

Dinsmore & Shohl LLP
ATTORNEYS

Edward T. Depp
502-540-2315
tip.depp@dinslaw.com

May 26, 2006

RECEIVED

MAY 30 2006

PUBLIC SERVICE
COMMISSION

Via Federal Express

Hon. Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd.
Frankfort, KY 40601

Re: *In the Matter of: Petition of Ballard Rural Telephone Cooperative Corporation, Inc. for Arbitration of Certain Terms and Conditions of Proposed Interconnection Agreement with Cellco Partnership d/b/a Verizon Wireless, GTE Wireless of the Midwest Incorporated d/b/a Verizon Wireless and Kentucky RSA No. 1 Partnership d/b/a Verizon Wireless, Case No. 2006-00716*

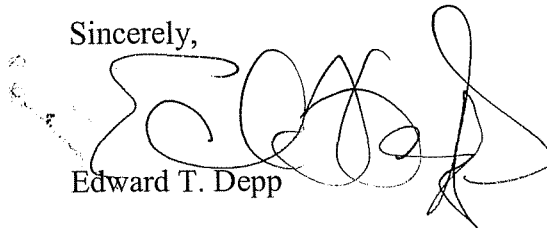
Dear Executive Director O'Donnell:

I have enclosed for filing in the above-styled case the original and eleven (11) copies of the Arbitration Petition of Ballard Rural Telephone Cooperative Corporation, Inc. Please file stamp one of the enclosed copies and return it to us in the enclosed, self addressed stamped envelope.

Thank you, and if you have any questions, please call me.

Sincerely,

Edward T. Depp



ETD/lb
Enclosure

cc: Steven E. Watkins (w/encl.)
John E. Selent, Esq. (w/o encl.)
Holly C. Wallace, Esq. (w/o encl.)

109139v6

1400 PNC Plaza, 500 West Jefferson Street Louisville, KY 40202
502.540.2300 502.585.2207 fax www.dinslaw.com

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

RECEIVED

In the Matter of:

MAY 30 2006

PUBLIC SERVICE
COMMISSION

Petition of Ballard Rural Telephone Cooperative)
Corporation, Inc. for Arbitration of Certain Terms)
and Conditions of Proposed Interconnection)
Agreement with Cellco Partnership d/b/a)
Verizon Wireless, GTE Wireless of the Midwest)
Incorporated d/b/a Verizon Wireless, and)
Kentucky RSA No. 1 Partnership d/b/a)
Verizon Wireless, Pursuant to the Communications)
Act of 1934, as Amended by the)
Telecommunications Act of 1996.)

Case No. 2006- 00716

**ARBITRATION PETITION OF
BALLARD RURAL TELEPHONE COOPERATIVE CORPORATION, INC.**

Ballard Rural Telephone Cooperative Corporation, Inc. ("Ballard Rural"), by counsel, petitions the Public Service Commission of the Commonwealth of Kentucky (the "Commission") pursuant to Section 252(b)¹ of the Communications Act of 1934, as amended by the Telecommunications Act of 1996 (the "Act"), to arbitrate certain terms and conditions of a proposed interconnection agreement between Ballard Rural and Cellco Partnership d/b/a Verizon Wireless, GTE Wireless of the Midwest Incorporated d/b/a Verizon Wireless, and Kentucky RSA No. 1 Partnership d/b/a Verizon Wireless (collectively, "Verizon").

PARTIES

1. Petitioner Ballard Rural's full name and its official business address are as follows:

Ballard Rural Telephone Cooperative Corporation, Inc.
159 West 2nd Street
P.O. Box 209
LaCenter, KY 42056-0209

¹ 47 U.S.C. § 252(b)

Ballard Rural is a Kentucky non-profit corporation, and it is authorized by the Commission to provide local exchange service in Kentucky. Ballard Rural is, and at all times relevant has been, a rural local exchange carrier ("LEC") under the terms of the Act.

2. The name, address, and contact number for Ballard Rural's representatives in this proceeding are as follows:

John E. Selent
Edward T. Depp
Holly C. Wallace
DINSMORE & SHOHL LLP
1400 PNC Plaza
500 W. Jefferson Street
Louisville, KY 40202
(502) 540-2300 (Telephone)
(502) 585-2207 (Facsimile)

3. Respondent Verizon's full name and its official business address are as follows:

Cellco Partnership d/b/a Verizon Wireless
GTE Wireless of the Midwest Incorporated d/b/a Verizon Wireless
Kentucky RSA No. 1 Partnership d/b/a Verizon Wireless
180 Washington Valley Road
Bedminster, NJ 07921

Verizon is a foreign corporation registered to do business in Kentucky, and it is authorized by the Commission to provide commercial mobile radio service ("CMRS") in Kentucky. Verizon is, and at all times relevant has been, a CMRS provider under the terms of the Act.

4. The name, address, and contact number (to the extent known) for Verizon's point of contact and presumed representative in this proceeding is as follows:

Elaine Critides, Esq.
Senior Attorney, Verizon Wireless
Address unknown
(202) 253-9224 (Telephone)

-and-

Marc Sterling
Member Technical Staff-Contract Negotiator
Verizon Wireless
One Verizon Place
Alpharetta, GA 30004-8511
Telephone number unknown.

JURISDICTION

5. The Commission has jurisdiction over Ballard Rural's petition pursuant to section 252(b) of the Act. This petition is timely filed during the period from the 135th to the 160th day after January 1, 2006, the date on which Ballard Rural received Verizon's bona fide request for interconnection.²

NEGOTIATIONS

6. The parties agree that the statutory bona fide negotiation window began on January 1, 2006.³

7. By letter dated January 27, 2006, Ballard Rural provided Verizon with a copy of the template interconnection agreement from which negotiations would proceed.⁴

8. Verizon did not respond to that initial draft, and on March 14, 2006, Ballard Rural sent Verizon another template interconnection agreement, this time with the proposed traffic exchange splits, proposed reciprocal compensation rates, and proposed point of interconnection.⁵

² See Section 3.01 of Agreement, *In the Matter of: Petition of BellSouth Telecommunications, Inc. Seeking Resolution of Third Party Transit Traffic Issues*, Public Service Commission Case No. 2003-00045, attached hereto as Exhibit 1; See also January 27, 2006 letter from John E. Selent to Marc Sterling, attached hereto as Exhibit 2.

³ *Id.*

⁴ See Ex. 2.

⁵ See March 14, 2006 letter from John E. Selent to Marc Sterling, attached hereto as Exhibit 3.

9. On April 18, 2006, by electronic mail, Verizon notified Ballard Rural that Verizon was willing to negotiate an interconnection agreement but proposed no changes.⁶

10. Having received no further response and no specific proposals for revision, Ballard Rural sent yet another letter to Verizon on May 15, 2006 inquiring regarding the status of Verizon's review of the proposed interconnection agreement.⁷

11. As of this date, Verizon still has not provided Ballard Rural with any specific, proposed changes to the interconnection agreement.

12. Given the December 31, 2006 expiration of the transit-traffic agreement approved by the Commission in Case No. 2003-00045, it is important that the parties have a valid and effective interconnection agreement by the end of this year.

STATEMENT OF SOLE ISSUE

13. Ballard Rural's proposed draft of the interconnection agreement is attached hereto as Exhibit 6.

14. Because Verizon has not proposed any changes to the Agreement, the sole issue before the Commission is whether the proposed draft of the interconnection agreement (Ex. 6) complies with the standards set forth in 47 U.S.C. §§ 252(c) and (e) and all applicable state law.

15. Ballard Rural states that the proposed draft of the interconnection agreement (Ex. 6) complies with the standards set forth in 47 U.S.C. §§ 252(c) and (e) and all applicable state law in that it meets the requirements of 47 U.S.C. § 251, including the regulations prescribed by

⁶ See April 18, 2006 email from Marc Sterling to John E. Selent, attached hereto as Exhibit 4.

⁷ See May 15, 2006 letter from John E. Selent to Marc Sterling, attached hereto as Exhibit 5.

the Federal Communications Commission pursuant to 47 U.S.C. § 251, and it complies with the pricing standards set forth 47 U.S.C. § 252(d).

16. Verizon's decision not to propose specific changes to the interconnection agreement bespeaks a tacit approval that the proposed interconnection agreement complies with the standards set forth in the Act and all applicable state law.

REQUEST FOR RELIEF

WHEREFORE, Ballard Rural respectfully requests that the Commission grant the following relief:

A. That the Commission conclude the arbitration of the unresolved issue between Ballard Rural and Verizon within nine months of January 1, 2006, the date on which Ballard Rural received the interconnection request.

B. That the Commission resolve the sole unresolved issue in favor of Ballard Rural.

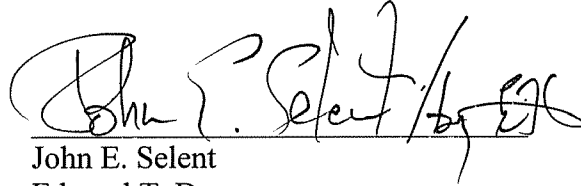
C. That the Commission issue an order directing the parties to submit a final agreement reflecting all language in the attached, proposed interconnection agreement (Ex. 6).

D. That the Commission retain jurisdiction of this arbitration until the parties have submitted an agreement for approval by the Commission in accordance with section 252(e) of the Act.

E. That the Commission further retain jurisdiction of this arbitration and the parties hereto until Verizon has complied with all implementation time frames specified in the arbitrated agreement and fully implemented the agreement.

F. That the Commission take such other and further action and order such relief as it deems appropriate under the circumstances.

Respectfully submitted this 26th day of May, 2006.

A handwritten signature in black ink, appearing to read "John E. Selent" followed by a stylized flourish.

John E. Selent
Edward T. Depp
Holly C. Wallace
DINSMORE & SHOHL LLP
1400 PNC Plaza
500 W. Jefferson Street
Louisville, Kentucky 40202
(502) 540-2300 (telephone)
(502) 585-2207 (fax)

**COUNSEL TO BALLARD RURAL
TELEPHONE COOPERATIVE
CORPORATION, INC.**


CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by Federal Express and electronic mail on this 26th day of May, 2006, to the following individual(s):

Marc Sterling (marc.sterling@verizonwireless.com)
Member Technical Staff-Contract Negotiator
Verizon Wireless
One Verizon Place
Alpharetta, GA 30004-8511

I further certify that a copy of the foregoing was served by electronic mail on this same day, to the following individual(s):

Elaine Critides, Esq. (elaine.critides@verizonwireless.com)
Senior Attorney, Verizon Wireless
Physical address unknown.


**COUNSEL TO BALLARD RURAL
TELEPHONE COOPERATIVE
CORPORATION, INC.**

COMMONWEALTH OF KENTUCKY
BEFORE THE
KENTUCKY PUBLIC SERVICE COMMISSION

In the Matter of:)
)
Petition of BellSouth Telecommunications,) Case No. 2003-00045
Inc. Seeking Resolution of Third Party)
Transit Traffic Issues)

AGREEMENT

This Agreement is made and entered into by and between BellSouth Telecommunications, Inc. ("BellSouth"), the Commercial Mobile Radio Service ("CMRS") providers listed in Exhibit A hereto ("Signatory CMRS Providers"), and the rural independent local exchange carriers listed in Exhibit B hereto ("Rural LECs"), on their own behalf and on behalf of their past, present and future agents, employees, successors, assigns and anyone claiming for the benefit of any of them (collectively referred to as "the Parties").

Whereas, BellSouth has entered into various interconnection agreements with CMRS Providers under which BellSouth has offered and is providing intermediary tandem switching and transport services to such CMRS Providers for the delivery of CMRS Provider Traffic to the Rural LECs' networks for termination.

Whereas, under the "Kentucky Restructured Settlement Plan," BellSouth and the Rural LECs have established interconnection facilities and an interconnection point between their networks, and agreed to contractual terms and conditions pursuant to the "Kentucky Restructured Settlement Plan"; and

Whereas, by this Agreement, the Parties are agreeing to terms, as set forth herein, under which BellSouth may and shall deliver CMRS Provider Traffic, to the extent such traffic is delivered to BellSouth by the CMRS Providers, to the networks of the Rural LECs over the existing facilities referred to above.

Now, therefore, in consideration of the mutual agreements, undertakings and representations contained herein, and other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

1.00 Definitions

For purposes of this Agreement only, the Parties agree to utilize the definitions set forth in this Section 1.00.

1.01 "Act" refers to the Communications Act of 1934 as amended by the Telecommunications Act of 1996.

Wm
G

1.02 "CMRS Provider" is a telecommunications carrier providing commercial mobile radio service within the meaning of 47 C.F.R. § 20, et seq.

1.03 "CMRS Provider Traffic" is defined as Telecommunications traffic originated by a subscriber of a CMRS Provider for which BellSouth provides to a Signatory CMRS Provider intermediary tandem switching, and transport (i.e., transit functions) for delivery of such traffic to a Rural LEC for termination on the Rural LEC's network over the facilities established between BellSouth and the Rural LEC for such purposes, according to the terms of this Agreement.

1.04 "Commission" or "KPSC" means the Public Service Commission of the Commonwealth of Kentucky.

1.05 "Covered CMRS Provider Traffic" is defined as CMRS Provider Traffic of a Signatory CMRS Provider for which BellSouth generates and delivers to the terminating Rural LEC accurate industry standard call detail records identifying the originating CMRS Provider and minutes of use for such CMRS Provider Traffic (currently known as "110101 format message and billing records").

1.06 "Kentucky Restructured Settlement Plan" or "KRSP" is the Order of the Public Service Commission of the Commonwealth of Kentucky dated January 23, 1991, in Phase I of Administrative Case No. 323.

1.07 "Rural LECs" are defined as those local exchange companies ("LECs") as set forth in Exhibit B to this Agreement.

1.08 "Signatory CMRS Providers" are defined as the Commercial Mobile Radio Service Providers as set forth in Exhibit A to this Agreement.

1.09 "Telecommunications" is as defined in the Act.

2.00 Specific Terms

2.01 Pursuant to this Agreement, BellSouth may deliver, for termination, Signatory CMRS Provider Traffic to the Rural LECs' networks in the same manner, and over the same trunking facilities, as established pursuant to the KRSP Plan.

2.02 For purposes of this Agreement, Signatory CMRS Providers are limited to those CMRS providers that possess a CMRS license for CMRS service within a Major Trading Area(s) within Kentucky.

2.03 Reserved For Future Use.

2.04 BellSouth may deliver to the Rural LECs Signatory CMRS Provider Traffic for which BellSouth does not provide industry standard call detail records identifying the originating CMRS Provider and the minutes of CMRS Provider Traffic for each such provider (currently

com
9/6

known as "110101 format message billing records") subject to all of the following terms: (a) BellSouth must establish mutually agreeable exchange of data and administrative processes with the Rural LECs to provide complete and accurate documentation of such traffic that will permit the Rural LECs to track, verify, and audit such CMRS Provider Traffic; and (b) the Rural LECs will bill BellSouth (or in those instances where the Rural LEC does not bill BellSouth, BellSouth will provide compensation through the monthly settlement process with that Rural LEC) and BellSouth shall compensate the Rural LECs in the same manner that it compensates the Rural LECs for intrastate access traffic as described in Section 2.01 above, provided, however, that the rate at which such CMRS Provider Traffic is compensated shall be \$0.027 per minute of use following the Effective Date of this Agreement and continuing through December 31, 2005. BellSouth will compensate the Rural LECs at a rate of \$0.022 per minute of use from January 1, 2006 through December 31, 2006. The Rural LECs will adjust the billing for the total traffic over the KRSP facility which is billed (or due through settlements), and due from, BellSouth to account for the minutes of CMRS Provider Traffic that is within the scope of this paragraph. BellSouth shall make payment to the Rural LECs pursuant to this Section 2.04, in immediately available U.S. funds, no later than 30 days after the invoice date. BellSouth shall continue to bill each Signatory CMRS Provider amounts due BellSouth from the Signatory CMRS Provider under the terms of the Interconnection Agreement between BellSouth and the CMRS Provider, including all effective Annexes and Attachments thereto.

2.05 The Rural LECs agree not to seek compensation from a Signatory CMRS Provider for (1) any CMRS Provider Traffic delivered by BellSouth to the Rural LECs pursuant to this Agreement; or (2) any CMRS Provider Traffic delivered by BellSouth to the Rural LECs prior to the Effective Date of this Agreement for which BellSouth compensates or has previously compensated the Rural LECs upon the same terms and conditions required of traffic terminated under the KRSP or on terms which are otherwise agreed to by the Rural LECs.

2.06 Except as required by this Agreement, BellSouth and the Signatory CMRS Providers will treat CMRS Provider Traffic, including Covered CMRS Provider Traffic, consistent with the terms of the respective interconnection agreements between BellSouth and the Signatory CMRS Providers and all effective Annexes and Attachments thereto, including, but not limited to, the network provisioning, transport, termination, and billing and collection of such traffic.

2.07 Beginning on the Effective Date of this Agreement, and ending on December 31, 2005, the Rural LECs shall invoice, and BellSouth shall make payment to the Rural LECs for Covered CMRS Provider Traffic pursuant to this Section in immediately available U.S. funds, no later than thirty (30) days after the invoice date, at a rate of \$0.025 per minute of use unless an interconnection agreement between the Signatory CMRS Provider and the Rural LEC governs pursuant to the provisions and conditions set forth in Section 2.08. Beginning on January 1, 2006, and ending on December 31, 2006, and unless an interconnection agreement between the Signatory CMRS Provider and the Rural LEC governs pursuant to the provisions and conditions set forth in Section 2.08, the Rural LECs shall invoice, and BellSouth shall make payment to the Rural LECs pursuant to this Section for Covered CMRS Provider Traffic in immediately available U.S. funds, no later than thirty (30) days after the invoice date, at a rate of \$0.015 per

25m
of

minute of use. Subject to the audit provisions set forth below in this subsection, the Signatory CMRS Providers and the Rural LECs agree to accept BellSouth's measurement of minutes of use and industry standard call detail records as the basis for the billing from and compensation to the Rural LECs for Covered CMRS Provider Traffic as set forth in this Section. Notwithstanding the foregoing, any party may request an audit of such measurements within twelve months of the applicable billing date. The Rural LECs will deduct the minutes of use for Covered CMRS Provider Traffic described in this Section from the total KRSP facility minutes of use which is billed to (or due through settlements), and due from, BellSouth. Beginning on the Effective Date of this Agreement and through the period ending on December 31, 2006, the Signatory CMRS Providers shall compensate BellSouth for Covered CMRS Provider Traffic at a rate of \$0.015 per minute of use, unless an interconnection agreement between the Signatory CMRS Provider and the Rural LEC governs pursuant to the provisions and conditions set forth in Section 2.08. BellSouth shall continue to bill each Signatory CMRS Provider amounts due BellSouth from the Signatory CMRS Provider for transit functions performed by BellSouth under the terms of the interconnection agreement between BellSouth and the Signatory CMRS Provider, including all effective Annexes and Attachments.

2.08 Nothing herein shall affect, modify, or supercede any existing interconnection agreement between a Signatory CMRS Provider and a Rural LEC. Such existing interconnection agreements shall continue in full force and effect in accordance with the existing terms and conditions contained in such agreements. Nothing herein shall affect any Party's right to seek interconnection with any carrier, including with a carrier that is a Party to this Agreement, or preclude any Party from negotiating an interconnection agreement with another Party consistent with Sections 251 and 252 of the Act. Moreover, in the event that a Signatory CMRS Provider and a Rural LEC execute an interconnection agreement after the Effective Date of this Agreement, such agreement shall supersede the rights and obligations set forth in this Agreement only to the extent the interconnection agreement specifically provides for the termination of CMRS Provider Traffic otherwise covered by this Agreement.

2.09 This Agreement applies solely to the Telecommunications traffic specifically defined within the scope of this Agreement. As such, the terms of this Agreement do not apply to any other facilities, any other traffic that is switched or transported over any other facilities, or to traffic of any carrier that is not a CMRS Provider. For any other CMRS Provider Traffic that BellSouth delivers to a Rural LEC for termination that is not covered under Sections 2.04 and 2.07 of this Agreement (i.e., traffic from a CMRS Provider that is not a signatory to this Agreement), BellSouth agrees to compensate the Rural LECs for such traffic during the term of this Agreement under the same terms and conditions as traffic terminated by BellSouth under the KRSP.

2.10 For Covered CMRS Provider Traffic, BellSouth is responsible for providing to the appropriate terminating Rural LEC accurate industry standard call detail records identifying the originating CMRS Provider and the minutes of CMRS Provider Traffic for each such provider (currently known as "110101 format message and billing records"). BellSouth will provide such records to the terminating Rural LEC not later than 60 days after such usage occurs. The Signatory CMRS Providers are responsible for providing to BellSouth complete and

LM
JH

accurate information regarding the billing address and billing contacts for the Signatory CMRS Providers. BellSouth will provide its billing address and contact information to the Rural LECs.

2.11 The terms and conditions set forth in this Agreement only apply on and after the Effective Date of this Agreement. With respect to the Signatory CMRS Providers, BellSouth agrees not to seek any additional compensation from a Signatory CMRS Provider for any Covered CMRS Provider Traffic for which BellSouth has paid, or has agreed to pay, the Rural LECs prior to the Effective Date of this Agreement.

2.12 Any undisputed charges incurred pursuant to this Agreement that are not timely paid by BellSouth to the Rural LECs, or are not timely paid by a Signatory CMRS Provider to BellSouth, will accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1-1/2%) per month or (ii) the highest rate of interest that may be charged under applicable law. The Parties agree that interest shall accrue and be paid on all overdue disputed amounts that are resolved in favor of the non-disputing party.

3.00 Term and Termination of the Agreement

3.01 This Agreement will become effective on the first calendar day of the month following KPSC approval (the "Effective Date"). This Agreement has an absolute termination date of December 31, 2006 regardless of, and in addition to, any other provisions herein under which this Agreement may be terminated by any Party. Therefore, all duties, rights, and obligations hereunder terminate on December 31, 2006. BellSouth and the Rural LECs shall commence no later than January 1, 2006 the negotiation of interconnection agreements as may be necessary to govern BellSouth's provision of transit service defining the relative rights and responsibilities between BellSouth and the Rural LECs with respect to any continuing CMRS provider traffic terminated to the Rural LECs. In the event that any Signatory CMRS provider desires to continue to route CMRS Provider Traffic destined for the Rural LECs through BellSouth's network after the expiration of this Agreement, the Signatory CMRS provider must initiate interconnection negotiations with the Rural LECs consistent with Section 251 and Section 252 of the Act by no later than January 1, 2006. Such negotiations, which may include but are not limited to rates, terms, and conditions of interconnection between and among the Parties, shall be conducted in good faith. In the event such negotiations are unsuccessful and the Commission is asked to arbitrate any open issues, the Parties shall submit to the arbitration processes and deadlines as set forth in Section 252(b) of the Act to settle any open issues relating to interconnection and compensation arrangements between and among the Parties. For purposes of determining all deadlines related to the negotiation and arbitration pursuant to this Section, the request date for all negotiations shall be deemed to be January 1, 2006 unless the actual request date for negotiations under Section 251 and 252 of the Act is earlier. The Parties agree that this Agreement will not prejudice the negotiations in any way.

3.02 In the event of Default by a Party, as defined below in this subsection, any of the non-defaulting Parties may terminate any and all terms and conditions of this Agreement with respect to the defaulting Party provided that a non-defaulting Party seeking termination with respect to the defaulting Party notifies the defaulting Party and the KPSC and any other affected

Wm
JK

Party in writing of the Default, the defaulting Party does not cure the alleged Default with thirty (30) days after receipt of such written notice, and the KPSC consents to the termination. With respect to a Defaulting Party, Default is defined as: (a) that Party's material breach of any of the material terms of this Agreement, including the compensation terms; or (b) any aspect of a Party's operations or actions that are determined by a court with proper jurisdiction or the Commission to be unlawful or not authorized.

3.03 The Parties agreement to the terms and conditions of this Agreement related to the network arrangement for CMRS Provider Traffic, including specifically, but not limited to, BellSouth's provision of tandem switching of CMRS Provider Traffic and the delivery of that CMRS Provider Traffic to the Rural LECs over the same trunks that BellSouth uses to deliver its own interexchange service traffic, and compensation arrangements between and among the Parties for the Rural LEC's termination of such CMRS Provider Traffic, is a voluntary arrangement and represents a compromise between and among the Parties for the limited purpose of this Agreement, and does not create and should not be construed to create any obligations that do not otherwise apply to any Party. Notwithstanding the terms and conditions set forth in this Agreement, each Party has the right, at its sole discretion, to modify its network (including but not limited to the right to design and deploy its own network and facilities, upgrade its network, modify its end office and tandem switching hierarchy and/or architecture, modify trunking arrangements with other carriers, install new equipment or software, maintain its network, determine and designate the tandem switch(es) which its end offices will subtend for any traffic), except that the Parties agree for the limited term during which this Agreement remains in place between and among the Parties, they will not make any such modifications which materially alter, interfere with, disrupt, or discontinue the ability of the Signatory CMRS Providers to deliver CMRS Provider Traffic to the Rural LECs via BellSouth's network. This agreement to commit to keep in place these network arrangements for the limited term of this Agreement does not affect any Party's right to modify such arrangements following the term of this Agreement.

3.04 The Parties understand and agree that this Agreement will be filed with the Commission in Docket No. 2003-00045. The Parties agree that they will support approval of this Agreement before the Commission in settlement of such Docket as it relates to the issues in this Agreement.

4.00 No Waiver

4.01 The Parties agree that this Agreement represents a voluntary arrangement and compromise between and among the Parties, including the terms and conditions for compensation, and any compensation terms hereunder should not be construed as the agreement of any Party as to the appropriateness of such level of compensation.

4.02 Nothing in this Agreement shall be construed to create legal or regulatory requirements for the Parties that do not otherwise apply. Nothing in this Agreement shall be construed as a waiver by any of the Parties of any of the rights afforded, or obligations imposed, by Sections 251 or 252 of the Act. The terms of the arrangements set forth in this Agreement shall not prejudice the outcome of any subsequent interconnection negotiations or arbitrations

LWM
JA

between or among the Parties or any Commission arbitration.

4.03 Nothing in this Agreement shall preclude any Party from participating in any Commission proceeding or proceeding before the Federal Communications Commission ("FCC") relating to any issue, including matters specifically related to the subject matter of this Agreement or from petitioning the Commission or the FCC to resolve any issue, including matters specifically related to the subject matter of this Agreement. The Parties reach this Agreement without waiving or prejudicing any positions they have taken previously, or may take in the future, in any judicial, legislative, regulatory, or other public forum addressing any matters, including matters specifically related to, or other types of arrangements prescribed in, this Agreement.

5.00 Warranties

5.01 The Parties represent and warrant that they have the sole right and exclusive authority to execute this Agreement and to make or receive payments hereunder.

5.02 The Parties represent and warrant that they have fully read and understand the terms of this Agreement, and have freely and voluntarily executed this Agreement. The Parties represent and warrant that they enter into this Agreement without reliance upon any statement, inducement, promise or representation of the other Party or anyone else not fully expressed herein.

5.03 The Parties agree that the terms and conditions set forth herein will be made available on a nondiscriminatory basis to any CMRS Provider in Kentucky that becomes similarly situated to the Signatory CMRS Providers, provided that such similarly situated CMRS Providers agree to the terms of this Agreement. BellSouth shall provide written notice to the Rural LECs at least 30 days prior to any additional CMRS Provider becoming a party to this Agreement. This Agreement will be amended to include such additional CMRS Providers.

5.04 The Parties agree that in the event that the KPSC or the FCC renders an effective decision establishing the rights and obligations of the originating, terminating and intermediary carriers, then upon request of any Party hereto, the Parties will renegotiate all of the terms and conditions of this Agreement to be consistent with all controlling laws and regulations. In the event that the Parties are unable to reach a new agreement for alternative arrangements, the affected Parties shall petition the KPSC to determine the rights and obligations of the Parties. The effective date of any new agreement will be mutually agreed by the Parties or determined by the KPSC.

6.00 Entire Agreement and Successors in Interest

6.01 This Agreement reflects the entire agreement and understanding between the Parties with respect to the scope of the subject matters addressed herein, supersedes all prior agreements, arrangements, understandings, communications, representations or warranties, both oral and written, related to the subject matter hereof, and shall be binding upon and inure to the

Wm
JK

benefit of the executors, administrators, personal representatives, heirs, assigns, and successors of each Party.

7.00 Severability of Provisions

7.01 The Parties agree that any provision of this Agreement, which is or becomes prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability, without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction. In the event of the prohibition or unenforceability of any provision of this Agreement in any jurisdiction, the Parties agree to negotiate in good faith to revise such provision to accomplish the intent of the Parties in a manner permissible and enforceable within such jurisdiction.

8.0 Governing Law

8.01 This Agreement including all matters of construction, validity and performance shall be governed by, and construed in accordance with, the laws of the Commonwealth of Kentucky without giving effect to the choice of law or conflicts of law provisions thereof.

9.0 Additional Documents and Negotiations

9.01 The Parties agree to cooperate fully and execute any and all supplementary documents and to take all additional actions that may be necessary or appropriate to give full force and effect to the terms and intent of this Agreement, including, but not limited to, resolving any and all operational issues associated with the implementation of this Agreement.

9.02 Upon execution of this Agreement, the Parties agree to work cooperatively to identify and resolve any other issues associated with the delivery of traffic between the Parties that is within the scope of this Agreement.

10.0 Counterparts

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

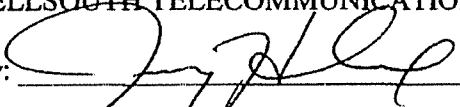
11.0 Dispute Resolution

11.01 Any dispute between or among any of the Parties regarding the interpretation or enforcement of this Agreement, or any of its terms and conditions, shall be addressed by good faith negotiation between and among the Parties, in the first instance. Should such negotiations fail to resolve the dispute in a reasonable time, any Party to the dispute may initiate an appropriate action at the KPSC to resolve the dispute. Pending such resolution, all the terms and conditions of this Agreement shall remain in full force and effect and the Parties shall continue to perform the services described in this Agreement.

WJM
JK

IN WITNESS THEREOF, the Parties have fully executed this Agreement as of _____, 2004.

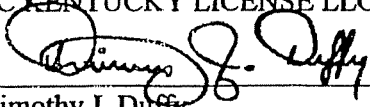
BELLSOUTH TELECOMMUNICATIONS, INC.

By:  _____

Title: AVP ICS Marketing

EXHIBIT A
Signatory CMRS Providers


AMERICAN CELLULAR CORPORATION
f/k/a ACC KENTUCKY LICENSE LLC

By:  _____
Timothy J. Duffy

Title: Sr. Vice President & CTO

EXHIBIT A
Signatory CMRS Providers

AT&T WIRELESS PCS, LLC, on behalf of itself
and its affiliate, Tritel Communications, Inc.

By: 

Title: Director - Industry Relations

EXHIBIT A
Signatory CMRS Providers

BELLSOUTH MOBILITY LLC d/b/a CINGULAR
WIRELESS and BELLSOUTH PERSONAL
COMMUNICATIONS LLC d/b/a CINGULAR
WIRELESS

By: Michael J. VanWinkle

Title: Director - Sem- Network

OK,
CWA

EXHIBIT A
Signatory CMRS Providers

SPRINT SPECTRUM L.P., on behalf of itself
and SprintCom, Inc., d/b/a SPRINT PCS

By: W. Richardson

Title: Vice President - External Affairs

EXHIBIT B

BALLARD RURAL TELEPHONE COOPERATIVE CORP., INC.

By: *Harold E. Parker*

Title: *General Manager*

BRANDENBURG TELEPHONE COMPANY, INC.

By: _____

Title: _____

DUO COUNTY TELEPHONE COOPERATIVE CORP., INC.

By: _____

Title: _____

FOOTHILLS RURAL TELEPHONE COOPERATIVE CORP., INC.

By: _____

Title: _____

COALFIELDS TELEPHONE COMPANY, INC.

By: _____

Title: _____

EXHIBIT B

BALLARD RURAL TELEPHONE COOPERATIVE CORP., INC.

By: _____

Title: _____

BRANDENBURG TELEPHONE COMPANY, INC.

By: Alison W. Wilson

Title: Vt. Gen. Mgr.

DUO COUNTY TELEPHONE COOPERATIVE CORP., INC.

By: _____

Title: _____

FOOTHILLS RURAL TELEPHONE COOPERATIVE CORP., INC.

By: _____

Title: _____

COALFIELDS TELEPHONE COMPANY, INC.

By: _____

Title: _____

EXHIBIT B

BALLARD RURAL TELEPHONE COOPERATIVE CORP., INC.

By: _____

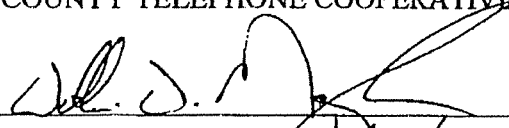
Title: _____

BRANDENBURG TELEPHONE COMPANY, INC.

By: _____

Title: _____

DUO COUNTY TELEPHONE COOPERATIVE CORP., INC.

By:  _____

Title: Exec. Vice President / C.E.O.

FOOTHILLS RURAL TELEPHONE COOPERATIVE CORP., INC.

By: _____

Title: _____

COALFIELDS TELEPHONE COMPANY, INC.

By: _____

Title: _____

EXHIBIT B

BALLARD RURAL TELEPHONE COOPERATIVE CORP., INC.

By: _____

Title: _____

BRANDENBURG TELEPHONE COMPANY, INC.

By: _____

Title: _____

DUO COUNTY TELEPHONE COOPERATIVE CORP., INC.

By: _____

Title: _____

FOOTHILLS RURAL TELEPHONE COOPERATIVE CORP., INC.

By: John S. T. A.

Title: CEO/GM

COALFIELDS TELEPHONE COMPANY, INC.

By: _____

Title: _____

EXHIBIT B

BALLARD RURAL TELEPHONE COOPERATIVE CORP., INC.

By: _____

Title: _____

BRANDENBURG TELEPHONE COMPANY, INC.

By: _____

Title: _____

DUO COUNTY TELEPHONE COOPERATIVE CORP., INC.

By: _____

Title: _____

FOOTHILLS RURAL TELEPHONE COOPERATIVE CORP., INC.

By: _____

Title: _____


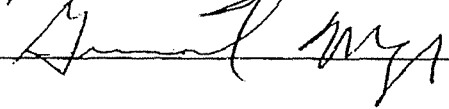
COALFIELDS TELEPHONE COMPANY, INC.

By: Gene O. Markert

Title: Vice President

EXHIBIT B

HIGHLAND TELEPHONE COOPERATIVE, INC.

By: 
Title: 

LOGAN TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

MOUNTAIN TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

NORTH CENTRAL TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

PEOPLES RURAL TELEPHONE COOPERATIVE

By: _____

Title: _____

EXHIBIT B

HIGHLAND TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

LOGAN TELEPHONE COOPERATIVE, INC.

By: Gregory A. Dale

Title: GM - Executive Vice President

MOUNTAIN TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

NORTH CENTRAL TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

PEOPLES RURAL TELEPHONE COOPERATIVE

By: _____

Title: _____

EXHIBIT B

HIGHLAND TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

LOGAN TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

MOUNTAIN TELEPHONE COOPERATIVE, INC.

By: WA Gillum

Title: General Manager

NORTH CENTRAL TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

PEOPLES RURAL TELEPHONE COOPERATIVE

By: _____

Title: _____

EXHIBIT B

HIGHLAND TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

LOGAN TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

MOUNTAIN TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

NORTH CENTRAL TELEPHONE COOPERATIVE, INC.

By:  _____

Title: President & CEO _____

PEOPLES RURAL TELEPHONE COOPERATIVE

By: _____

Title: _____

EXHIBIT B

HIGHLAND TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

LOGAN TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

MOUNTAIN TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

NORTH CENTRAL TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

PEOPLES RURAL TELEPHONE COOPERATIVE

By: Karl M. Hubel

Title: Manager

EXHIBIT B

SOUTH CENTRAL RURAL TELEPHONE COOPERATIVE CORP., INC.

By: 

Title: GENERAL MANAGER

THACKER-GRIGSBY TELEPHONE COMPANY, INC.

By: _____

Title: _____

WEST KENTUCKY RURAL TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

EXHIBIT B

SOUTH CENTRAL RURAL TELEPHONE COOPERATIVE CORP., INC.

By: _____

Title: _____

THACKER-GRIGSBY TELEPHONE COMPANY, INC.

By: Robert C. Thacker

Title: Pres.

WEST KENTUCKY RURAL TELEPHONE COOPERATIVE, INC.

By: _____

Title: _____

EXHIBIT B

SOUTH CENTRAL RURAL TELEPHONE COOPERATIVE CORP., INC.

By: _____

Title: _____

THACKER-GRIGSBY TELEPHONE COMPANY, INC.

By: _____

Title: _____

WEST KENTUCKY RURAL TELEPHONE COOPERATIVE, INC.

By: John R. Grunstedt

Title: CEO

EXHIBIT B

LESLIE COUNTY TELEPHONE COMPANY

By: *H. Kelly*

Title: *Agent, Director - Carrier Relations*

LEWISPORT TELEPHONE COMPANY

By: *H. Kelly*

Title: *Agent, Director Carrier Relations*

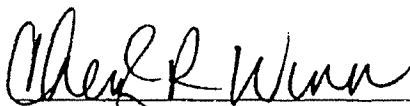
SALEM TELEPHONE COMPANY

By: *H. Kelly*

Title: *Agent, Director - Carrier Relations*

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served on the individuals on the attached Service List by mailing a copy thereof, this 23rd day of April 2004.


Cheryl R. Winn

SERVICE LIST – PSC 2003-00045

Stephen R. Byars
ALLTEL Kentucky, Inc.
P. O. Box 1650
Lexington, KY 40588-1650

Harlon E. Parker
Ballard Rural Telephone
159 W. 2nd Street
P. O. Box 209
LaCenter, KY 42056-0209

J. D. Tobin, Jr.
Allison T. Willoughby
Brandenburg Telephone Co.
200 Telco Road
P. O. Box 599
Brandenburg, KY 40108

John Schmoldt
Gearheart Communications Co., Inc.
d/b/a Coalfields Telephone Co.
5 Laynesville Road
Harold, KY 41635

William W. Magruder
Duo County Telephone
1021 W. Cumberland Avenue
P. O. Box 80
Jamestown, KY 42629

Thomas E. Preston
Foothills Rural Telephone
1621 Kentucky Route 40W
P. O. Box 240
Staffordsville, KY 41256

James Hamby
Highland Telephone Cooperative, Inc.
P. O. Box 119
7840 Morgan County Highway
Sunbright, TN 37872

Greg Hale
Logan Telephone Cooperative
P. O. Box 97
10725 Bowling Green Road
Auburn, KY 42206

W. A. Gillum
Mountain Telephone Cooperative, Inc.
405 Main Street
P. O. Box 399
West Liberty, KY 41472-0399

F. Thomas Rowland
North Central Telephone
872 Highway 52 Bypass
P. O. Box 70
Lafayette, TN 37083-0070

Keith Gabbard
Peoples Rural Telephone
P. O. Box 159
McKee, KY 40447

Daryl Wyatt
South Central Rural Telephone
P. O. Drawer 159
Glasgow, KY 42142-0159

Jeff Handley
TDS – Telecom South East Division
9737 Cogdill Road, Suite 230
Knoxville, TN 37932-3374

William K. Grigsby
Thacker-Grigsby Telephone Co.
9500 Communications Lane
P. O. Box 789
Hindman, KY 41822

Trevor R. Bonnstetter
West Kentucky Rural Telephone
237 N. 8th Street
P. O. Box 649
Mayfield, KY 42066-0649

William R. Atkinson, Esq.
Sprint
3065 Cumberland Circle, 6th Floor
GAATLD0602
Atlanta, GA 30339

Hon. John N. Hughes
124 W. Todd Street
Frankfort, KY 40601

Verizon Wireless
Charon Harris, Esq.
1300 I Street, N.W., Suite 400 West
Washington, DC 20005

Cingular Wireless
Mark J. Ashby, Esq.
5565 Glenridge Connector
Suite 1700
Atlanta, GA 30342

Action Communications
Robert R. Crawford
Tri-State Commerce Park
Building 1000
751 Country Road 989
Iuka, MS 38852

East Kentucky Network, LLC
d/b/a Appalachian Wireless
ATTN: Laura Phipps
355 Village Drive
P. O. Box 405
Prestonsburg, KY 41653

Bluegrass Cellular, Inc.
ATTN: Ron Smith, Gen. Mgr.
P. O. Box 5011
2902 Ring Road
Elizabethtown, KY 42701

ComScape Telecommunications, Inc.
ATTN: Bhogin M. Modi
1926 10th Avenue North
Suite 305
West Palm Beach, FL 33461

Nextel Partners
ATTN: Brent G. Eilefson
10120 West 76th Street
Eden Prairie, MN 55344

Nextel South Corporation
ATTN: Bob Edgerly
2001 Edmund Halley Drive
Reston, VA 20191

Carlos Carpenter
Northstar Technology
1895 Highway 461
Somerset, KY 42503

NTCH-ET, Inc.
ATTN: Garry Curry
1600 Ute Avenue, Ste. 10
Grand Junction, CO 81501

T-Mobile USA
Dan Menser, Esq.
12920 SE 38th Street
Bellevue, WA 98006

TeleCorp Communications, Inc.
ATTN: General Counsel
1010 N. Glebe Road
Arlington, VA 22201

Ms. Vicki Taylor
Third Kentucky Cellular Corp.
d/b/a Wireless 2000 Telephone Company
1264 Standish Way
Lexington, KY 40504

Tritel Communications, Inc.
ATTN: Joseph Pardue
111 E. Capital Street
Suite 500
Jackson, MS 39201

John E. Selent, Esq.
Edward T. Depp, Esq.
Dinsmore Shohl LLP
1400 PNC Plaza
500 W. Jefferson Street
Louisville, KY 40202

Hon. C. Kent Hatfield
Stoll, Keenon & Park
2650 Aegon Center
400 W. Market Street
Louisville, KY 40202

Hon. James Dean Liebman
Leibman & Liebman
403 W. Main Street
P. O. Box 478
Frankfort, KY 40602

Hon. Katherine K. Yunker
Yunker & Associates
P. O. Box 21784
Lexington, KY 40522-1784

Stephen G. Kraskin
Steven E. Watkins
Kraskin Lesse & Cosson
2120 L Street, N.W.
Suite 520
Washington, DC 20037

Gary Sanchez
Cingular Wireless
5565 Glenridge Connector
Suite 1700
Atlanta, GA 30342

T-Mobile USA
State & Local Government Affairs
12920 SE 38th Street
Bellevue, WA 98006

Jeffrey J. Yost, Esq.
Mary Elisabeth Naumann, Esq.
Jackson Kelly PLLC
175 E. Main Street, Suite 500
P. O. Box 2150
Lexington, KY 40588

Leon M. Bloomfield, Esq.
Wilson & Bloomfield LLP
1901 Harrison Street, Suite 1630
Oakland, CA 94612

Holland N. McTyeire, V
Greenebaum, Doll & McDonald, PLLC
3300 National City Tower
101 South Fifth Street
Louisville, KY 40202

Doris A. Tichenor
1086 Annis Ferry Road
Morgantown, KY 42261

Hon. Martha M. Ross-Bain
AT&T
Suite 8100
1200 Peachtree Street
Atlanta, GA 30309

Dinsmore & Shohl LLP
ATTORNEYS

John E. Selent
502-540-2315
john.selent@dinslaw.com

January 27, 2006

VIA FEDERAL EXPRESS

Mr. Marc Sterling
Member Technical Staff-Contract Negotiator
Verizon Wireless
One Verizon Place
Alpharetta, GA 30004-8511

Re: Interconnection Request; Ballard Rural Telephone Cooperative Corporation, Inc.

Dear Mr. Sterling:

We are legal counsel to Ballard Rural Telephone Cooperative Corporation, Inc. We request that you direct all future communications regarding this matter to us.

Ballard Rural Telephone Cooperative Corporation, Inc. has asked us to forward you the attached, template interconnection agreement that it is willing to execute with Cellco Partnership d/b/a Verizon Wireless, GTE Wireless of the Midwest Incorporated d/b/a Verizon Wireless, and Kentucky RSA No. 1 Partnership d/b/a Verizon Wireless (collectively, "Verizon Wireless"). If this agreement is acceptable, please let us know, and we will prepare an executable version for you.

Pursuant to 47 U.S.C. § 252, *et seq.*, and section 3.01 of the CMRS transit traffic Settlement Agreement approved by the Kentucky Public Service Commission in Case No. 2003-00045 (effective May 1, 2004), Ballard Rural Telephone Cooperative Corporation, Inc. acknowledges receipt of Verizon Wireless' interconnection request on January 1, 2006. Pursuant to 47 U.S.C. § 252, *et seq.*, then, the statutory arbitration window for the parties interconnection agreement will open on May 16, 2006 and close on June 10, 2006.

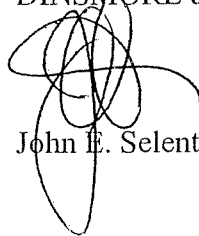
If you disagree with any of the above-referenced dates, please notify us immediately.

Thank you, and we look forward to your response.

Mr. Marc Sterling
January 27, 2006
Page 2

Very truly yours,

DINSMORE & SHOHL LLP

A handwritten signature in black ink, appearing to be "John E. Selent", written over the printed name.

John E. Selent

JES/lb

Enclosure

cc: Steven E. Watkins (w/ encl.)
Edward T. Depp, Esq. (w/o encl.)

Dinsmore & Shohl LLP
ATTORNEYS

John E. Selent
502-540-2315
john.selent@dinslaw.com

March 14, 2006

VIA FEDERAL EXPRESS

Mr. Marc Sterling
Member Technical Staff-Contract Negotiator
Verizon Wireless
One Verizon Place
Alpharetta, GA 30004-8511

Re: CMRS Agreement; Ballard Rural Telephone Cooperative Corporation, Inc.

Dear Mr. Sterling:

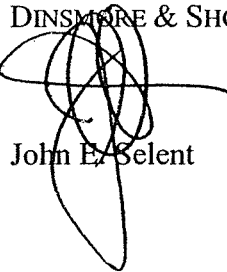
Pursuant to the interconnection negotiations between Ballard Rural Telephone Cooperative Corporation, Inc. ("Ballard Rural") and Cellco Partnership d/b/a Verizon Wireless, GTE Wireless of the Midwest Incorporated d/b/a Verizon Wireless, and Kentucky RSA No. 1 Partnership d/b/a Verizon Wireless (collectively, "Verizon Wireless") which commenced on January 1, 2006, we are enclosing an interconnection agreement with applicable traffic distribution percentages and rates per terminating minute of use.

Please provide us with your company information as indicated in Section 14.1.2 of the enclosed agreement, and your contact information in Section 14.10. Please also let us know whether Verizon Wireless is prepared to execute this interconnection agreement with Ballard Rural.

I look forward to hearing from you with regard to this issue. Thank you.

Very truly yours,

DINSMORE & SHOHL LLP



John E. Selent

JES/HCW

March 14, 2006

Page 2

Enclosure

cc: Steven E. Watkins (w/ encl.)
Leon Bloomfield, Esq. (w/encl.)

INGLE, KERRY

From: Marc.Sterling@VerizonWireless.com
Sent: Tuesday, April 18, 2006 11:42 AM
To: SELENT, JOHN
Subject: VZW Interconnection with Ballard Rural and West Kentucky Rural
Follow Up Flag: Follow up
Flag Status: Red

Mr. Selent,

I'm in receipt of the draft interconnection agreements you provided on behalf of Ballard Rural, Duo County, Logan, and West Kentucky Rural. It appears that your proposed form of interconnection agreement accommodates only direct interconnection. The volume of traffic that Verizon Wireless currently exchanges with Duo County and Logan does not warrant the establishment of direct trunks. On the other hand, as Verizon Wireless is prepared to consider establishment of direct trunks with Ballard Rural and West Kentucky Rural, I suggest we proceed at this time with negotiations between Verizon Wireless and these two clients of yours. After we complete those, we can address Duo County and Logan and try to work through the indirect scenario.

Verizon Wireless currently has reverse billing arrangements with both Ballard and West Kentucky. With establishment of interconnection agreements, Verizon Wireless would, to the extent we do not have them already, obtain numbers associated with rate centers that are local or EAS to Ballard and West Kentucky landlines and exit the reverse billing arrangement. The traditional process for exiting reverse billing requires our customers to have their cell phones reprogrammed to change their cell number from one that's associated with a toll rate center to one that's associated with a local or EAS rate center. I'd like to know if Ballard and West Kentucky would consider instead an alternative approach pursuant to which they would effectively grandfather as local those non-local NPA-NXXs that are currently included in the reverse billing arrangement. This approach, which assumes calls to such NPA-NXXs would be delivered to Verizon Wireless over direct interconnection facilities, would benefit both Verizon Wireless and your clients, as it would allow us to avoid the potential confusion in the marketplace that may occur if number changes are required.

In order to proceed with Ballard and West Kentucky, please provide a soft copy of your proposed agreement template, which we'll red-line and return. Also, please let me know if Ballard and West Kentucky are willing to provide local calling without reverse bill charges for calls to currently reverse billed NPA-NXXs that are delivered over direct interconnection facilities.

Thanks,
Marc

Marc Sterling
Verizon Wireless
Member Technical Staff - Contract Negotiator
678-339-4276 (office)
678-591-4687 (cell)
marc.sterling@verizonwireless.com

The information contained in this message and any attachment may be proprietary, confidential, and privileged or subject to the work product doctrine and thus protected from disclosure. If the reader of this message is not the intended recipient, or an employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited.

5/26/2006

If you have received this communication in error, please notify me immediately by replying to this message and deleting it and all copies and backups thereof. Thank you.

Dinsmore & Shohl LLP
ATTORNEYS

John E. Selent
502-540-2315
john.selent@dinslaw.com

May 15, 2006

VIA FEDERAL EXPRESS

Mr. Marc Sterling
Member Technical Staff-Contract Negotiator
Verizon Wireless
One Verizon Place
Alpharetta, GA 30004-8511

Re: *Interconnection Negotiations*

Dear Mr. Sterling:

We are counsel to Ballard Rural Telephone Cooperative Corporation, Inc. ("Ballard Rural"). The purpose of this letter is to respond to your email dated April 18, 2006.

Ballard Rural is encouraged by Verizon Wireless's willingness to negotiate an appropriate interconnection agreement for the continued exchange of traffic, and we would be glad to schedule an initial negotiation as soon as possible, given the May 16, 2006 opening of the arbitration window.

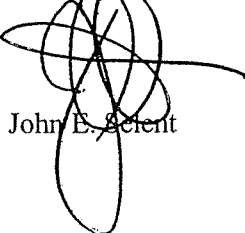
Please note that the CMRS agreement ("Agreement") approved by the Kentucky Public Service Commission in Case No. 2003-00045 expires by its terms on December 31, 2006. Accordingly, if Verizon Wireless desires to exchange traffic with Ballard Rural after that date, Verizon Wireless needs to execute an interconnection agreement with Ballard Rural. If Verizon Wireless does not have an appropriate and effective interconnection agreement with Ballard Rural as of January 1, 2007, Verizon Wireless will not be permitted to terminate traffic to Ballard Rural at and after that time.

Given the impending opening of the arbitration window, we look forward to your prompt response.

Thank you.

Very truly yours,

DINSMORE & SHOHL LLP



John E. Selent

Verizon Wireless
May 15, 2006
Page 2

JES/bmt

cc: Steven E. Watkins
Holly C. Wallace, Esq.
Edward T. Depp, Esq.

AGREEMENT

for

FACILITIES-BASED NETWORK INTERCONNECTION FOR TRANSPORT AND TERMINATION OF TELECOMMUNICATIONS TRAFFIC

CMRS-LEC AGREEMENT

Between

Ballard Rural Telephone Cooperative Corporation, Inc.

and

Cellco Partnership d/b/a Verizon Wireless,
GTE Wireless of the Midwest Incorporated d/b/a
Verizon Wireless, and Kentucky RSA No. 1
Partnership d/b/a Verizon Wireless

Table of Contents

INTRODUCTION

RECITALS

- 1.0 Definitions
- 2.0 Interpretation and Construction
- 3.0 Scope
- 4.0 Service Agreement
 - 4.1 Methods of Interconnection
 - 4.2 Service Arrangements
 - 4.3 Signaling
- 5.0 Compensation Arrangements
 - 5.1 Subject Traffic
 - 5.2 Rate Structure
 - 5.3 Non-Recurring Charges
 - 5.4 Inter-MTA Traffic
 - 5.5 Traffic Distribution
- 6.0 Notice of Changes
- 7.0 General Responsibilities of the Parties
- 8.0 Effective Date, Term, and Termination
- 9.0 Cancellation Charges
- 10.0 Indemnification
- 11.0 Limitation of Liability
- 12.0 Compliance with Laws and Regulations
- 13.0 Disclaimer of Representations and Warranties
- 14.0 Miscellaneous
 - 14.1 Authorization
 - 14.2 Disclaimer of Agency; No Third Party Beneficiaries; Independent Contractor
 - 14.3 Force Majeure
 - 14.4 Treatment of Proprietary and Confidential Information
 - 14.5 Choice of Law
 - 14.6 Taxes
 - 14.7 Assignability
 - 14.8 Billing and Payment; Disputed Amounts
 - 14.9 Dispute Resolutions
 - 14.10 Notices
 - 14.11 Joint Work Product
 - 14.12 No License
 - 14.13 Survival
 - 14.14 Entire Agreement
 - 14.15 Non-Waiver
 - 14.16 Publicity and Use of Trademarks or Service Marks
 - 14.17 Severability
 - 14.18 Counterparts
 - 14.19 Modification, Amendment, Supplement, or Waiver
 - 14.20 Change in Law

APPENDIX A

APPENDIX B

**AGREEMENT FOR FACILITIES-BASED NETWORK INTERCONNECTION
FOR TRANSPORT AND TERMINATION OF TELECOMMUNICATIONS TRAFFIC
(CMRS-LEC AGREEMENT)**

Pursuant to this CMRS-LEC Agreement for Facilities-Based Network Interconnection for Transport and Termination of Telecommunications Traffic, Ballard Rural Telephone Cooperative Corporation, Inc. ("Ballard Rural") and Celco Partnership d/b/a Verizon Wireless, GTE Wireless of the Midwest Incorporated d/b/a Verizon Wireless, and Kentucky RSA No. 1 Partnership d/b/a Verizon Wireless, collectively ("Verizon Wireless") will extend certain network arrangements to one another as specified below.

Recitals

WHEREAS, Verizon Wireless is a Commercial Mobile Radio Services ("CMRS") provider licensed by the Federal Communications Commission ("FCC") to provide CMRS; and

WHEREAS, Ballard Rural is a Local Exchange Carrier ("LEC") providing telecommunications services in the Commonwealth of Kentucky; and

WHEREAS, the Parties desire to interconnect their respective CMRS and LEC network facilities for the purpose of delivery of specific traffic for transport and termination on the other Party's network; and

WHEREAS, the Parties are entering into this Agreement to set forth the respective obligations and the terms and conditions under which they will interconnect their networks and provide services as set forth herein.

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

1.0 DEFINITIONS

As used in this Agreement, the following terms shall have the meanings specified below in this Section 1.0. Any term used in this Agreement that is not specifically defined shall have the meaning ascribed to such term in the Communications Act of 1934, as amended. If no specific meaning exists for a specific term used in this Agreement, then normal usage in the telecommunications industry shall apply.

1.1 "Act" means the Communications Act of 1934, as amended.

1.2 "Affiliate" is As Defined in the Act.

1.3 "Agreement" means this Agreement for Facilities-Based Network Interconnection for Transport and Termination of Telecommunications Traffic (CMRS-LEC Agreement), together with all appendices, exhibits, schedules, and other attachments hereto.

1.4 "Central Office Switch" means a switch used to provide Telecommunications Services, including, but not limited to:

(a) "End Office Switches" which are used to terminate lines from individual stations for the purpose of interconnection to each other and to trunks; and

(b) "Tandem Office Switches" which are used to connect and switch trunk circuits

between and among other Central Office Switches.

A Central Office Switch may also be employed as a combination End Office/Tandem Office Switch.

1.5 "Commercial Mobile Radio Service" or "CMRS" means Commercial Mobile Radio Service as defined in Part 20 of the FCC's Rules.

1.6 "Commission" means the Kentucky Public Service Commission.

1.7 "Common Channel Interoffice Signaling" or "CCIS" means the signaling system, developed for use between switching systems with stored-program control, in which all of the signaling information for one or more groups of trunks is transmitted over a dedicated high-speed data link rather than on a per-trunk basis and, unless otherwise agreed by the Parties, the CCIS used by the Parties shall be Signaling System Seven ("SS7").

1.8 "DS1" is a digital signal rate of 1.544 Mbps (MEGA Bits Per Second).

1.9 "DS3" is a digital signal rate of 44.736 Mbps.

1.10 "FCC" means the Federal Communications Commission.

1.11 "Information Service" is as defined in the Act.

1.12 "Interconnection" for purposes of this Agreement is the linking of the Verizon Wireless and Ballard Rural networks for the delivery of traffic.

1.13 "Interconnection Point" or "IP" is a demarcation point on the incumbent network of Ballard Rural between networks where the delivery of traffic from one Party to the other Party takes place pursuant to this Agreement.

1.14 "Interexchange Carrier" or "IXC" means a carrier that provides, directly or indirectly, interLATA or intraLATA Telephone Toll Services.

1.15 "Inter-MTA Traffic" is: (a) traffic originated by a CMRS end user of Verizon Wireless in one MTA and terminated to an end user of Ballard Rural in another MTA; or (b) traffic originated by an end user of Ballard Rural in one MTA and terminated to an end user of Verizon Wireless in another MTA. Inter-MTA Traffic is subject to Ballard Rural originating and terminating Switched Exchange Access Service charges.

1.16 "Local Exchange Carrier" or "LEC" is as defined in the Act.

1.17 "Major Trading Area" or "MTA" means Major Trading Area as defined in Section 24.202(a) of the FCC's rules.

1.18 "Multifrequency" means a signaling system for use between switching systems which uses a method of sending pulses over a circuit by using one pair of tones from a total set of five tones to encode each digit.

1.19 "NXX" means a three-digit code valid within an area code which appears as the first three digits of a seven-digit telephone number with the exception of the special 500, 600, 700, 800, and 900 codes and other similar special codes that may come into common usage in the future.

1.20 "Party" means either Ballard Rural or Verizon Wireless, and "Parties" means Ballard Rural and Verizon Wireless.

1.21 "Rate Center" means the specific geographic point ("Vertical and Horizontal" or "V & H" coordinates) and corresponding geographic area which are associated with one or more particular NPA-NXX codes which have been assigned to a LEC for its provision of basic exchange telecommunications services. The "rate center point" is the finite geographic point identified by a specific V & H coordinate which is used to measure distance-sensitive end user traffic to/from the particular NPA-NXX designations associated with the specific Rate Center. The "rate center area" is the exclusive geographic area identified as the area within which the LEC provides basic exchange telecommunications service bearing the particular NPA-NXX designations associated with the specific Rate Center. The Rate Center point must be located within the Rate Center area. The use by a CMRS provider of a Rate Center V & H for mobile CMRS services does not necessarily indicate the location of the CMRS mobile user.

1.22 "Subject Traffic" is telecommunications traffic that is subject to Section 251(b)(5) of the Act. With respect to network interconnection between a CMRS licensee and a LEC, Subject Traffic is defined as traffic which is originated by an end user of one Party and terminates to an end user of the other Party within the same Major Trading Area ("MTA"), provided that the end user of Verizon Wireless is a two-way CMRS customer and the traffic is delivered by either Party over the connecting facilities covered by this Agreement. Subject Traffic is defined under this Agreement only for the purpose of defining the scope of traffic that is subject to compensation pursuant to 47 C.F.R. § 51.701(e) of the FCC's rules. The definition and use of the term Subject Traffic for purposes of this Agreement has no effect on the definition of local traffic or the geographic area associated with local calling under either Party's respective end user service offerings.

1.23 "Telecommunications" is as defined in the Act.

1.24 "Telecommunications Carrier" is as defined in the Act.

1.25 "Termination" is, with respect to the Subject Traffic delivered by one Party to the other Party over the facilities established pursuant to this Agreement, the switching of such traffic at the terminating carrier's end office switch, or equivalent facility, and delivery of such traffic to the called party's premises.

1.26 "Transport" is, with respect to the Subject Traffic delivered by one Party to the other Party over the facilities established pursuant to this Agreement, the transmission and any necessary tandem switching of such telecommunications traffic from the interconnection point between the two carriers to the terminating carrier's end office switch that directly serves the called party, or equivalent facility provided by a carrier other than an incumbent LEC.

2.0 INTERPRETATION AND CONSTRUCTION

2.1 All references to Sections, Exhibits, Appendices, and Schedules shall be deemed to be references to Sections of, and Exhibits, Appendices, and Schedules to, this Agreement unless the context shall otherwise require. The headings of the Sections and the terms are inserted for convenience of references only and are not intended to be a part of or to affect the meaning of this Agreement. Unless the context shall otherwise require, any reference to any agreement, other instrument (including Verizon Wireless's, Ballard Rural's or other third party offerings, guides or practices), statute, regulation, rule or tariff is for convenience of reference only and is not intended to be a part of or to affect the meaning of rule or tariff as amended and supplemented from time to time (and, in the case of a statute, regulation, rule or tariff, to any successor provision).

2.2 The Parties acknowledge that some of the services, facilities, or arrangements described herein reference the terms of federal or state tariffs of the Parties. Each Party hereby incorporates by reference those provisions of any tariff that governs any terms specified in this Agreement. If any provision contained in this main body of the Agreement and any Appendix hereto cannot be reasonably construed or interpreted to avoid conflict, the provision contained in this main body of this Agreement shall prevail. If any provision of this Agreement and an applicable tariff cannot be reasonably construed or interpreted to avoid conflict, the Parties agree that the provision contained in this Agreement shall prevail. This agreement supersedes any prior agreement between the Parties.

3.0 SCOPE

3.1 This Agreement sets forth the terms, conditions and prices under which the Parties agree to interconnect the CMRS network of Verizon Wireless and the LEC network of Ballard Rural for the purposes of delivering certain traffic within the scope of this Agreement specifically including:

3.1.1 CMRS to LEC Subject Traffic that is: (a) originated on the CMRS network of Verizon Wireless; (b) delivered to the Ballard Rural network over the facilities comprising the Interconnection established pursuant to this Agreement; and (c) terminated on the incumbent LEC network of Ballard Rural;

3.1.2 LEC to CMRS Subject Traffic that is: (a) originated on the incumbent LEC network of Ballard Rural; (b) delivered to Verizon Wireless over the facilities comprising the Interconnection established pursuant to this Agreement; and (c) terminated on the CMRS network of Verizon Wireless;

3.1.3 Inter-MTA Traffic that is: (a) originated on the network of one Party; (b) delivered to the other Party over the facilities comprising the Interconnection pursuant to this Agreement; and (c) terminated on the network of the other Party.

3.2 This Agreement provides for specific compensation between the Parties for the Transport and Termination of Subject Traffic on each Party's network as set forth in this Agreement. The specific provisions for compensation for the Transport and Termination of Subject Traffic do not apply to any other types of traffic or in any other geographic area.

3.3 Subject Traffic does not include: (a) Inter-MTA Traffic discussed in Section 5.4; (b) traffic that either Party originates to, or terminates from, an interexchange carrier regardless of the originating and terminating end points of a call; or (c) traffic that Ballard Rural originates to, or terminates from, any carrier over facilities and/or service arrangements that the carrier has obtained pursuant to an access service arrangement regardless of the originating and terminating points of a call. All traffic that Ballard Rural originates to, or terminates from, an interexchange carrier will be subject to access charges to be retained by Ballard Rural. There will be no sharing of access charge revenue that Ballard Rural bills either interexchange carriers or any other carriers that obtain access services from Ballard Rural. There will be no access services provided jointly between the Parties pursuant to this Agreement.

3.4 This Agreement only applies with respect to the traffic delivered over the facilities comprising the Interconnection arrangement(s) between the Parties. This Agreement only applies to traffic originated by Verizon Wireless's CMRS mobile users that are located within the wireless service area of Verizon Wireless defined as the set of counties as set forth in Appendix C. The terms of this Agreement including, but not limited to, traffic distribution and the proportions of minutes of use that are Subject Traffic and Inter-MTA Traffic are directly related to and dependent on the specific service area of Verizon Wireless.

3.5 Compensation for the Transport and Termination of Subject Traffic applies only to traffic associated with the provision of local exchange carrier services by Ballard Rural for which Ballard Rural has tariff authority to provide and to traffic associated with the provision of two-way CMRS by Verizon Wireless. Neither Party shall provide an intermediary or transit traffic function for the other Party's connection of its end users to the end users of a third party telecommunications carrier without the consent of all parties and without the establishment of mutually agreeable terms and conditions governing the provision of the intermediary functions. This Agreement does not obligate either Party to utilize any intermediary or transit traffic function of the other Party or of any third party. Traffic associated with fixed wireless services of Verizon Wireless is specifically excluded from this Agreement. This Agreement does not apply to traffic originated or terminated on third party networks or to any other traffic not specifically identified in this Section 3.0.

3.6 Connecting facilities that may be established pursuant to this Agreement shall not be used by either Party to deliver any other traffic not specifically allowed under this Agreement in this Section 3.0. It will constitute a default of this Agreement for a Party to deliver, over the connecting network facilities, any traffic other than the traffic that is within the scope of this Agreement as specifically identified in this Section 3.0.

4.0 SERVICE AGREEMENT

4.1 Methods of Interconnection.

4.1.1 The Parties agree to interconnect their respective networks within the incumbent LEC service area of Ballard Rural at one or more Interconnection Points ("IPs") as established by Ballard Rural. Interconnection will be provided through an appropriate Ballard Rural tandem switching office. The IP(s) will be set forth in Appendix A. Ballard Rural shall make available, to Verizon Wireless at the IP(s), trunks over which Verizon Wireless can terminate traffic described in Section 3.1 and Appendix A. Verizon Wireless shall make available, to Ballard Rural at the IP(s), trunks over which Ballard Rural can terminate traffic described in Section 3.1 and Appendix A. By mutual agreement, the Parties may interconnect on a bi-directional basis using two-way trunk groups between the Parties' networks. All interconnecting facilities will be at a minimum of a DS1 level, multiple DS1 level, or DS3 level and will conform to industry standards. This Agreement does not apply to, and interconnection pursuant to this Agreement cannot be used for, traffic originated or terminated on third party networks. All methods of interconnection are subject to the compensation structure set forth in Section 5.0 and Appendix B.

4.1.2 Indirect Interconnection. Verizon Wireless shall be permitted to use a third party carrier's facilities for purposes of establishing interconnection indirectly with Ballard Rural at the IP(s). In such case, on behalf of Verizon Wireless, the third party carrier will connect dedicated facilities with Ballard Rural at the IP(s). Verizon Wireless shall be responsible for the payment to any third party carrier for any charges associated with the facilities.

4.2 Service Arrangement. This Agreement provides for the following interconnection arrangement between the Parties for the purpose of delivery by one Party of specific traffic for Transport and Termination on the other Party's network.

4.2.1 The service arrangement involves trunk side connection to appropriate Ballard Rural tandem switching offices. Under this arrangement, the interconnection facility acts like an interoffice trunk. The trunk service arrangement can by mutual agreement be used as a two-way service for originating and terminating traffic between the Parties' respective networks. This Agreement does not apply to, and the trunk service arrangement cannot be used for traffic

originated or terminated on third party networks.

4.2.1.1 For traffic terminating on Ballard Rural, the trunk service arrangement may be used by Verizon Wireless to deliver traffic for termination to valid NXX codes associated with Ballard Rural end offices that subtend the specific tandem office to which the Type 2A interconnection is made.

4.2.1.2 Based on the specific Ballard Rural local service area of the originating Ballard Rural end user, the trunk service arrangement may be used by Ballard Rural to deliver traffic only to designated NPA-NXXs of Verizon Wireless for which the associated rate center (as determined by V&H coordinates) is within the specific Ballard Rural local service area of the originating Ballard Rural end user. Ballard Rural local service areas are set forth in Ballard Rural's intrastate local service tariff.

4.2.1.3 The delivery of traffic pursuant to Subsections 4.2.1.1 and 4.2.1.2 does not create legal or regulatory obligations for either Party that do not otherwise apply.

4.2.1.4 The delivery of traffic pursuant to Section 4.2.1.2 and the designation of rate center V & H coordinates by Verizon Wireless for NPA-NXX numbers assigned to Verizon Wireless's mobile CMRS customers does not necessarily affect or determine the services offered by Ballard Rural or Verizon Wireless, the services provided to end users by either Party, the rate structure applied to services provided to end users by either Party, or the rates charged to end users by either Party for the services either Party provides. Any end user service or traffic delivery application by either Party based on designation of rate center V & H coordinates for the NPA-NXX numbers assigned by Verizon Wireless to its mobile CMRS customers does not create legal or regulatory obligations for either Party that do not otherwise apply.

4.3 Signaling. SS7 connectivity will be provided in accordance with prevailing industry standards. The Parties agree to cooperate on the exchange of all appropriate SS7 messages for originating carrier identification, local call set-up, including ISDN User Part ("ISUP") and Transaction Capability User Part ("TCAP") messages to facilitate full interoperability of all CLASS features and functions between their respective networks. Any other SS7 message services to be provided using TCAP messages (such as database queries) will be jointly negotiated and agreed upon. All SS7 signaling parameters will be provided in conjunction with traffic trunk groups, where and as available. These parameters include, but are not limited to, originating Carrier Identification Code, Automatic Number Identification ("ANI"), Initial Address Message ("IAM"), Calling Party Number ("CPN"), Privacy Indicator, calling party category information, charge number, and the Jurisdictional Indicator Parameter ("JIP") containing a Local Exchange Routing Guide ("LERG") assigned NPA-NXX identifying the originating switch of calls originating from Local Number Portability capable switches, etc. All parameters related to network signaling information will also be provided, such as Verizon Wireless Information Parameter ("CIP"), wherever such information is needed for call routing and billing. Each Party will honor all Privacy Indicators as required under applicable law. Verizon Wireless must interconnect, directly or indirectly, with the Ballard Rural Signal Transfer Points ("STPs") serving the Telecommunications in which Telecommunications Traffic and Inter-MTA Traffic will be exchanged. Verizon Wireless may choose a third-party SS7 signaling provider to transport signaling messages to and from Ballard Rural's SS7 network. In that event, the third-party provider must present a letter of agency to Ballard Rural authorizing the third party to act on behalf of Verizon Wireless in transporting SS7 messages to and from Ballard Rural. The third-party provider for Verizon Wireless must interconnect with the Ballard Rural STP(s) serving the geographic area in which the traffic exchange trunk groups are located. Where SS7 signaling is not available, in-band signaling shall be used in accordance with accepted industry standards.

5.0 COMPENSATION ARRANGEMENTS

5.1 **Subject Traffic.** Each Party shall pay the other Party for Transport and Termination of Subject Traffic that either Party delivers to the other Party's network pursuant to the provisions of this Agreement. These charges and rates do not apply to any other types of traffic or for traffic delivered in any other areas other than those set forth in this Agreement and described in Appendix A. The Parties agree that Ballard Rural will not provide any compensation to Verizon Wireless for traffic associated with one-way CMRS, including paging services, provided by Verizon Wireless.

5.2 **Rate Structure.** An IP(s) will be established between the Parties' networks as specified in Appendix A for the delivery of traffic described in Section 3.1. Verizon Wireless must obtain special access from Ballard Rural subject to the rates, terms and conditions contained in Ballard Rural's intrastate access tariff for the purpose of connection between the IP(s) and Ballard Rural's applicable tandem office. These connecting facilities are set forth in Appendix A. Ballard Rural will charge special access from the applicable Ballard Rural intrastate access tariff for the tandem connecting facilities. Special access charges for the connecting facilities will be reduced, as specified in Appendix B, to reflect the proportionate share of the total usage of the facilities that is related to Subject Traffic originated by Ballard Rural. For any specific IP, a single, combined, per-minute rate, as specified in Appendix B, will apply which encompasses total compensation for Transport, call Termination and any other facilities utilized to terminate Subject Traffic on the other Party's respective network.

5.3 **Non-Recurring Charges.** Verizon Wireless agrees to the non-recurring fees as set forth in Appendix B for any additions to, or added capacity for, special access connecting facilities.

5.4 **Inter-MTA Traffic.** The specific compensation arrangements set forth in this Agreement for Subject Traffic are not applicable to Inter-MTA Traffic described in Section 3.1.3. Verizon Wireless will provide compensation to Ballard Rural for originating and terminating Inter-MTA Traffic according to the terms and conditions of Ballard Rural's applicable federal and state access tariffs. Even though there may be some land-to-mobile Inter-MTA Traffic, the Parties will presume, for purposes of this Agreement, that there will be no land-to-mobile Inter-MTA Traffic exchanged between the Parties over the connecting facilities established pursuant to this Agreement.

5.4.1 Verizon Wireless and Ballard Rural will develop mutually acceptable percent usage factors for the relative amounts of Inter-MTA Traffic and Subject Traffic delivered by Verizon Wireless over the connecting facilities pursuant to this Agreement as defined in Section 3.1. These percentage usage factors will apply to total traffic exchanged over the connecting facilities. The Parties will work together to develop an auditable report which shows, for traffic originated or terminated by Verizon Wireless and exchanged by the Parties over the connecting facilities pursuant to this Agreement, the ratio of inter-MTA Traffic to Subject Traffic for representative periods of time. The Parties agree that the original usage factors set forth in Sections 3 and 4 of Appendix A will be used for a minimum of 12 months. If an auditable report can be developed to identify and measure inter-MTA Traffic and the Parties mutually agree to new traffic percentages based on the prior 12-month period, the percentages specified in Sections 3 and 4 of Appendix A will be amended and applied to prospective periods. In the event of a dispute regarding the adjustment to the intra-MTA factors, the dispute will be resolved pursuant to the provisions of Section 14.9.

5.4.2 The Parties recognize that the Inter-MTA traffic (defined in Section 3.1.3) may be both Interstate and Intrastate in nature. For the Inter-MTA traffic, the Parties will develop mutually acceptable Interstate and Intrastate factors. The percentages are specified in Appendix A. The relative Interstate and Intrastate percentages will be applied for the duration of this Agreement. Interstate access charges will apply to the percentage of Inter-MTA Traffic that is interstate in nature; intrastate access charges will apply to the percentage of Inter-MTA Traffic that is intrastate in

nature.

5.4.3 The designation of traffic as either Subject Traffic (for which Transport and Termination charges apply) or Inter-MTA Traffic (for which access charges apply) for purposes of compensation pursuant to this Agreement shall be based on the actual originating and terminating points of the complete end-to-end call; provided, however, that for Verizon Wireless the location of the cellular service antenna serving the CMRS end user when the call begins shall be used as the determinant of the geographic location of the mobile customer.

5.5 The Parties intend to utilize actual terminating measurement of usage for purposes of billing pursuant to this Agreement. The terminating usage will be measured by the terminating carrier. However, in the event that either Party may not be capable of measuring traffic, then the following provisions shall apply: The relative directionality of traffic with respect to the connecting facilities is set forth in Section 2 of Appendix A. The Parties agree to use the default percentages set forth in Section 2 of Appendix A for the application of charges pursuant to this Agreement. In any event, the Parties agree that the portion of traffic that is land-to-mobile will not exceed 50 percent.

6.0 NOTICE OF CHANGES

If a Party makes a change in its network which it believes will materially affect the interoperability of its network with the other Party, the Party making the change shall provide at least ninety (90) days advance written notice of such change to the other Party. In the event that the provision of ninety (90) days notice is not possible, the Party making the change shall provide notification within ten (10) business days after the determination to make the network change.

7.0 GENERAL RESPONSIBILITIES OF THE PARTIES

7.1 Thirty (30) days after the Effective Date of each quarter during the term of this Agreement, Verizon Wireless shall provide Ballard Rural with a rolling six (6) calendar month, non-binding forecast of its traffic and volume requirements for the services provided under this Agreement and in the form and such detail as agreed by the Parties. The Parties agree that each forecast provided under this Section shall be deemed "Proprietary Information."

7.2 Each Party is individually responsible to provide facilities within its network which are necessary for routing, transporting, measuring, and billing traffic from the other Party's network and for delivering of such traffic it receives in that mutually acceptable format and to terminate the traffic it receives in that mutually acceptable format to the proper address on its network. Such facility shall be designed based upon the description provided under Section 4.0 above. The Parties are each solely responsible for participation in and compliance with national network plans, including the National Network Security Plan and the Emergency Preparedness Plan.

7.3 Neither Party shall use any service related to or use any of the services provided in this Agreement in any manner that prevents other persons from using their service or destroys the normal quality of service to other carriers or to either Party's Customers, and subject to notice and a reasonable opportunity of the offending Party to cure any violation, either Party may discontinue or refuse service if the other Party violates this provision.

7.4 The characteristics and methods of operation of any circuits, facilities or equipment of one Party connected with the services, facilities or equipment of the other Party shall not interfere with or impair service over any facilities of the other Party, its affiliated companies, or its connecting and concurring carriers involved in its services; or cause damage to the other Party's plant, impair

the privacy of any communications carried over the facilities or create hazards to the employees of the other Party, its affiliated companies, or its connecting and concurring carriers or the public.

7.5 If such characteristics or methods of operation are not in accordance with the preceding paragraph, either Party will notify the other Party that temporary discontinuance of the circuit, facility or equipment may be required; however, when prior notice is not practicable, either Party may forthwith temporarily discontinue the use of a circuit, facility or equipment if such action is reasonable under the circumstances. In such case of temporary discontinuance, either Party will notify the other Party immediately by telephone and provide the other Party with the opportunity to correct the condition that gave rise to the temporary discontinuance. No allowance for interruption will be applicable.

7.6 Each Party is solely responsible for the services it provides to its customers and to other telecommunications carriers.

7.7 Each Party is responsible for administering NXX codes assigned to it.

7.8 At all times during the term of this Agreement, each Party shall keep and maintain in force at each Party's expense all insurance required by law (e.g., workers' compensation insurance) as well as general liability insurance for personal injury or death to any one person, property damage resulting from any one incident, automobile liability with coverage of bodily injury for property damage. Upon request from the other Party, each Party shall provide to the other Party evidence of such insurance (which may be provided through a program of self-insurance).

7.9 The physical connection of facilities, delivery of traffic, and/or termination of traffic may be temporarily discontinued by either Party upon 30 days' written notice to the other Party for repeated or willful violation of or refusal to comply with any of the provisions of this Agreement.

8.0 EFFECTIVE DATE, TERM, AND TERMINATION

8.1 This Agreement shall become effective on January 1, 2007 and shall terminate on December 31, 2008 (the "Initial Term"). When the Agreement becomes effective, the provisions contained in Section 2.0 of this Agreement shall apply with respect to the interpretation and construction of this Agreement and its ongoing relation to other references, including subsequent tariffs.

8.2 After the Initial Term, this Agreement shall then automatically renew on a year-to-year basis. Upon expiration of the initial term or any subsequent term, either Party may terminate this Agreement by providing written notice of termination to the other Party, with such written notice to be provided at least sixty (60) days in advance of the date of termination of the then-existing term.

8.2.1 Post-Termination Arrangements. For service arrangements made available under this Agreement and existing at the time of termination, those arrangements will continue without interruption until a replacement agreement has been executed by the Parties either (a) under an agreement voluntarily executed by the Parties; (b) under a new agreement arrived at pursuant to the provisions of the Act; or (c) under an agreement available according to the provisions of Section 252(i) of the Act, but in no case will the existing service arrangements continue for longer than 12 months following the date on which notice of termination is provided by either Party to the other Party.

8.3 Upon termination or expiration of this Agreement in accordance with this Section:
(a) each Party shall comply immediately with its obligations set forth above;
(b) each Party shall promptly pay all undisputed amounts (including any late

payment charges) owed under this Agreement;

(c) each Party's indemnification obligations shall survive termination or expiration of this Agreement.

8.4 The arrangements pursuant to this Agreement including the provision of services or facilities shall immediately terminate upon the suspension, revocation or termination by other means of either Party's authority to provide services. For Ballard Rural, authority involves the provision of local exchange or exchange access services. For Verizon Wireless, authority involves the provision of CMRS services under license from the Federal Communications Commission.

8.5 The services and facilities arrangements pursuant to this Agreement may be terminated by either Party upon not less than ten (10) days' written notice to the other Party for failure to pay undisputed amounts on the dates or at times specified for the facilities and services furnished pursuant to this Agreement.

8.6 Either Party may terminate this Agreement in whole or in part in the event of a default by the other Party provided, however, that the non-defaulting Party notifies the defaulting Party in writing of the alleged default and that the defaulting Party does not cure the alleged default within thirty (30) calendar days of receipt of written notice thereof. Default is defined to include:

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

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

(c) Default as may be defined elsewhere in this Agreement.

9.0 CANCELLATION CHARGES

Except as provided herein, or as otherwise provided in any applicable tariff or contract referenced herein, no cancellation charges shall apply.

10.0 INDEMNIFICATION

10.1 Each Party agrees to release, indemnify, defend and hold harmless the other Party from and against all losses, claims, demands, damages, expenses, suits or other actions, or any liability whatsoever related to the subject matter of this Agreement, including, but not limited to, costs and attorneys' fees (collectively, a "Loss"), (a) whether suffered, made, instituted, or asserted by any other party or person, relating to personal injury to or death of any person, defamation, or for loss, damage to, or destruction of real and/or personal property, whether or not owned by others, arising during the term of this Agreement and to the extent proximately caused by the acts or omissions of the indemnifying Party, regardless of the form of action, or (b) suffered, made, instituted, or asserted by its own customer(s) against the other Party arising out of the other Party's provision of services to the indemnifying Party under this Agreement. Notwithstanding the foregoing indemnification, nothing in this Section 10.0 shall affect or limit any claims, remedies, or other actions the indemnifying Party may have against the indemnified Party under this Agreement, any other contract, or any applicable Tariff(s), regulations or laws for the indemnified Party's provision of said services.

10.2 The indemnification provided herein shall be conditioned upon:

(a) The indemnified Party shall promptly notify the indemnifying Party of any action taken against the indemnified Party relating to the indemnification.

(b) The indemnifying Party shall have sole responsibility to defend any such action with counsel reasonably acceptable to the indemnified Party, provided that the indemnified Party may engage separate legal counsel at its sole cost and expense.

(c) In no event shall the indemnifying Party settle or consent to any judgment pertaining to any such action without the prior written consent of the indemnified Party, which consent shall not be unreasonably withheld.

(d) The indemnified Party shall, in all cases, assert any and all provisions in its Tariffs or customer contracts that limit liability to third parties as a bar to any recovery by the third party claimant in excess of such limitation of liability.

(e) The indemnified Party shall offer the indemnifying Party all reasonable cooperation and assistance in the defense of any such action.

10.3 In addition to its indemnity obligations under Section 10.1 and 10.2, each Party shall provide, in its Tariffs or customer contracts that relate to any Telecommunications Service or Network Element provided or contemplated under this Agreement that in no case shall such Party or any of its agents, contractors or others retained by such parties be liable to any customer or third party for (i) any Loss relating to or arising out of this Agreement, whether in contract or tort, that exceeds the amount such Party would have charged the applicable customer for the service(s) or function(s) that gave rise to such Loss, or (ii) any consequential damages (as defined in Subsection 11.2 below).

11.0 LIMITATION OF LIABILITY

11.1 Except in the instance of harm resulting from an intentional or grossly negligent action of one Party, the Parties agree to limit liability in accordance with this Section 11. The liability of either Party to the other Party for damages arising out of failure to comply with a direction to install, restore or terminate facilities; or out of failures, mistakes, omissions, interruptions, delays, errors or defects occurring in the course of furnishing any services, arrangements or facilities hereunder shall be determined in accordance with the terms of the applicable tariff(s) of the providing Party. In the event no tariff(s) apply, the providing Party's liability shall not exceed an amount equal to the pro rata monthly charge for the affected facility or service for the period in which such failures, mistakes, omissions, interruptions, delays, errors or defects occur. Recovery of said amount shall be the injured Party's sole and exclusive remedy against the providing Party for such failures, mistakes, omissions, interruptions, delays, errors or defects.

11.2 Neither Party shall be liable to the other in connection with the provision or use of services offered under this Agreement for punitive, exemplary, indirect, incidental, consequential, reliance or special damages, including (without limitation) damages for lost profits (collectively, "Consequential Damages"), regardless of the form of action, whether in contract, warranty, strict liability, or tort, including, without limitation, negligence of any kind, even if the other Party has been advised of the possibility of such damages; provided, that the foregoing shall not limit a Party's obligation under Section 10.

11.3 The Parties agree that neither Party shall be liable to the customers of the other Party in connection with its provision of services to the other Party under this Agreement. Nothing in this Agreement shall be deemed to create a third party beneficiary relationship between the Party providing the service and the customers of the Party purchasing the service. In the event of a dispute involving both Parties with a customer of one Party, both Parties shall assert the applicability of any limitation on liability to customers that may be contained in either Party's applicable tariff(s) or customer contracts.

12.0 COMPLIANCE WITH LAWS AND REGULATIONS

12.1 Each Party shall comply with all federal, state, and local statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings applicable to its performance under this Agreement. Each Party shall promptly notify the other Party in writing of any governmental action

that suspends, cancels, withdraws, limits, or otherwise materially affects its ability to perform its obligations hereunder.

12.2 The Parties understand and agree that this Agreement will be filed with the Commission. The Parties reserve the right to seek regulatory relief and otherwise seek redress from each other regarding performance and implementation of this Agreement. In the event the Commission rejects this Agreement, the Parties agree to meet and negotiate in good faith to arrive at a mutually acceptable modification of the Agreement. Further, this Agreement is subject to change, modification, or cancellation as may be required by a regulatory authority or court in the exercise of its lawful jurisdiction. Notwithstanding these mutual commitments, the Parties nevertheless enter into this Agreement without prejudice to any positions they have taken previously, or may take in the future in any legislative, regulatory, or other public forum addressing any matters, including matters related specifically to this Agreement or other types of arrangements prescribed in this Agreement.

13.0 DISCLAIMER OF REPRESENTATION AND WARRANTIES

EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT, NEITHER PARTY MAKES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES, FUNCTIONS AND PRODUCTS IT PROVIDES UNDER OR CONTEMPLATED BY THIS AGREEMENT AND THE PARTIES DISCLAIM THE IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.

14.0 MISCELLANEOUS

14.1 Authorization

14.1.1 Ballard Rural is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Kentucky and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to necessary regulatory approval.

14.1.2 Verizon Wireless is a **[insert entity type]**, duly organized, validly existing and in good standing under the laws of the **[insert state of organization]** and has a full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to necessary regulatory approval.

14.2 Disclaimer of Agency; No Third Party Beneficiaries; Independent Contractor

Neither this Agreement, nor any actions taken by either Party, in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between the Parties, or any relationship. Neither this Agreement, nor any actions taken by either Party in compliance with this Agreement, shall create an agency, or any other type of relationship or third party liability between the Parties or between either Party and the customers of the other Party. This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein express or implied shall create or be construed to create any third-party beneficiary rights hereunder. Nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.

14.3 Force Majeure

Neither Party shall be responsible for delays or failures in performance resulting from acts or occurrences beyond the reasonable control of such Party, regardless of whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement, including, without limitation: adverse weather conditions, fire, explosion, power failure, acts of God, war, revolution, civil commotion, or acts of public enemies; any law, order, regulation, ordinance or requirement of any government or legal body; or labor unrest, including, without limitation, strikes, slowdowns, picketing or boycotts; or delays caused by the other Party or by other service or equipment vendors; or any other circumstances beyond the Party's reasonable control. In such event, the affected Party shall, upon giving prompt notice to the other Party, be excused from such performance on a day-to-day basis to the extent of such interferences (and the other Party shall likewise be excused from performance of its obligations on a day-to-day basis to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use its best efforts to avoid or remove the cause(s) of non-performance and both Parties shall proceed to perform with dispatch once the cause(s) are removed or cease.

14.4 Treatment of Proprietary and Confidential Information

14.4.1 Both Parties agree that it may be necessary to provide each other during the term of this Agreement with certain confidential information, including, but not limited to, trade secrets, technical and business plans, technical information, proposals, specifications, drawings, procedures, customer account data, call detail records and like information (hereinafter collectively referred to as "Proprietary Information"). Proprietary Information shall remain the property of the disclosing Party. Both Parties agree that all Proprietary Information shall be in writing or other tangible form and clearly marked with a confidential, private or proprietary legend and that the Proprietary Information will be returned to the owner within a reasonable time upon request of the disclosing party. Both Parties agree that the Proprietary Information shall be utilized by the non-disclosing Party only to the extent necessary to fulfill the terms of this Agreement or upon such terms and conditions as may be agreed upon between the Parties in writing, and for no other purpose. Both Parties agree to receive such Proprietary Information and not to disclose such Proprietary Information. Both Parties agree to protect the Proprietary Information received from distribution, disclosure or dissemination to anyone except employees and duly authorized agents of the Parties with a need to know such Proprietary Information and which employees and agents agree to be bound by the terms of this Section. Both Parties will use the same standard of care, which in no event shall be less than a reasonable standard of care, to protect Proprietary Information received as they would use to protect their own confidential and proprietary information.

14.4.2 Notwithstanding the foregoing, both Parties agree that there will be no obligation to protect any portion of the Proprietary Information that is either: 1) made publicly available by the owner of the Proprietary Information or lawfully disclosed by a non-party to this Agreement; 2) lawfully obtained from any source other than the owner of the Proprietary Information; 3) publicly known through no wrongful act of the receiving Party; 4) previously known to the receiving Party without an obligation to keep it confidential; 5) required to be disclosed by any governmental authority or applicable law; or 6) approved for release by written authorization of the disclosing Party.

14.4.3 Upon termination of this Agreement, the Parties shall: (i) destroy all Proprietary Information of the other party that remains in its possession; and (ii) certify the completion of such activity in writing to the other Party, within thirty (30) calendar days.

14.5 Choice of Law. The construction, interpretation, enforcement and performance of this Agreement shall be in accordance with the laws of the Commonwealth of Kentucky without regard to its conflict of laws principles.

14.6 Taxes

Any Federal, state or local excise, license, sales, use, or other taxes or tax-like charges (excluding any taxes levied on income) resulting from the performance of this Agreement shall be borne by the Party upon which the obligation for payment is imposed under applicable law, even if the obligation to collect and remit such taxes is placed upon the other Party. Any such taxes shall be shown as separate items on applicable billing documents between the Parties. The Party obligated to collect and remit taxes shall do so unless the other Party provides such Party with the required evidence of exemption. The Party so obligated to pay any such taxes may contest the same in good faith, at its own expense, and shall be entitled to the benefit of any refund or recovery, provided that such Party shall not permit any lien to exist on any asset of the other Party by reason of the contest. The Party obligated to collect and remit taxes shall cooperate fully in any such contest by the other Party by providing records, testimony and such additional information or assistance as may reasonably be necessary to pursue the contest.

14.7 Assignability

Either Party may, upon at least sixty (60) days prior written notice and with the other Party's prior written consent, which shall not be unreasonably withheld, assign this Agreement to an entity with which it is under common ownership and/or control. For purposes of this Subsection 14.7, it shall be deemed "reasonable" for the non-assigning party to withhold consent to a proposed assignment if the proposed assignee does not provide the non-assigning party with sufficient evidence that it has the resources, ability, and authority to satisfactorily perform pursuant to the terms of this Agreement. Any attempted assignment or delegation in violation of this Subsection 14.7 shall be void and ineffective and constitute a default of this Agreement by the party attempting such assignment or delegation. This Agreement shall be binding on and inure to the benefit of the Parties and their respective legal successors and permitted assignee.

14.8 Billing and Payment; Disputed Amounts

14.8.1 Ballard Rural shall invoice Verizon Wireless on a monthly basis. Verizon Wireless shall pay any invoice, which is not the subject of a valid dispute, in immediately available U.S. funds, within (30) days from the date of the invoice. Billing will be based on factors contained in Appendix applied to the terminating minutes of use over the interconnection facilities as measured by Ballard Rural.

14.8.2 All charges under this agreement shall be billed within one year from the time the charge was incurred: previously unbilled charges more than one year old shall not be billed by either Party, and shall not be payable by either Party.

14.8.3 If any portion of an amount due to a Party (the "Billing Party") under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the "Non-Paying Party") shall within thirty (30) days of its receipt of the invoice containing such disputed amount give notice to the Billing Party of the amount it disputes ("Disputed Amount") and include in such notice the specific details and reasons for disputing each item. The Non-Paying Party shall pay when due all undisputed amounts to the Billing Party.

14.8.4 If the Parties are unable to resolve the issues related to the Disputed Amounts in the normal course of business within thirty (30) days after delivery to the Billing Party of notice of the Disputed Amounts, then either Party may file a complaint with the Commission to resolve such issues or proceed with any other remedy pursuant to law or equity.

14.8.6 The Parties agree that all negotiations pursuant to this subsection 14.8 shall remain confidential and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and state rules of evidence.

14.8.7 Any undisputed amounts not paid when due shall accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1-1/2%) per month or (ii) the highest rate of interest that may be charged under applicable law.

14.9 Dispute Resolution

Any dispute between the Parties regarding the interpretation or enforcement of this Agreement or any of its terms shall be addressed, in the first instance, by good faith negotiation between the Parties. Should negotiations fail to resolve the dispute in a reasonable time, either Party may initiate an appropriate action at the Kentucky Public Service Commission or a Kentucky judicial forum or, upon mutual agreement, the Parties may submit their dispute to binding arbitration, pursuant to the then-effective rules of the American Arbitration Association.

14.10 Notices

Notices given by one Party to the other Party under this Agreement shall be in writing and shall be (i) delivered personally, or (ii) delivered by express delivery service to the following addresses of the Parties:

For Ballard Rural: ATTN: Harlon Parker, General Manager
Ballard Rural Telephone Cooperative Corp., Inc.
159 W. 2nd Street
P.O. Box 209
LaCenter, Kentucky 42056-0209

With a copy to: John E. Selent, Esq.
Dinsmore & Shohl LLP
1400 PNC Plaza
500 West Jefferson St.
Louisville, Kentucky 40202

For Verizon Wireless: _____

or to such other address as either Party shall designate by proper notice. Notices will be deemed given as of the earlier of (i) the date of actual receipt, or (ii) the next business day when notice is sent via express delivery.

14.11 Joint Work Product.

This Agreement is the joint work product of the Parties and has been negotiated by the Parties and shall be fairly interpreted in accordance with its terms and, in the event of any ambiguities, no inferences shall be drawn against either Party.

14.12 No License.

14.12.1 Nothing in this Agreement shall be construed as the grant of a license, either express or implied, with respect to any patent, copyright, trademark, trade name, trade secret or any other proprietary or intellectual property now or hereafter owned, controlled or licensable by either Party. Neither Party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right of the other Party except in accordance with the terms of a separate license agreement between the Parties granting such rights.

14.12.2 Neither Party shall have any obligation to defend, indemnify or hold harmless, or acquire any license or right for the benefit of, or owe any other obligation or have any liability to, the other Party or its customers based on or arising from any claim, demand, or proceeding by any third party alleging or asserting that the use of any circuit, apparatus, or system, or the use of any software, or the performance of any service or method, or the provision of any facilities by either Party under this Agreement, alone or in combination with that of the other Party, constitutes direct, vicarious or contributory infringement or inducement to infringe, misuse or misappropriation of any patent, copyright, trademark, trade secret, or any other proprietary or intellectual property right of any Party or third party. Each Party, however, shall offer to the other reasonable cooperation and assistance in the defense of any such claim.

14.12.3 NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE PARTIES AGREE THAT NEITHER PARTY HAS MADE, AND THAT THERE DOES NOT EXIST, ANY WARRANTY, EXPRESS OR IMPLIED, THAT THE USE BY THE PARTIES OF THE OTHER'S FACILITIES, ARRANGEMENTS, OR SERVICES PROVIDED UNDER THIS AGREEMENT SHALL NOT GIVE RISE TO A CLAIM BY ANY THIRD PARTY OF INFRINGEMENT, MISUSE, OR MISAPPROPRIATION OF ANY INTELLECTUAL PROPERTY RIGHT OF SUCH THIRD PARTY.

14.13 Survival

The Parties' obligations under this Agreement, which by their nature are intended to continue beyond the termination or expiration of this Agreement, shall survive the termination or expiration of this Agreement.

14.14 Entire Agreement.

This Agreement and any Exhibits, Appendices, Schedules, or tariffs which are 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.

14.15 Non-Waiver.

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

14.16 Publicity and Use of Trademarks or Service Marks.

Neither Party nor its subcontractors or agents shall use the other Party's trademarks, service marks, logos or other proprietary trade dress in any advertising, press releases, publicity matters or other promotional materials without such Party's prior written consent.

14.17 Severability

If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be unenforceable, the rest of the Agreement shall remain in full force and effect and shall not be affected unless removal of that provision results, in the opinion of either Party, in a material change to this Agreement. If a material change as described in this paragraph occurs as a result of action by a court or regulatory agency, the Parties shall negotiate in good faith for replacement language that does not materially alter the economic effect of this Agreement on either Party. If replacement language cannot be agreed upon within a reasonable period, either Party may terminate this Agreement without penalty or liability for such termination upon written notice to the other Party.

14.18 Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

14.19 Modification, Amendment, Supplement, or Waiver

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. 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.

14.20 Change of Law. If any legislative, regulatory, judicial or other government decision, order, determination or action, or any change in law applicable to this Agreement materially affects any material provision of this Agreement, the rights obligations of either Party herein, or the ability of a Party to perform any material provision of this Agreement, the Parties shall promptly renegotiate in good faith and amend this Agreement in writing in order to make such mutually acceptable revisions to this Agreement as may be required in order to conform the Agreement to applicable law.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of this ____ day of _____, 2006.

Cellco Partnership d/b/a Verizon Wireless,
GTE Wireless of the Midwest Incorporated d/b/a
Verizon Wireless, and Kentucky RSA No. 1
Partnership d/b/a Verizon Wireless

Ballard Rural Telephone Cooperative
Corporation, Inc.

By: _____

By: _____

Printed: _____

Printed: _____

Title: _____

Title: _____

DESIGNATION OF INTERCONNECTION POINT(S)
AND TRAFFIC DISTRIBUTION
CMRS-LEC AGREEMENT

This Appendix specifies the Interconnection Points ("IPs") pursuant to the Agreement for Facilities-Based Network Interconnection for Transport and Termination of Telecommunications Traffic (CMRS-LEC Agreement) between Cellco Partnership d/b/a Verizon Wireless, GTE Wireless of the Midwest Incorporated d/b/a Verizon Wireless, and Kentucky RSA No. 1 Partnership d/b/a Verizon Wireless (collectively "Verizon Wireless") and Ballard Rural Telephone Cooperative Corporation, Inc. ("Ballard Rural") and the relative directionality and distribution of traffic with respect to the connecting facilities associated with each IP as follows:

I. Service Arrangement and Interconnection Point(s) Interconnection

IP #1 -- For the exchange of LEC-CMRS two-way traffic between the Parties' networks within the Louisville, Kentucky MTA pursuant to this Agreement, the Parties agree to connect _____ at a junction point located at V and H coordinates: V=yyyy, H=zzzz.

2. For the total amount of two-way traffic delivered by the Parties over the connecting facilities, the Parties agree to the following distribution of traffic on a default basis only if Ballard Rural does not provide specific traffic measurement:

- % Mobile-to-Land traffic terminating on Ballard Rural's network = 100%
- % Land-to-Mobile traffic terminating on Verizon Wireless's network = 0%

3. For the total traffic terminating on Ballard Rural's network, the Parties agree to the following distribution of traffic:

- % Subject Traffic = 95 %
- % Intrastate Inter-MTA Traffic = 5 %
- % Interstate Inter-MTA Traffic = 0 %

4. For the total traffic terminating on Verizon Wireless's network, the Parties agree to the following distribution of traffic:

- % Subject Traffic = 100 %
- % Intrastate Inter-MTA Traffic = 0 %
- % Interstate Inter-MTA Traffic = 0 %

Approved and executed this _____ day of _____, 2006.

Cellco Partnership d/b/a Verizon Wireless,
GTE Wireless of the Midwest Incorporated d/b/a
Verizon Wireless, and Kentucky RSA No. 1
Partnership d/b/a Verizon Wireless

Ballard Rural Telephone Cooperative
Corporation, Inc.

By: _____

By: _____

Printed: _____

Printed: _____

Title: _____

Title: _____

Appendix B
Schedule of Charges
Pursuant to the Agreement for Facilities-Based Network Interconnection
for Transport and Termination of Telecommunications Traffic
CMRS-LEC AGREEMENT

This Appendix specifies the rates for the Transport and Termination of traffic delivered by one Party to the network of the other Party pursuant to the Agreement for Facilities-Based Network Interconnection for Transport and Termination of Telecommunications Traffic (CMRS-LEC Agreement) between Ballard Rural Telephone Cooperative Corporation, Inc. ("Ballard Rural") and BellSouth Mobility LLC d/b/a Verizon Wireless Wireless, Bellsouth Personal Communications LLC d/b/a Verizon Wireless Wireless, AT&T Wireless PCS, LLC, on behalf of itself and its affiliate Tritel ("Verizon Wireless") as follows:

1. CHARGES FOR TRANSPORT, TERMINATION AND TANDEM SWITCHING for Subject Traffic:

Subject Traffic originated by Verizon Wireless and delivered to Ballard Rural over trunks established at IP #1 : rate per terminating minute of use for all end offices of Ballard Rural through its LaCenter tandem switch \$0.015/MOU

Subject Traffic for which Transport and Termination charges apply originated by Ballard Rural and delivered to Verizon Wireless over trunks established at IP #1:
rate per terminating minute of use General Manager
Duo County Telephone Cooperative Corporation, Inc.
P.O. Box 80
2150 N. Main Street
Jamestown, KY 42629 \$0.015/MOU

2. Charges for Access Transport, Access Termination and Access Tandem Switching for Inter-MTA Traffic:

Current Ballard Rural access tariffs in the proper jurisdiction apply.

3. Special Access Connecting Facilities:

Ballard Rural will charge Verizon Wireless special access monthly recurring rates pursuant to Ballard Rural's effective intrastate access tariff for the connecting facilities between IP#1 as set forth in Appendix A and Ballard Rural's LaCenter tandem office.

Ballard Rural will charge Verizon Wireless special access non-recurring rates pursuant to Ballard Rural's effective intrastate access tariff for any new connecting facilities.

Ballard Rural will credit Verizon Wireless 0% of the charges specified in this section for its portion of special access transport. Should the Parties mutually agree to revise the percentage traffic flow calculation, the percent special access credit will be modified to reflect the revised traffic flow percentage, but under no circumstances will the credit exceed 50%.

Approved and executed this _____ day of _____, 2006.

Cellco Partnership d/b/a Verizon Wireless,
GTE Wireless of the Midwest Incorporated d/b/a
Verizon Wireless, and Kentucky RSA No. 1
Partnership d/b/a Verizon Wireless

Ballard Rural Telephone Cooperative
Corporation, Inc.

Designation of Verizon Wireless's CMRS Service Area

Verizon Wireless's Service Area by Counties in the Commonwealth of Kentucky:

To be added

Approved and executed this _____ day of _____, 2006.

Cellco Partnership d/b/a Verizon Wireless,
GTE Wireless of the Midwest Incorporated d/b/a
Verizon Wireless, and Kentucky RSA No. 1
Partnership d/b/a Verizon Wireless

Ballard Rural Telephone Cooperative
Corporation, Inc.

By: _____

By: _____

Printed: _____

Printed: _____

Title: _____

Title: _____