4	Promotions - < 90 Days	Yes	No	No	No	Yes	No	No	No
5	Lifeline/Link Up Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Note 4
6	911/E911 Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
7	N11 Services	No	No	No	No	Yes	Yes	Yes	Yes
8	Non-Recurring Charges	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No

**Additional Comments:**

- Grandfathered services** can be resold only to existing subscribers of the grandfathered service.
- Where available for resale, **promotions** will be made available only to end users who would have qualified for the promotion had it been provided by BellSouth directly.
- In Tennessee, long-term **promotions** (offered for more than ninety (90) days) may be obtained at one of the following rates:
  - the stated tariff rate, less the wholesale discount;
  - the promotional rate (the promotional rate offered by BellSouth will not be discounted further by the wholesale discount rate)
- Lifeline/Link Up** services may be offered only to those subscribers who meet the criteria that BellSouth currently applies to subscribers of these services. In Tennessee, Reseller shall purchase BellSouth's Message Rate Service at the stated tariff rate, less the wholesale discount. Reseller must further discount the wholesale Message Rate Service to LifeLine customers with a discount which is no less than the minimum discount that BellSouth now provides. Reseller is responsible for recovering the Subscriber Line Charge from the National Exchange Carriers Association interstate toll settlement pool just as BellSouth does today. The maximum rate that reseller may charge for LifeLine Service shall be capped at the flat retail rate offered by BellSouth.
- In Louisiana and Mississippi, all **Contract Service Arrangements** entered into by BellSouth or terminating after the effective date of the Commission Order will be subject to resale without the wholesale discount. All CSAs which are in place as of the effective date of the Commission order will not be eligible for resale.
- In North Carolina, only those **Contract Service Arrangements** entered into after April 15, 1997 will be available for resale.
- Some of BellSouth's local exchange and toll telecommunications services are not available in certain central offices and areas.