

**CASE**

**NUMBER:**

99-255

INDEX FOR CASE: 99-255  
BELLSOUTH TELECOMMUNICATIONS, INC.  
Interconnection Agreements  
WITH ADVANCED TELECOMMUNICATIONS NETWORK, INC.

IN THE MATTER OF THE APPROVAL OF THE RESALE AGREEMENT  
NEGOTIATED BY BELLSOUTH TELECOMMUNICATIONS, INC. AND  
ADVANCED TELECOMMUNICATIONS NETWORK, INC. PURSUANT TO  
SECTIONS 251 AND 252 OF THE TELECOMMUNICATIONS ACT OF 1996

SEQ NBR	ENTRY DATE	REMARKS
0001	06/17/99	Application.
0002	06/22/99	Acknowledgement letter.
0003	08/24/99	Final Order approving negotiated agreement.



COMMONWEALTH OF KENTUCKY  
**PUBLIC SERVICE COMMISSION**  
730 SCHENKEL LANE  
POST OFFICE BOX 615  
FRANKFORT, KY. 40602  
(502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 99-255  
BELLSOUTH TELECOMMUNICATIONS, INC.

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on August 24, 1999.

Parties of Record:

Honorable Creighton E. Mershon  
General Counsel - Kentucky  
BellSouth Telecommunications, Inc.  
P. O. Box 32410  
Louisville, KY. 40232

CLEC Account Team  
BellSouth Telecommunications, Inc.  
9th Floor  
600 North 19th Street  
Birmingham, AL. 35203

Elwood Baldwin  
Advanced Telecommunication Network  
Four Executive Campus  
Suite 200  
Cherry Hill, NJ. 08002

Stephan Bell  
Secretary of the Commission

SB/hv  
Enclosure

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPROVAL OF THE RESALE )  
AGREEMENT NEGOTIATED BY )  
BELLSOUTH TELECOMMUNICATIONS, )  
INC. AND ADVANCED ) CASE NO. 99-255  
TELECOMMUNICATION NETWORK, )  
INC. PURSUANT TO SECTIONS 251 )  
AND 252 OF THE )  
TELECOMMUNICATIONS ACT OF 1996 )

O R D E R

On June 17, 1999, BellSouth Telecommunications, Inc. ("BellSouth") and Advanced Telecommunication Network, Inc. ("Advanced") submitted to the Commission their negotiated agreement for resale of BellSouth's services to end-users. The agreement was negotiated pursuant to the Telecommunications Act of 1996 ("1996 Act"), 47 U.S.C. Sections 251 and 252. Section 252(e) of the 1996 Act requires the parties to an interconnection agreement adopted by negotiation to submit the agreement for approval to the Commission.

The Commission has reviewed the agreement and finds that no portion of the agreement discriminates against a telecommunications carrier not a party to the agreement. The Commission also finds that the implementation of this agreement is consistent with the public interest, convenience, and necessity.

Advanced must comply with all relevant Commission mandates for serving in this Commonwealth.


The Commission, having been otherwise sufficiently advised, HEREBY ORDERS  
that:

1. The negotiated agreement between BellSouth and Advanced is approved.
2. Advanced shall file a tariff for local service prior to providing local service giving 30 days' notice to the Commission and shall comply with all Commission regulations and orders as directed.

Done at Frankfort, Kentucky, this 24th day of August, 1999.

By the Commission

ATTEST:

  
Executive Director

**BellSouth Telecommunications, Inc.** 502 582-8219  
P.O. Box 32410 Fax 502 582-1573  
Louisville, Kentucky 40232 Internet  
or Creighton.E.Mershon@bridge.bellsouth.com

**Creighton E. Mershon, Sr.**  
General Counsel - Kentucky

**BellSouth Telecommunications, Inc.**  
601 West Chestnut Street, Room 407  
Louisville, Kentucky 40203

June 15, 1999

**RECEIVED**  
**JUN 17 1999**  
**PUBLIC SERVICE COMMISSION**

Helen C. Helton  
Executive Director  
Public Service Commission  
730 Schenkel Lane  
P. O. Box 615  
Frankfort, KY 40602

**CASE 99-255**

Re: Approval of the Resale Agreement Negotiated by BellSouth Telecommunications, Inc. ("BellSouth") and Advanced Telecommunication Network, Inc. pursuant to Sections 251 and 252 of the Telecommunications Act of 1996

Dear Helen:

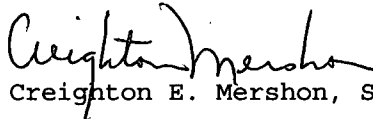
Pursuant to section 252(e) of the Telecommunications Act of 1996, BellSouth and Advanced Telecommunication Network, Inc. are submitting to the Kentucky Public Service Commission their negotiated agreement for the purchase of BellSouth's telecommunications services for the purpose of resale to end users by Advanced Telecommunication Network, Inc.

Six copies of the agreement and eight copies of the transmittal letter are filed. The two extra copies of the letter are provided for Amanda Hale and Becky Dotson.

Please add the following to the service list for this matter: Creighton E. Mershon, Sr., BellSouth Telecommunications, Inc., P. O. Box 32410, Louisville, KY 40232; BellSouth Telecommunications, Inc., CLEC Account Team, 9th Floor, 600 N. 19th Street, Birmingham, AL 35203; and Advanced Telecommunication Network, Inc., Elwood Baldwin, Four Executive Campus, Suite 200, Cherry Hill, NJ 08002.

Pursuant to section 252(e) of the Act, the Commission is charged with approving or rejecting the negotiated agreement between BellSouth and Advanced Telecommunication Network, Inc. within 90 days of its submission. The Act provides that the Commission may only reject such an agreement if it finds that the agreement or any portion of the agreement discriminates against a telecommunications carrier not a party to the agreement or the implementation of the agreement or any portion of the agreement is not consistent with the public interest, convenience and necessity. Both parties aver that neither of these reasons exist as to the agreement they have negotiated and therefore, are very hopeful that the Commission shall approve their agreement.

Sincerely,

  
Creighton E. Mershon, Sr.

Enclosure

cc: Elwood Baldwin, Advanced Telecommunication Network, Inc. (letter only)



COMMONWEALTH OF KENTUCKY  
**PUBLIC SERVICE COMMISSION**

730 SCHENKEL LANE  
POST OFFICE BOX 615  
FRANKFORT, KY. 40602  
(502) 564-3940

June 22, 1999

Honorable Creighton E. Mershon  
General Counsel - Kentucky  
BellSouth Telecommunications, Inc.  
P. O. Box 32410  
Louisville, KY. 40232

CLEC Account Team  
BellSouth Telecommunications, Inc.  
9th Floor  
600 North 19th Street  
Birmingham, AL. 35203

Elwood Baldwin  
Advanced Communication Network, Inc.  
Four Executive Campus  
Suite 200  
Cherry Hill, NJ. 08002

RE: Case No. 99-255  
BELLSOUTH TELECOMMUNICATIONS, INC.  
(Interconnection Agreements) WITH ADVANCED TELECOMMUNICATIONS NETWORK

This letter is to acknowledge receipt of initial application in the above case. The application was date-stamped received June 17, 1999 and has been assigned Case No. 99-255. In all future correspondence or filings in connection with this case, please reference the above case number.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell  
Secretary of the Commission

SB/jc

**AGREEMENT FOR RESALE OF  
NATIONAL DIRECTORY ASSISTANCE SERVICES  
BY AND BETWEEN  
ADVANCED TELECOMMUNICATION NETWORK, INC.  
And  
BELLSOUTH TELECOMMUNICATIONS, INC.**

**THIS AGREEMENT** is made by and between BellSouth Telecommunications, Inc., ("BellSouth"), a Georgia corporation, and Advanced Telecommunication Network, Inc. ("ATN"), a New Jersey corporation, and shall be deemed effective as of the date signed by both BellSouth and ATN. This agreement may refer to either BellSouth or ATN or both as a "Party" or "Parties. "

**W I T N E S S E T H**

WHEREAS, BellSouth is a local exchange telecommunications company authorized to provide telecommunications services including National Directory Assistance services ("NDA services") in the states of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee; and

WHEREAS, ATN is a 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, ATN wishes to purchase from BellSouth NDA services for the purposes of reselling said services to other telecommunications companies or to its own customers.

**NOW THEREFORE**, in consideration of the mutual agreements contained herein, BellSouth and ATN agree as follows:

**1.        Purpose**

BellSouth agrees to provide and ATN agrees to purchase pursuant to the rates, terms and conditions contained herein, including Attachment 1 incorporated herein by this reference, NDA services for the purpose of reselling such services to other telecommunications carriers. NDA services are defined as providing telephone numbers to ATN using BellSouth NDA equipment and operators when required. NDA shall include up to two telephone number requests per call. Optional services may include release link trunking (RLT) capability and NDA call completion message, branding, and marketing message or announcement as set forth in Attachment 1. ATN





warrants that it is authorized pursuant to federal and/or state statutes, regulations, or rules to purchase such services from BellSouth and resell such services to other telecommunications carriers.

**2. Term of the Agreement**

2.1 The term of this Agreement shall be fifteen (15) months, commencing as of the date first written above. The Agreement shall be automatically renewed at the end of the initial term for an additional one-year term. The renewal of the Agreement shall trigger a new minimum volume obligation for ATN. Said volume shall be 2,000 calls per month for 15 months.

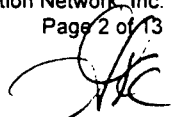
2.2 At its option and upon written notice to BellSouth, if at the end of six months from the date the first Call is delivered to BellSouth and taking into consideration actual and expected call volumes, ATN's call volume will exceed 30 thousand calls during the term of this agreement ATN may request that this Agreement be renegotiated for a new two-year Agreement. The new two-year agreement shall consist of a new minimum call volume commitment and associated rates.

2.3 The Parties agree that by no later than one hundred and eighty (180) days prior to the expiration of this Agreement, they shall commence negotiations with regard to the terms, conditions and prices of NDA services to be effective beginning on the expiration date of this Agreement ("Subsequent Agreement").

2.4 If, within one hundred and thirty-five (135) days of commencing the negotiation referred to in Section 2.2, above, the Parties are unable to satisfactorily negotiate new terms, conditions and prices, either Party may petition the Commission to establish appropriate local interconnection arrangements pursuant to 47 U.S.C. 252. The Parties agree that, in such event, they shall encourage the Commission to issue its order regarding the arbitration issues no later than the expiration date of this Agreement. The Parties further agree that in the event the Commission does not issue its order prior to the expiration date of this Agreement, or if the Parties continue beyond the expiration date of this Agreement to negotiate without Commission intervention, the terms, conditions and prices ultimately ordered by the Commission, or negotiated by the Parties, will be effective retroactive to the day following the expiration date of this Agreement.

**3. Ordering Procedures**

Procedures for ordering and provisioning BellSouth NDA services will be mutually negotiated and agreed upon by the Parties.



3.2 BellSouth will have up to 90 days from the date ATN's facilities and equipment are properly installed and ready to receive Service, to begin providing NDA services to ATN. This is to allow BellSouth adequate time to properly test its service configuration and ensure that all personnel, workstations and other call center equipment, etc. is in place to properly handle ATN Calls.

**4. Liability and Indemnification**

4.1 Liability for Uncollectible Revenues. BellSouth and ATN shall take financial responsibility for their own actions in causing, or their lack of action in preventing, unbillable or uncollectible revenues.


4.2 Liability for Acts or Omissions of Third Parties. Neither BellSouth nor ATN shall be liable for any act or omission of another telecommunications company providing a portion of the services provided under this Agreement.

4.3 Limitation of Liability.

4.3.1 Each Party's liability to the other for any loss, cost, claim, injury or liability or expense, including reasonable attorney's fees relating to or arising out of any negligent act or omission in its performance of this Agreement whether in contract or in tort, shall be limited to a credit for the actual cost of the services or functions not performed or improperly performed.

4.3.2 Limitations in Tariffs. A Party may, in its sole discretion, provide in its tariffs and contracts with its Customer and third parties that relate to any service, product or function provided or contemplated under this Agreement, that to the maximum extent permitted by Applicable Law, such Party shall not be liable to Customer or third Party for (i) any Loss relating to or arising out of this Agreement, whether in contract, tort or otherwise, that exceeds the amount such party would have charged that applicable person for the service, product or function that gave rise to such Loss and (ii) Consequential Damages. To the extent that a Party elects not to place in its tariffs or contracts such limitations of liability, and the other Party incurs a Loss as a result thereof, the non-electing Party shall indemnify and reimburse the other Party for that portion of the Loss that would have been limited had the non-electing Party included in its tariffs and contracts the limitations of liability that such other Party included in its own tariffs at the time of such Loss.

4.3.3 Neither BellSouth nor ATN shall be liable for damages to the other's terminal location, POI or other company's customers' premises resulting from the furnishing of a service, including, but not limited to, the installation and removal of equipment or associated wiring, except to the extent caused by a



company's negligence or willful misconduct or by a company's failure to properly ground a local loop after disconnection.

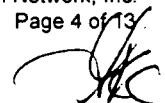
4.3.4 Under no circumstance shall a Party be responsible or liable for indirect, incidental, or consequential damages, including, but not limited to, economic loss or lost business or profits, damages arising from the use or performance of equipment or software, or the loss of use of software or equipment, or accessories attached thereto, delay, error, or loss of data. In connection with this limitation of liability, each Party recognizes that the other Party may, from time to time, provide advice, make recommendations, or supply other analyses related to the Services, or facilities described in this Agreement, and, while each Party shall use diligent efforts in this regard, the Parties acknowledge and agree that this limitation of liability shall apply to provision of such advice, recommendations, and analyses.

4.4 Indemnification for Certain Claims. Each party, their affiliates and their parent company, shall be indemnified, defended and held harmless by each other against any claim, loss or damage arising from the use of the services provided under this Agreement pertaining to (1) claims for libel, slander, invasion of privacy or copyright infringement arising from the content of the receiving company's own communications, or (2) any claim, loss or damage claimed by the other company's customer arising from one company's use or reliance on the other company's services, actions, duties, or obligations arising out of this Agreement.

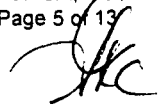
4.5 No liability for Certain Inaccurate Data. Except as otherwise provided herein, neither BellSouth nor ATN assumes any liability for the accuracy of data provided by one Party to the other and each Party agrees to indemnify and hold harmless the other for any claim, action, cause of action, damage, or injury that might result from the supply of inaccurate data in conjunction with the provision of any service provided pursuant to this Agreement.

4.6 Disclaimer. EXCEPT AS SPECIFICALLY PROVIDED TO THE CONTRARY IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES TO THE OTHER PARTY CONCERNING THE SPECIFIC QUALITY OF ANY SERVICES, OR FACILITIES PROVIDED UNDER THIS AGREEMENT. THE PARTIES DISCLAIM, 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.

5. Intellectual Property Rights and Indemnification



- 5.1 No License. No patent, copyright, trademark or other proprietary right is licensed, granted or otherwise transferred by this Agreement. ATN is strictly prohibited from any use, including but not limited to in sales, in marketing or advertising of telecommunications services, of any BellSouth name, service mark or trademark.
- 5.2 Ownership of Intellectual Property. Any intellectual property which originates from or is developed by a Party shall remain in the exclusive ownership of that Party. Except for a limited license to use patents or copyrights to the extent necessary for the Parties to use any facilities or equipment (including software) or to receive any service solely as provided under this Agreement, no license in patent, copyright, trademark or trade secret, or other proprietary or intellectual property right now or hereafter owned, controlled or licensable by a Party, is granted to the other Party or shall be implied or arise by estoppel. It is the responsibility of each Party to ensure at no additional cost to the other Party that it has obtained any necessary licenses in relation to intellectual property of third Parties used in its network that may be required to enable the other Party to use any facilities or equipment (including software), to receive any service, or to perform its respective obligations under this Agreement.
- 5.3 Indemnification. The Party providing a service pursuant to this Agreement will defend the Party receiving such service or data provided as a result of such service against claims of infringement arising solely from the use by the receiving Party of such service and will indemnify the receiving Party for any damages awarded based solely on such claims in accordance with Section 7 of this Agreement.
- 5.4 Claim of Infringement. In the event that use of any facilities or equipment (including software), becomes, or in reasonable judgment of the Party who owns the affected network is likely to become, the subject of a claim, action, suit, or proceeding based on intellectual property infringement, then said Party shall promptly and at its sole expense, but subject to the limitations of liability set forth below:
- 5.4.1 modify or replace the applicable facilities or equipment (including software) while maintaining form and function, or
- 5.4.2 obtain a license sufficient to allow such use to continue.
- 5.4.3 In the event 5.4.1 or 5.4.2 are commercially unreasonable, then said Party may, terminate, upon reasonable notice, this contract with respect to use of, or services provided through use of, the affected facilities or equipment (including software), but solely to the extent required to avoid the infringement claim.



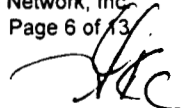
5.5 Exception to Obligations. Neither Party's obligations under this Section shall apply to the extent the infringement is caused by: (i) modification of the facilities or equipment (including software) by the indemnitee; (ii) use by the indemnitee of the facilities or equipment (including software) in combination with equipment or facilities (including software) not provided or authorized by the indemnitor provided the facilities or equipment (including software) would not be infringing if used alone; (iii) conformance to specifications of the indemnitee which would necessarily result in infringement; or (iv) continued use by the indemnitee of the affected facilities or equipment (including software) after being placed on notice to discontinue use as set forth herein.

5.6 Exclusive Remedy. The foregoing shall constitute the Parties' sole and exclusive remedies and obligations with respect to a third party claim of intellectual property infringement arising out of the conduct of business under this agreement.

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

6.1 Confidential Information. It may be necessary for BellSouth and ATN to provide each other 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, call detail records and like information (hereinafter collectively referred to as "Information"). All Information shall be in writing or other tangible form and clearly marked with a confidential, private or proprietary legend and that the Information will be returned to the owner within a reasonable time. The Information shall not be copied or reproduced in any form. BellSouth and ATN shall receive such Information and not disclose such Information. BellSouth and ATN shall protect the Information received from distribution, disclosure or dissemination to anyone except employees of BellSouth and ATN with a need to know such Information and which employees agree to be bound by the terms of this Section. BellSouth and ATN will use the same standard of care to protect Information received as they would use to protect their own confidential and proprietary Information.

6.2 Exception to Obligation. Notwithstanding the foregoing, there will be no obligation on BellSouth or ATN to protect any portion of the Information that is: (1) made publicly available by the owner of the Information or lawfully disclosed by a Party other than BellSouth or ATN; (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.



**7. Assignments**

Any assignment by either Party to any non-affiliated entity of any right, obligation or duty, or of any other interest hereunder, in whole or in part, without the prior written consent of the other Party shall be void. A Party may assign this Agreement or any right, obligation, duty or other interest hereunder to an Affiliate company of the Party without the consent of the other Party. All obligations and duties of any Party under this Agreement shall be binding on all successors in interest and assigns of such Party. No assignment of delegation hereof shall relieve the assignor of its obligations under this Agreement in the event that the assignee fails to perform such obligations.

**8. 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, either Party may petition the 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 the Commission concerning this Agreement.

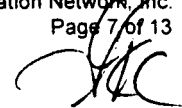
**9. Taxes**

9.1 Definition. For purposes of this Section, the terms "taxes" and "fees" shall include but not limited to federal, state or local sales, use, excise, gross receipts or other taxes or tax-like fees of whatever nature and however designated (including tariff surcharges and any fees, charges or other payments, contractual or otherwise, for the use of public streets or rights of way, whether designated as franchise fees or otherwise) imposed, or sought to be imposed, on or with respect to the services furnished hereunder or measured by the charges or payments therefore, excluding any taxes levied on income.

9.2 Taxes and Fees Imposed Directly On Either Seller or Purchaser.

9.2.1 Taxes and fees imposed on the providing Party, which are not permitted or required to be passed on by the providing Party to its customer, shall be borne and paid by the providing Party.

9.2.2 Taxes and fees imposed on the purchasing Party, which are not required to be collected and/or remitted by the providing Party, shall be borne and paid by the purchasing Party.



9.3 Taxes and Fees Imposed on Purchaser But Collected And Remitted By Seller.

9.3.1 Taxes and fees imposed on the purchasing Party shall be borne by the purchasing Party, even if the obligation to collect and/or remit such taxes or fees is placed on the providing Party.

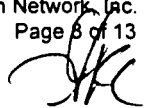
9.3.2 To the extent permitted by applicable law, any such taxes and/or fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the purchasing Party shall remain liable for any such taxes and fees regardless of whether they are actually billed by the providing Party at the time that the respective service is billed.

9.3.3 If the purchasing Party determines that in its opinion any such taxes or fees are not payable, the providing Party shall not bill such taxes or fees to the purchasing Party if the purchasing Party provides written certification, reasonably satisfactory to the providing Party, stating that it is exempt or otherwise not subject to the tax or fee, setting forth the basis therefor, and satisfying any other requirements under applicable law. If any authority seeks to collect any such tax or fee that the purchasing Party has determined and certified not to be payable, or any such tax or fee that was not billed by the providing Party, the purchasing Party may contest the same in good faith, at its own expense. In any such contest, the purchasing Party shall promptly furnish the providing Party with copies of all filings in any proceeding, protest, or legal challenge, all rulings issued in connection therewith, and all correspondence between the purchasing Party and the taxing authority.

9.3.4 In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the providing Party during the pendency of such contest, the purchasing Party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.

9.3.5 If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the purchasing Party shall pay such additional amount, including any interest and penalties thereon.

9.3.6 Notwithstanding any provision to the contrary, the purchasing Party shall protect, indemnify and hold harmless (and defend at the purchasing Party's expense) the providing Party from and against any such tax or fee, interest or penalties thereon, or other charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the providing Party in connection with any claim for or contest of any such tax or fee.



9.3.7 Each Party shall notify the other Party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a taxing authority; such notice to be provided, if possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

9.4 Taxes and Fees Imposed on Seller But Passed On To Purchaser.

9.4.1 Taxes and fees imposed on the providing Party, which are permitted or required to be passed on by the providing Party to its customer, shall be borne by the purchasing Party.

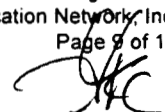
9.4.2 To the extent permitted by applicable law, any such taxes and/or fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the purchasing Party shall remain liable for any such taxes and fees regardless of whether they are actually billed by the providing Party at the time that the respective service is billed.

9.4.3 If the purchasing Party disagrees with the providing Party's determination as to the application or basis for any such tax or fee, the Parties shall consult with respect to the imposition and billing of such tax or fee. Notwithstanding the foregoing, the providing Party shall retain ultimate responsibility for determining whether and to what extent any such taxes or fees are applicable, and the purchasing Party shall abide by such determination and pay such taxes or fees to the providing Party. The providing Party shall further retain ultimate responsibility for determining whether and how to contest the imposition of such taxes and fees; provided, however, that any such contest undertaken at the request of the purchasing Party shall be at the purchasing Party's expense.

9.4.4 In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the providing Party during the pendency of such contest, the purchasing Party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.

9.4.5 If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the purchasing Party shall pay such additional amount, including any interest and penalties thereon.

9.4.6 Notwithstanding any provision to the contrary, the purchasing Party shall protect indemnify and hold harmless (and defend at the purchasing Party's expense) the providing Party from and against any such tax or fee, interest or penalties thereon, or other reasonable charges or payable expenses





(including reasonable attorney fees) with respect thereto, which are incurred by the providing Party in connection with any claim for or contest of any such tax or fee.

9.4.7 Each Party shall notify the other Party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a taxing authority; such notice to be provided, if possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

9.5 Mutual Cooperation. In any contest of a tax or fee by one Party, the other Party shall cooperate fully by providing records, testimony and such additional information or assistance as may reasonably be necessary to pursue the contest. Further, the other Party shall be reimbursed for any reasonable and necessary out-of-pocket copying and travel expenses incurred in assisting in such contest.

10. Force Majeure

In the event performance of this Agreement, or any obligation hereunder, is either directly or indirectly prevented, restricted, or interfered with by reason of fire, flood, earthquake or like acts of God, wars, revolution, civil commotion, explosion, acts of public enemy, embargo, acts of the government in its sovereign capacity, labor difficulties, including without limitation, strikes, slowdowns, picketing, or boycotts, unavailability of equipment from vendor, changes requested by Customer, or any other circumstances beyond the reasonable control and without the fault or negligence of the Party affected, the Party affected, upon giving prompt notice to the other Party, shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction, or interference (and the other Party shall likewise be excused from performance of its obligations on a day-to-day basis until the delay, restriction or interference has ceased); provided however, that the Party so affected shall use diligent efforts to avoid or remove such causes of non-performance and both Parties shall proceed whenever such causes are removed or cease.

11. Year 2000 Compliance

Each party warrants that it has implemented a program the goal of which is to ensure that all software, hardware and related materials (collectively called "Systems") delivered, connected with BellSouth or supplied in the furtherance of the terms and conditions specified in this Agreement: (i) will record, store, process and display calendar dates falling on or after January 1, 2000, in the same manner, and with the same functionality as such



software records, stores, processes and calendar dates falling on or before December 31, 1999; and (ii) shall include without limitation date data century recognition, calculations that accommodate same century and multicity formulas and date values, and date data interface values that reflect the century.

**12. Modification to Agreement**

12.1 No modification, amendment, supplement to, or waiver of the Agreement or any of its provisions shall be effective and binding upon the Parties unless it is made in writing and duly signed by the Parties.

12.2 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 ATN or BellSouth to perform any material terms of this Agreement, ATN 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 8.

12.3 If any provision of this Agreement, or the application of such provision to either Party or circumstance, shall be held invalid, the remainder of the Agreement, or the application of any such provision to the Parties or circumstances other than those to which it is held invalid, shall not be effective thereby, provided that the Parties shall attempt to reformulate such invalid provision to give effect to such portions thereof as may be valid without defeating the intent of such provision.

**13. Waivers**

A failure or delay of either Party to enforce any of the provisions hereof, to exercise any option which is herein provided, or to require performance of any of the provisions hereof shall in no way be construed to be a waiver of such provisions or options, 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.

**14. 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.



15. **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.

16. **Notices**

16.1 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  
9<sup>th</sup> Floor  
600 North 19<sup>th</sup> Street  
Birmingham, Alabama 35203

and

General Attorney - COU  
Suite 4300  
675 W. Peachtree St.  
Atlanta, GA 30375

**Advanced Telecommunication Network, Inc.**

Four Executive Campus  
Suite 200  
Cherry Hill, New Jersey 08002  
Attn: Elwood Baldwin  
609-321-7829

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

16.2 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.

17. Rule of Construction

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

18. Headings of No Force or Effect

The headings of Articles and Sections of this Agreement are for convenience of reference only, and shall in no way define, modify or restrict the meaning or interpretation of the terms or provisions of this Agreement.

19. Multiple Counterparts

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

20. Entire Agreement

This Agreement and its Attachments, incorporated herein by this reference, 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.

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year above first written.

**BellSouth Telecommunications, Inc.**

  
\_\_\_\_\_  
Signature

Jerry Hendrix

\_\_\_\_\_  
Name


Senior Director-Interconnection Services

\_\_\_\_\_  
Title

4/3/99

\_\_\_\_\_  
Date

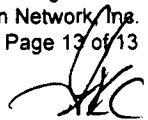
**Advanced Telecommunication Network, Inc.**

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date



**1. Discount Rates**

The rates pursuant by which ATN is to purchase NDA services from BellSouth for resale shall be as set forth in Exhibit A, attached hereto and incorporated herein by this reference.

**2. ATN Obligations**

2.1 ATN will deliver its Calls to the destinations determined solely by BellSouth. The Calls shall be delivered over SS7 capable trunk groups, sufficient in capacity to handle the maximum forecasted volume. ATN will provide all facilities and equipment necessary to deliver the Calls to BellSouth. In no event will the untimely installation, faulty operation or non-operation of ATN facilities or equipment relieve ATN of its obligation to pay the call charges for the NDA services.

2.2 ATN is responsible for obtaining all federal and state regulatory approvals and licenses necessary to receive the NDA services for the purposes of resell to telecommunications carriers.

2.3 ATN shall route the calls to the designated BellSouth location(s). All Calls shall have specific call detail which call detail shall be provided to ATN by BellSouth at the beginning of implementation of this Agreement.

2.4 ATN will meet the following guarantees:

2.4.1 During the entire term of this Agreement, BellSouth is the preferred provider of NDA services for ATN.

2.4.2 ATN shall deliver to BellSouth a minimum of 2,000 calls per month. The first call delivered by ATN pursuant to this Agreement shall be as mutually agreed to by the Parties and pursuant to Section 3.2 of the General Terms and Conditions of the Agreement. After six months from the date of the first call delivered ATN must deliver to BellSouth 30 thousand calls during the term of this Agreement. At the end of the term, BellSouth shall true up the number of calls actually delivered by ATN to the minimum required over the period of such term and shall present to ATN a bill reflecting said true-up for any calls less than 30 thousand.

2.4.3 During the term of this Agreement, ATN shall deliver to BellSouth a minimum of 30 thousand calls (the "Contract Term Minimum"). Notwithstanding the foregoing, ATN may meet the Contract Term Minimum anytime during the term of this Agreement. When said Contract Term Minimum is met, ATN shall have no further volume guarantee for the remainder of the Agreement,



however, for the remainder of the term of the Agreement, BellSouth shall continue as the preferred provider of NDA services for ATN.

2.4.4 If ATN call volumes exceed the minimum guarantee by twenty percent, ATN shall notify BellSouth a minimum of 60 days in advance to allow BellSouth to secure any additional network facilities, equipment, personnel, workstations, etc. to properly handle the additional calls.

2.5 ATN shall set up a complaint center for the purposes of receiving customer complaints regarding NDA services and processing credits and refunds for end users receiving NDA services. Said complaint center shall be properly staffed for the volume of calls received and shall be accessible via a toll free number.

### **3. BellSouth Obligations**

3.1 BellSouth's NDA services will be digital quality with hard answer supervision and will be provided to ATN through SS7 capable trunk groups, where available in the networks utilized by BellSouth.

3.2 BellSouth's NDA services shall meet the following technical standards:

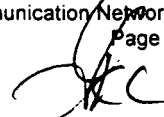
3.2.1 BellSouth will utilize new and existing call centers located within BellSouth's territory to handle ATN's Calls.

3.2.2 BellSouth shall utilize its own database for Calls within its own service areas and will utilize a third party database for telephone number requests outside of BellSouth's nine (9) state service territory. Such NDA services to ATN's customers will have the following accuracy requirements:

3.2.3 BellSouth will provide a database accuracy level of 90% for all available Regional Bell Operating Company (RBOC) subscriber listing data and 85% for all other non-RBOC data used in providing NDA services to ATN. Such accuracy shall be determined by a sampling of calls received in the BellSouth call centers for telephone number requests and comparing those listings against the database owned by the appropriate RBOC or non-RBOC local exchange carrier.

3.2.4 At ATN's request, BellSouth will conduct up to two sampling audits at six month intervals, to ensure commitment levels are maintained. The sampling audits to ensure accuracy levels are maintained shall be performed by a third party vendor;

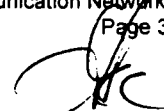
3.2.5 BellSouth's network will be provisioned to process calls with at least a P.01 grade of service;



- 3.2.6 Calls will be processed in an accurate, polite, timely manner through automated or live response or a combination of both; and
- 3.2.7 Provision of the NDA services to ATN will be in compliance with all applicable laws, regulations and rules.
- 3.3 BellSouth shall have sole responsibility for installation, testing and operation of its own facilities, services and equipment required to provide the Services.
- 3.4 At ATN's option and upon a mutually agreeable implementation schedule, BellSouth will record a brand or advertising message for the NDA service provided by BellSouth. Branding will be provided for name or service definition (i.e., Directory Assistance) at the beginning of the call followed by an optional informational phrase or advertising message. ATN shall limit its request to a single brand message or advertising message for a designated period of time. The brand or advertising message shall be no longer than 4 seconds in length. The charge for such brand or advertising message shall be \$3000.00 per message or brand recording; \$35.00 per TOPS node; and a charge of \$.0025 per call received by BellSouth. ATN may, upon 30 days advance notice request a change to the brand or advertising message. Each change request shall be accompanied with payment of the charges set forth above.
- 3.5 At ATN's option, BellSouth will provide release link trunking capability with a call completion message that will allow BellSouth to return a call to ATN at the location where ATN delivered the call to BellSouth. The purpose of returning the call to ATN is to enable ATN to provide NDA call completion services for ATN customers. BellSouth will provide a mutually agreed upon message, within the technical limitations of the systems utilized, to be played on all calls received. ATN acknowledges that it must utilize an AT&T 4ESS or 5ESS switch architecture and 2-way intertoll SS7 capable trunk groups with release link trunking (RLT) capabilities activated for the Services to perform according to industry standards. ATN will provide a Carrier Identification Code (CIC) on all appropriate trunk groups for BellSouth to serve ATN's customer's calls. The following call types will not be offered call completion service: (1) Calls not released to BellSouth's audio equipment, (2) Calls for non-published and not found telephone numbers, and (3) calls for multiple numbers other than the last request found.

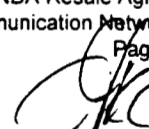
**4. Charges and Payment**

- 4.1 All "Call Charges" for "Calls" (as defined herein) under this Agreement shall be due and payable in immediately available funds by ATN to BellSouth to the next bill date (i.e. same date in the following month as the bill date). 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 preceding such Saturday or Holiday. If payment is not received by the payment due date, a late payment penalty, as set forth herein shall apply. Call Charges shall be billed in the month following the month in which the Services were provided. For purposes of this Agreement, a "Call" shall mean any call presented to a BellSouth call center by ATN or its customers.

- 4.2 Late payment charge. 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 charge shall be due to BellSouth. The late payment charge 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, Section B2 of the Private Line Service Tariff or E2 of the Intrastate Access Tariff, whichever BellSouth determines is appropriate.
- 4.3 BellSouth Reports. Monthly, BellSouth shall deliver to ATN a written report of certain information with respect to the calls and the NDA services for the previous month, including without limitation:
- 4.3.1 The number of Calls received by BellSouth;
- 4.3.2 Average speed of answer;
- 4.3.4 A tally of customer or end user complaints regarding wrong information or number provided and a total of credits provided; and
- 4.3.5 Percent of calls handled correctly by the BellSouth Call Center(s) utilized to provide NDA services to ATN based on calls monitored by the BellSouth Operator Services Quality Measurements Group (QMG).
- 4.4 BellSouth and ATN will handle billing disputes as follows:
- 4.4.1 Each party agrees to notify the other Party upon the discovery of a billing dispute. In the event of a billing dispute, the Parties will endeavor to resolve the dispute within sixty (60) calendar days of the Bill Date on which such disputed charges appear. Resolution of the dispute is expected to occur at the first level of management resulting in a recommendation for settlement of the dispute and closure of a specific billing period. If the issues are not resolved within the allotted time frame, the following resolution procedure will begin:





- 4.4.2 If the dispute is not resolved within sixty (60) days of the Bill date, the dispute will be escalated to the second level of management for each of the respective Parties for resolution. If the dispute is not resolved within ninety (90) days of the Bill date, the dispute will be escalated to the third level of management for each of the respective Parties for resolution.
- 4.4.3 If the dispute is not resolved within one hundred and twenty (120) days of the Bill Date, the dispute will be escalated to the fourth level of management for each of the respective Parties for resolution.
- 4.4.4 If a Party disputes a charge and does not pay such charge by the payment due date, such charges shall be subject to late payment charges as set forth in the Late Payment Charges provision of this Attachment. If a Party disputes charge and the dispute is resolved in favor of such Party, the other Party shall credit the bill of the disputing Party for the amount of the disputed charges along with any late payment charges assessed no later than the second Bill Date after the resolution of the dispute. Accordingly, if a Party disputes charges and the dispute is resolved in favor of the other Party, the disputing Party shall pay the other Party the amount of the disputed charges and any associated late payment charge assessed no later than the second bill payment due date after the resolution of the dispute. In no event, however, shall any late payment charges be assessed on any previously assessed late payment charges.
- 4.4.5 In general, BellSouth will not become involved in disputes between ATN and ATN's customers over NDA services resold. If a dispute does arise that cannot be settled without the involvement of BellSouth, ATN 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 ATN to resolve the matter in as timely a manner as possible. ATN may be required to submit documentation to substantiate the claim.

**5. Accuracy of Service**

- 5.1 If at the end of any data accuracy sampling period BellSouth has not met the agreed upon accuracy levels, BellSouth will take appropriate action to bring the deficiency within committed levels. BellSouth will remedy the deficiency within six months of the last sampling period. If at the end of the remedy period BellSouth has not met the accuracy levels, then ATN may terminate this Agreement with a 60 day written notice to BellSouth.
- 5.2 BellSouth will provide a credit, at the contracted rate, for wrong numbers, calls disconnected before the number is provided to ATN customers, and incorrect or wrong information provided." BellSouth will prepare a credit



ticket as each incident is reported by ATN's customer or become known to BellSouth. BellSouth will issue a credit to ATN on its regular monthly bill.

- 5.3 BellSouth will take immediate action and use its best efforts to remedy any delays, interruptions, omissions, mistakes, accidents or errors in the NDA services provided to ATN and restore the services in accordance with the Technical Standards.

A handwritten signature in black ink, appearing to be initials or a stylized name, located at the bottom right of the page.

EXHIBIT A

<u>Pricing Schedule</u>	<u>Rates per call</u>
A. NDA service (30 thousand calls during the 15 month term)	\$0.2750
B. Optional Services	
RLT with call completion message	\$.0350
Branding	\$.0025 <sup>1</sup>
Advertising Message	\$.0025 <sup>1</sup>

Note 1: The brand or advertising message shall be no more than 4 seconds in length. In addition to the \$.0025 per call, the charge for each brand or advertising message shall be \$3000.00 per message or brand recording and \$35 per TOPS node.

