



Ernie Fletcher
Governor

LaJuana S. Wilcher, Secretary
Environmental and Public
Protection Cabinet

Christopher L. Lilly
Commissioner
Department of Public Protection

Commonwealth of Kentucky
Public Service Commission
211 Sower Blvd.
P.O. Box 615
Frankfort, Kentucky 40602-0615
Telephone: (502) 564-3940
Fax: (502) 564-3460
psc.ky.gov

Mark David Goss
Chairman

Teresa J. Hill
Vice Chairman

Gregory Coker
Commissioner

June 14, 2006

Honorable Elaine Critides
Attorney at Law
1300 I Street, NW
Suite 400 West
Washington, DC 20005

RE: Case No. 2006-00298
Peoples Rural Telephone Cooperative Corporation, Inc.
(Arbitration)

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

This letter is to acknowledge receipt of initial application in the above case. The application was date-stamped received June 9, 2006 and has been assigned Case No. 2006-00298. In all future correspondence or filings in connection with this case, please reference the above case number.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell
Executive Director

BOD/sh



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June 14, 2006

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

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June 14, 2006

Honorable Holly C. Wallace
Attorney at Law
Dinsmore & Shohl, LLP
1400 PNC Plaza
500 West Jefferson Street
Louisville, KY 40202

RE: Case No. 2006-00298
Peoples Rural Telephone Cooperative Corporation, Inc.
(Arbitration)

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

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Beth O'Donnell
Executive Director

BOD/sh

Dinsmore & Shohl LLP
ATTORNEYS

Holly C. Wallace
502-540-2309
holly.wallace@dinslaw.com

RECEIVED

JUN 09 2006

PUBLIC SERVICE
COMMISSION

June 9, 2006

Via Hand Delivery

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

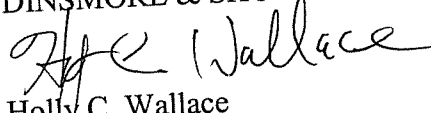
Re: *In the Matter of: Petition of Peoples Rural Telephone Cooperative Corporation, Inc., for Arbitration of Certain Terms and Conditions of Proposed Interconnection Agreement with Cellco Partnership d/b/a Verizon Wireless, GTE Wireless of the Midwest Incorporated d/b/a Verizon Wireless, and Kentucky RSA No. 1 Partnership d/b/a Verizon Wireless, Case No. 2006- 00 298*

Dear Ms. O'Donnell:

I have enclosed for filing in the above-styled case the original and ten (10) copies of the Arbitration Petition of Peoples Rural Telephone Cooperative Corporation, Inc. Thank you, and if you have any questions, please call me.

Sincerely,

DINSMORE & SHOHL LLP


Holly C. Wallace

HCW/rk
Enclosure

cc: Eileen M. Bodamer (w/encl.)
John E. Selent, Esq. (w/o encl.)
Edward T. Depp, Esq. (w/o encl.)

110885v1

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

Charleston

Cincinnati

Columbus

Dayton

Lexington

Louisville

Pittsburgh

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED

In the Matter of:

JUN 09 2006

Petition of Peoples Rural Telephone Cooperative)
Corporation, Inc., for Arbitration of Certain Terms)
and Conditions of Proposed Interconnection)
Agreement with 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,)
Pursuant to the Communications Act of 1934,)
as Amended by the Telecommunications)
Act of 1996)

PUBLIC SERVICE
COMMISSION

Case No. 2006- 00798

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

Peoples Rural Telephone Cooperative Corporation, Inc. ("Peoples 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 Peoples 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").

PARTIES

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

Peoples Rural Telephone Cooperative Corporation, Inc.
U.S. Highway 421 South
P. O. Box 159
McKee , KY 40447

¹ 47 U.S.C. § 252(b)

Peoples Rural is a Kentucky non-profit corporation, and it is authorized by the Commission to provide local exchange service in Kentucky. Peoples 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 Peoples Rural's representatives in this proceeding are as follows:

John E. Selent
Holly C. Wallace
Edward T. Depp
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 names and addresses for Verizon's points of contact and presumed representatives in this proceeding are as follows:

Elaine Critides, Esq.
Senior Attorney Legal & External Affairs
Verizon Wireless
1300 I Street, NW - Suite 400W
Washington, DC 20005
(202) 253-9224 (Telephone)

-and-

Marc Sterling
Member Technical Staff-Contract Negotiator
Verizon Wireless
One Verizon Place
Alpharetta, GA 30004-8511
(678) 339-4000

JURISDICTION

5. The Commission has jurisdiction over Peoples 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 Peoples 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 February 24, 2006, Leon M. Bloomfield, on behalf of the Kentucky CMRS Providers, including Verizon, proposed that the Kentucky Rural Incumbent Local Exchange Carriers ("RLEC"), including Peoples Rural, engage in collective negotiations for the formation of an interconnection agreement ("ICA") template that could be entered into between a given CMRS Provider and a given RLEC, and filed with the Kentucky Commission. Enclosed with the letter was a draft Interconnection and Reciprocal Compensation Agreement.⁴

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.

³ *Id.*

⁴ February 24, 2006, letter from Leon M. Bloomfield to Linda Lawrence, John Selent, Eileen Bodamer and Kentucky Rural ILEC's, attached hereto as Exhibit 2.

8. On March 1, 2006, Eileen Bodamer, on behalf of several RLECs, including Peoples Rural, responded that certain RLECs did not believe it was practical to combine all of their efforts or to work with all the CMRS providers as a group.⁵

9. On April 18, 2006, by electronic mail, Verizon notified Peoples Rural that Verizon was willing to negotiate an interconnection agreement, and asked whether a previously prepared interconnection agreement between Verizon Wireless and Mid-Maine Telecom would be acceptable.⁶

10. Also on April 18, 2006, by electronic mail, Eileen Bodamer, on behalf of several RLECs, including Peoples Rural, responded that the proposed template could be acceptable for working out an agreement.⁷

11. On April 21, 2006, by electronic mail, Verizon provided Eileen Bodamer, on behalf of several RLECs, including Peoples Rural, a draft Kentucky Traffic Exchange Agreement Template, with proposals for certain modifications.⁸ The terms of this proposed interconnection agreement are unresolved.

12. With the opening of the arbitration window looming, Verizon offered to extend the arbitration window and Peoples Rural agreed. Based on the agreement, Peoples Rural expected the arbitration window to be extended. On June 8, 2006, just two days before the close of the arbitration window, Verizon suddenly claimed it never offered to extend the arbitration window. As a result, Peoples Rural had no choice but to file this petition.

⁵ March 1, 2006, electronic mail string from Eileen Bodamer to Leon Bloomfield *et. al.*, attached hereto as Exhibit 3.

⁶ April 18, 2006, electronic mail string from Marc Sterling to Eileen Bodamer, attached hereto as Exhibit 3.

⁷ April 18, 2006, electronic mail string from Eileen Bodamer to Marc Sterling, attached hereto as Exhibit 4.

⁸ April 21, 2006, electronic mail string from Marc Sterling to Eileen Bodamer to Marc Sterling with attached draft Kentucky Traffic Exchange Agreement Template, attached hereto as Exhibit 4

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

REQUEST FOR RELIEF

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

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

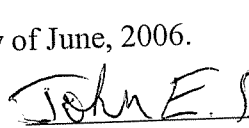
B. That the Commission issue an order directing the parties to submit a final agreement for a proposed interconnection agreement.

C. 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.

D. 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.

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

Respectfully submitted this 9th day of June, 2006.


John E. Selent
Holly C. Wallace
Edward T. Depp
DINSMORE & SHOHL LLP
1400 PNC Plaza
500 W. Jefferson Street

Louisville, Kentucky 40202
(502) 540-2300 (telephone)
(502) 585-2207 (fax)

**COUNSEL TO PEOPLES 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 9th day of June, 2006, to the following individual(s):

Elaine Critides, Esq. (elaine.critides@verizonwireless.com)
Senior Attorney Legal & External Affairs
Verizon Wireless
1300 I Street, NW - Suite 400W
Washington, DC 20005
(202) 253-9224 (Telephone)

-and-

Marc Sterling (marc.sterling@verizonwireless.com)
Member Technical Staff-Contract Negotiator
Verizon Wireless
One Verizon Place
Alpharetta, GA 30004-8511
(678) 339-4000



**COUNSEL TO PEOPLES 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.

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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

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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

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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

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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

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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

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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.

WOM
J

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

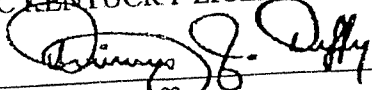
By: 
Timothy J. Duffy
Title: Sr. Vice President & CTO

EXHIBIT A
Signatory CMRS Providers

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

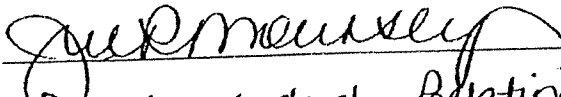
By: 
Title: Director - Industry Relations

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. Richard Moran

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. Kitching

Title: 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: _____

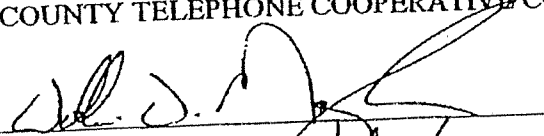
Title: _____

BRANDENBURG TELEPHONE COMPANY, INC.

By: _____

Title: _____

DUO COUNTY TELEPHONE COOPERATIVE CORP., INC.

By:  _____

Title: Eric J. Price President C.C.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: _____

Title: _____

COALFIELDS TELEPHONE COMPANY, INC.

By: Gane O McArthur

Title: Vice President

EXHIBIT B

HIGHLAND TELEPHONE COOPERATIVE, INC.

By: [Signature]
Title: [Signature]

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: Keith Abbey

Title: Manager

EXHIBIT B

SOUTH CENTRAL RURAL TELEPHONE COOPERATIVE CORP., INC.

By: *David Coyate*

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: _____

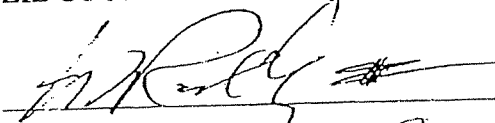
WEST KENTUCKY RURAL TELEPHONE COOPERATIVE, INC.

By: Jim R. Jansette

Title: CEO

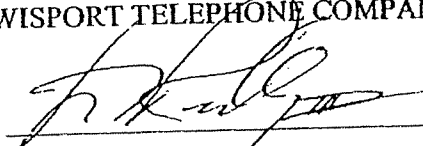
EXHIBIT B

LESLIE COUNTY TELEPHONE COMPANY

By: 

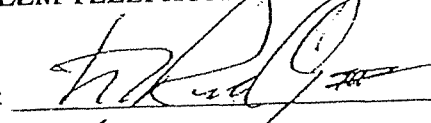
Title: Agent, Director - Carrier Relations

LEWISPORT TELEPHONE COMPANY

By: 

Title: Agent, Director Carrier Relations

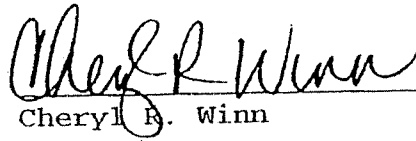
SALEM TELEPHONE COMPANY

By: 

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 Schmoltd
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

WILSON & BLOOMFIELD LLP

ATTORNEYS AT LAW

1901 HARRISON STREET, SUITE 1620
OAKLAND, CALIFORNIA 94612

TEL: (510) 625-8250

FAX: (510) 625-8253

February 24, 2006

17605-9.204.1

VIA EMAIL & U.S. MAIL

Linda Lowrance
TDS Telecom
PO Box 22995
Knoxville, TN 37933

Eileen Bodamer
Cronin Communications Consultants
415 Hepplewhite Dr.
Alpharetta GA 30022

John Selent
Dinsmore & Shohl LLP
1400 PNC Plaza
500 West Jefferson Street
Louisville, KY 40202

Kentucky Rural ILECs
(See distribution list below)

Re: Collective CMRS – Kentucky Rural ILEC Interconnection Negotiations

Dear Kentucky Rural ILECs, Ms. Lowrance, Ms. Bodamer and Mr. Selent:

This letter is being sent on behalf of the Kentucky CMRS Providers (“CMRS Providers”)¹ to Ms. Lowrance, Ms. Bodamer, Mr. Selent, and each Kentucky Rural ILEC (“the RLECs”)² that was a signatory to the Agreement entered into between BellSouth Telecommunications, Inc., the CMRS Providers and the RLECs in Kentucky Public Service

¹ For purposes of this letter, the Kentucky CMRS Providers include: American Cellular Corporation f/k/a ACC Kentucky License LLC (“ACC”), New Cingular Wireless PCS, LLC, successor to BellSouth Mobility LLC and BellSouth Personal Communications LLC and Cincinnati SMSA Limited Partnership d/b/a Cingular Wireless (“Cingular”), 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”), Sprint Spectrum L.P., on behalf of itself and SprintCom, Inc., d/b/a Sprint PCS (“Sprint PCS”), and T-Mobile USA, Inc. (“T-Mobile”).

² The Kentucky Rural ILEC signatories to the Agreement include: AllTel Kentucky, Inc., Ballard Rural Telephone Cooperative Corp., Inc., Brandenburg Telephone Company, Inc., Duo County Telephone Cooperative Corporation, Inc., Foothills Rural Telephone Cooperative Corporation, Inc., Coalfields Telephone Company, Inc., Highland Telephone Cooperative, Inc., Lewisport Telephone Company, Leslie County Telephone Company, Logan Telephone Cooperative, Inc., Mountain Rural Telephone Cooperative, Inc., North Central Telephone Cooperative, Inc., Peoples Rural Telephone Cooperative, Salem Telephone Company, South Central Rural Telephone Cooperative Corporation, Inc., Thacker-Grigsby Telephone Company, Inc., and West Kentucky Rural Telephone Cooperative, Inc. Per our understanding of Mr. Selent’s response to the BFRs, this letter is being sent only to him and not to his clients.

Kentucky Rural ILECs
Linda Lowrance
Eileen Bodamer
John Selent
February 24, 2006
Page 2 of 3

Commission Case No. 2003-00045 ("Agreement").

As you know, in accordance with Section 3.01 of the Agreement, the CMRS Providers have respectively sent a request for negotiations of an interconnection agreement ("ICA") pursuant to Sections 251 and 252 of the Telecommunications Act of 1996 ("Act") to each RLEC with whom a given CMRS Provider does not already have an ICA. Based on the responses received, it appears that some of the RLECs have an interest and willingness to engage in collective negotiations.

Thus, the purpose of this letter is to invite all of the RLECs to engage in collective negotiations of an ICA template that could be entered into between a given CMRS Provider and a given RLEC, and filed with the Kentucky PUC. Given the nature of the anticipated issues in these negotiations and the sheer number of carriers involved, the CMRS Providers believe that consolidated negotiations would be beneficial to all interested parties and ultimately enable resolution of any issues in the most efficient and cost effective manner. As to such proposed collective negotiations, each party would certainly retain its right to either withdraw from such negotiations, or conduct separate collateral individual negotiations with any other party to the joint negotiations.

Also, please find enclosed for your review and consideration an electronic copy of the CMRS Providers' proposed ICA template for discussion purposes.

Given the relatively short time frame we are all working with, please let us know as soon as possible, and if at all possible by March 10, 2006, if you are amenable to consolidated negotiations and, if so, proposed dates for an initial telephone call to start the negotiation process.

Sincerely,

Leon M. Bloomfield

On behalf of the
Kentucky CMRS Providers

Distribution List:

Jimmy Dolan, AllTel Kentucky, Inc.
Allison Willoughby, Brandenburg Telephone Company, Inc.
Tom Preston, Foothills Rural Telephone Cooperative Corporation, Inc.
James Campbell, Coalfields Telephone Company, Inc.

Kentucky Rural ILECs

Linda Lowrance

Eileen Bodamer

John Selent

February 24, 2006

Page 3 of 3

Dave Crawford, Highland Telephone Cooperative, Inc.

Shayne Ison, Mountain Rural Telephone Cooperative, Inc.

Johnny McClanahan, North Central Telephone Cooperative, Inc.

Keith Gabbard, Peoples Rural Telephone Cooperative

Donnie Bennett, South Central Rural Telephone Cooperative Corporation, Inc.

Robert C. Thacker, Thacker-Grigsby Telephone Company, Inc. (U.S. Mail only)

cc:

Michael Van Eckhardt, Mark Ashby, Bill Brown, Cingular (via email only)

Shelley Jones, Bill Atkinson, Joe Chiarelli, Sprint PCS (via email only)

Leon Bloomfield, Esq., ACC and T-Mobile (via email only)

Dan Williams, Michele Thomas, Greg Tedesco, T-Mobile (via email only)

Elaine Critides, Marc Sterling, Verizon Wireless (via email only)

INTERCONNECTION AND RECIPROCAL COMPENSATION AGREEMENT

This Interconnection and Reciprocal Compensation Agreement ("Agreement") is effective on _____, by and between _____, (hereinafter "ILEC"), and _____, (hereinafter "CMRS Carrier"). ILEC and CMRS Carrier are referred herein collectively as "Parties" and individually as "Party."

RECITALS

WHEREAS, ILEC is a local exchange carrier in the State of Kentucky; and,

WHEREAS, CMRS Carrier is a commercial mobile radio service carrier licensed to operate in the MTAs that encompass the State of Kentucky; and,

WHEREAS, ILEC and CMRS Carrier desire to interconnect their networks pursuant to Sections 251 and 252 of the Communications Act of 1934, as amended by the Telecommunications Act of 1996 (the "Act") for the purpose of exchanging Traffic between the Parties' customers.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, the Parties agree as follows:

SECTION I SCOPE OF AGREEMENT

This Agreement shall cover Interconnection and Reciprocal Compensation arrangements between the Parties' respective networks in Kentucky.

SECTION II DEFINITIONS

Any term used in this Agreement that is not specifically defined herein will have the definitions assigned to it (if any) in the Act. Any term used in this Agreement that is not defined herein or in the Act will be interpreted in light of its ordinary meaning and usage, including any special or technical meaning or usage which such term may have within the telecommunications industry.

As used in this Agreement, the following terms shall have the meanings specified in this Section:

"Act" means the Communications Act of 1934 (47 U.S.C. 151 *et seq.*), as amended, and as from time to time interpreted in the duly authorized orders and regulations of the FCC.

“CMRS” or “Commercial Mobile Radio Service” is as defined in the Act.

“Commission” means the Kentucky Public Service Commission.

“Direct Interconnection Facilities” means dedicated transport facilities installed between a CMRS Carrier Mobile Switching Center (“MSC”) and an ILEC switch (e.g., tandem, host switch, and/or end office).

“FCC” means the Federal Communications Commission.

“Interconnection” is the linking of two networks for the mutual exchange of Traffic. This term does not include the Transport and Termination of Traffic.

“IntraMTA Traffic” is wireless to wireline and wireline to wireless calls which originate and terminate within the same MTA based on the location of the cell site serving the wireless subscriber at the beginning of the call and the central office for the landline end-user.

“InterMTA Traffic” is wireless to wireline and wireline to wireless calls which do not originate and terminate within the same MTA based on the location of the cell site serving the wireless subscriber at the beginning of the call and the central office for the landline end-user.

“Major Trading Area” (MTA) means a geographic area established by Rand McNally’s 1992 Commercial Atlas and Marketing Guide, 123rd edition, at pages 38-39 and used by the FCC in defining CMRS license boundaries for CMRS carriers for purposes of Sections 251 and 252 of the Act.

“Reciprocal Compensation” means the arrangement between the Parties in which each Party receives compensation from the other for the Transport and Termination on each Party’s network facilities of IntraMTA Traffic that originates on the network facilities of the other Party.

“Termination” means the switching of IntraMTA Traffic at the terminating Party’s end-office switch, or equivalent facility, and the delivery of such IntraMTA Traffic to the called Party.

“Traffic” means all IntraMTA Traffic and InterMTA Traffic that originates on one Party’s network, and terminates on the other Party’s network and is otherwise exchanged pursuant to this Agreement.

“Transport” means the transmission and any necessary tandem switching by a Party of IntraMTA Traffic from the point(s) of interconnection between the Parties to the terminating Party’s end-office switch or equivalent facility that directly serves the called Party.

SECTION III INTERPRETATION AND CONSTRUCTION

The terms and conditions of this Agreement shall be subject to any and all applicable laws, rules, regulations or guidelines that subsequently may be prescribed by federal or state government authority. To the extent required by any such subsequently prescribed law, rule,

regulation or guideline, the Parties agree to negotiate in good faith toward an agreement to modify, in writing, any affected term or condition of this Agreement to it into compliance with such law, rule, regulation or guideline. The headings of the Sections of this Agreement are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning of the Agreement.

The Parties enter into this Agreement without waiving any of their rights, remedies, or arguments, , and without prejudice to any position either may take with respect to similar future agreements between the Parties or with respect to positions they may have taken previously, or may take in the future in any legislative, regulatory or other public forum addressing any matters including matters, related to the rates to be charged for Transport and Termination of IntraMTA Traffic or the types of arrangements prescribed by this Agreement.

In the event that any effective legislative, regulatory, judicial or other legal action materially affects any material terms of this Agreement or the ability of the Parties to perform any material terms of this Agreement, either Party may, on thirty (30) days' written notice, require that such terms be renegotiated, and the Parties shall renegotiate in good faith such mutually acceptable new terms as may be required. In the event that such new terms are not renegotiated within ninety (90) days after such notice, either Party may initiate the Dispute Resolution procedure set forth herein.

SECTION IV TRAFFIC EXCHANGE AND COMPENSATION

The Parties may elect to exchange Traffic directly and/or indirectly as specified in Sections A. and B. below. The Parties agree that they shall compensate each other for the Traffic exchanged on a reciprocal and symmetrical basis at the rates specified in Appendix A.

A. **Direct Interconnection**

1. Upon CMRS Carrier's request, ILEC and CMRS Carrier shall interconnect their respective networks with a Direct Interconnection Facility. CMRS Carrier may purchase such facilities from a third party and/or from ILEC. The rates for facilities purchased from ILEC are specified in Appendix A. CMRS Carrier will bill ILEC for ILEC's portion of the Direct Interconnection Facility based upon the agreed to Usage Factor specified in Appendix A. Each Party shall be financially responsible for any additional costs for the origination of its traffic.
2. Notwithstanding the above, either Party may directly interconnect to the other Party with a one-way trunk at its own expense.

B. **Indirect Interconnection**

1. All Traffic that is not exchanged via Direct Interconnection Facilities shall be exchanged indirectly through one or more third-party networks.

2. Each Party shall be responsible for (a) all transit charges, if any, generated by calls originated on their respective networks and (b) all costs of the facilities linking its own switch(es) to the third-party transiting tandem..

C. Transit Service

1. Where a third-party carrier subtends an ILEC tandem, ILEC shall provide a transit service to CMRS Carrier which shall include performing an intermediate switching and a transport function for the exchange of traffic between CMRS Carrier and the third-party carrier subtending the ILEC tandem. CMRS Carrier shall pay for all mobile-originated traffic transited by the ILEC at the rates specified in Appendix A.
2. Absent the express written consent of the CMRS Carrier, CMRS Carrier shall not be responsible for any charges that a third-party carrier subtending the ILEC tandem may assess on the ILEC for the termination of transited mobile-originated traffic delivered pursuant to this Agreement.

D. **Billing.** Each Party shall bill the other Party for calls which the billing Party terminates to its own customers and which were originated by the billed Party. Rates and billing procedures are set forth on the attached Appendix A, which is incorporated by reference. The billed Party shall pay the billing Party for all undisputed charges properly listed on the bill. All bills are due when rendered and considered past due forty-five (45) days after the bill date. If any undisputed amount due on a billing statement is not received on the payment due date, then the billing Party may charge, and the billed Party agrees to pay interest on the past due balance at a rate equal to one and one-half percent (1½%) per month or the maximum non-usurious rate of interest under applicable law. Late payment charges will be included on the next statement.

All bills provided pursuant to this Agreement must be submitted to the non-billing Party within one-year of the date the service was provided or any such charges will be deemed waived.

- E. **Taxes.** The Parties agree that the Party collecting revenues shall be responsible for collecting, reporting and remitting all taxes associated therewith, provided that the tax liability shall remain with the Party upon whom it is originally imposed.

SECTION V INDEPENDENT CONTRACTORS

The Parties to this Agreement are independent contractors. Neither Party is an agent, representative, or partner of the other Party. Neither Party shall have the right, power or authority to enter into any agreement for or on behalf of, or incur any obligation or liability of, or to otherwise bind the other Party. This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties or to impose any partnership obligation or liability upon either Party.

SECTION VI LIABILITY

- A. Neither Party nor any of their affiliates shall be liable for any incidental, consequential or special damages arising from the other Party's use of service provided under this Agreement. Each Party shall indemnify and defend the other Party against any claims or actions arising from the indemnifying Party's use of the service provided under this Agreement, except to the extent of damages caused by the negligence of the indemnified Party.
- B. Neither Party makes any warranties, express or implied, for any hardware, software, goods, or services provided under this Agreement. All warranties, including those of merchantability and fitness for a particular purpose, are expressly disclaimed and waived.
- C. The liability of either Party to the other Party for damages arising 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 applicable tariff(s) of the 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 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.

SECTION VII TERM OF AGREEMENT

- A. This Agreement shall commence on the effective date stated on the first page, subject to its approval by the Commission and shall terminate two (2) years after the effective date.
- B. This Agreement shall renew automatically for successive one (1) year terms, commencing on the termination date of the initial term or latest renewal term. The automatic renewal shall take effect without notice to either Party, except that either Party may elect not to renew and terminate by giving the other Party written notice of its intention not to renew at least ninety (90) days prior to each anniversary date.
- C. Either Party may request for this Agreement to be renegotiated upon the expiration of the initial two (2) year term or upon any termination of this Agreement. Not later than forty-five (45) days from the receipt of initial request for renegotiations, the Parties shall commence negotiation, which shall be conducted in good faith. Except in cases in which this Agreement has been terminated for Default pursuant to Section VII.D., the provisions of this Agreement shall remain in force during the negotiation and up to the time that a

successor agreement is executed by the Parties and, to the extent necessary, approved by the Commission.

- D. If either Party defaults in the payment of any undisputed amount due hereunder, and such default shall continue for sixty (60) days after written notice thereof, the other Party may terminate this Agreement and services hereunder by written notice provided the other Party has provided the defaulting Party and the appropriate federal and/or state regulatory bodies with written notice at least ninety (90) days prior to terminating service and received any requisite permission from the appropriate federal and/or state regulatory body.
- E. Termination of this Agreement for any cause shall not release either party from any liability which at the time of termination had already accrued to the other Party or which thereafter accrues in any respect for any act or omission occurring prior to the termination relating to an obligation which is expressly stated in this Agreement. 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 of this Agreement.

SECTION VIII DISPUTE RESOLUTION PROCESS

- A. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, will be resolved by both Parties according to the procedures set forth below.
- B. The Parties desire to resolve disputes arising out of this Agreement without litigation. Accordingly, except for action seeking a temporary restraining order or injunction related to the purposes of this Agreement, or suit to compel compliance with this dispute resolution process, the Parties agree to use the following alternative dispute resolution procedure as their sole remedy with respect to any controversy or claim arising out of or relating to this Agreement or its breach.
- C. At the written request of a Party, each Party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve any dispute arising under this Agreement. The Parties intend that these negotiations be conducted by non-lawyer, business representatives. The location, format, frequency, duration and conclusion of these discussions will be left to the discretion of the representatives. Prior to arbitration described below, the representatives will utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations will be treated as confidential information developed for purposes of settlement, exempt from discovery and production, which will not be admissible in the arbitration described below or in any lawsuit without the concurrence of all Parties. Documents identified in or provided with such communications, which are not

prepared for purposes of the negotiations, are not so exempted and may, if otherwise admissible, be admitted in evidence in the arbitration or lawsuit.

- D. If the negotiations do not resolve the dispute within sixty (60) days of the initial written request, then either Party may pursue any remedy available pursuant to law, equity or agency mechanism; provided that upon mutual agreement of the Parties such disputes may also be submitted to binding arbitration. Each Party will bear its own costs of these procedures. The Parties shall equally split the fees of any mutually agreed upon arbitration procedure and the associated arbitrator.
- E. The Parties shall continue providing services to each other during the pendency of any dispute resolution procedure, and the parties shall continue to perform their obligations, including making payments, in accordance with this Agreement.

SECTION IX THIRD PARTY BENEFICIARIES

This Agreement is not intended to benefit any person or entity not a Party to it and no third Party beneficiaries are created by this Agreement.

SECTION X GOVERNING LAW, FORUM, AND VENUE

To the extent not governed by the laws and regulations of the United States, this Agreement shall be governed by the laws and regulations of the State of Kentucky. Disputes arising under this Agreement, or under the use of service provided under this Agreement, shall be resolved in state or federal court in Kentucky, the Commission or the FCC.

SECTION XI FORCE MAJEURE

The Parties shall comply with any applicable orders, rules or regulations of the FCC, Commission and federal and state law during the term of this Agreement. Notwithstanding anything to the contrary contained herein, a Party shall not be liable nor deemed to be in default for any delay or failure of performance under this Agreement resulting directly from acts of God, civil or military authority, acts of public enemy, war, hurricanes, tornadoes, storms, fires, explosions, earthquakes, floods, government regulation, strikes, lockouts or other work interruptions by employees or agents not within the control of the non-performing Party.

SECTION XII ENTIRE AGREEMENT

This Agreement incorporates all terms of the Agreement between the Parties, and supersedes all prior oral or written agreements, representations, statements, negotiations, understandings, proposals, and undertakings with respect to the subject matter thereof. This Agreement may not be modified except in writing signed by both Parties, which modification shall become effective thirty (30) days after its execution, unless otherwise mutually agreed by the Parties. The undersigned signatories represent they have the authority to execute this

Agreement on behalf of their respective companies. This Agreement can be executed in separate parts which together will constitute a single, integrated Agreement.

SECTION XIII NOTICE

Notices shall be effective when received via fax or direct delivery or within three (3) business days of being sent via first class mail, whichever is sooner, in the case of CMRS Carrier to:

Business Name:
Mailing Address:
City/State/Zip Code:
Attention:
Contact Phone Number:

With a copy to:

Business Name:
Mailing Address:
City/State/Zip Code:
Attention:
Contact Phone Number:

Notices shall be effective when received via fax or direct delivery or within three (3) business days of being sent via first class mail, whichever is sooner, in the case of ILEC to:

Business Name:
Mailing Address:
City/State/Zip Code:
Attention:
Contact Phone Number:

Bills and payments shall be effective when received via fax or delivery or within three (3) business days of being sent via first class mail, whichever is sooner, in the case of CMRS Carrier to:

Business Name:
Mailing Address:
City/State/Zip Code:
Attention:
Contact Phone Number:

Bills shall be effective when received via fax or delivery or within three (3) business days of being sent via first class mail, whichever is sooner, in the case of ILEC to:

Business Name:
Mailing Address:
City/State/Zip Code:
Attention:
Contact Phone Number:

or to such other location as the receiving Party may direct in writing. Payments are to be sent to the address on the invoice.

SECTION XIV ASSIGNABILITY

Either Party may assign this Agreement upon the written consent of the other Party, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, no consent shall be required for the assignment of this Agreement in the context of the sale of all or substantially all of the assets or stock of either of the Parties. Notwithstanding the foregoing, either Party may assign this Agreement or any rights or obligations hereunder to an affiliate of such Party without the consent of the other Party.

SECTION XV MISCELLANEOUS

- A. Nothing in this Agreement shall prohibit CMRS Carrier from enlarging its CMRS network through management contracts with third parties for the construction and operation of a CMRS system under the CMRS Carrier's license. Traffic originating on such extended networks shall be treated as CMRS Carrier Traffic subject to the terms, conditions, and rates of this Agreement. Traffic traversing such extended networks shall be deemed to be and treated under this Agreement as CMRS Carrier Traffic when it originates on such extended network and terminates on ILEC's network, and as ILEC's Traffic when it originates upon ILEC's network and terminates upon such extended network. Traffic traversing on such extended networks shall be subject to the terms, conditions, and rates of this Agreement.
- B. **Dialing Parity:** Pursuant to 47 CFR section 51.207 and 47 USC section 251(b)(3), ILEC shall perform all necessary translations at its own expense to provide its end users the same dialing treatment to call a CMRS Carrier assigned NXX that its end user is provided when dialing an NXX assigned to an incumbent ILEC in the same rate center as the CMRS Carrier assigned NXX regardless of whether calls are delivered directly or indirectly.
- C. **Rating:** For rating purposes, calls to an NXX assigned to CMRS Carrier shall be included in any ILEC local exchange calling service, extended area calling service, optional calling scope, or similar program regardless of whether calls are delivered directly or indirectly.

D. **Network Changes.** If a Party makes a change in the information necessary for the transmission and routing of services using that Party's network, including the policies and practices incorporated into this agreement that will materially affect the parties' interconnection, or any other change in its network which will materially affect the interoperability of its network with the other Party's network, the Party making the change shall publish at least ninety (90) days in advance of such change, and shall use reasonable efforts to publish at least one hundred eighty (180) days notice where practicable; provided, however, that if an earlier publication is required by the FCC's or Commission' rules, including, e.g., the Network Disclosure rules set forth in the FCC Regulations, the Party will comply with such rules.

E. **Default Routing**

1. Local Number Portability ("LNP") provides an End User with the ability to retain an existing telephone number when changing from one telecommunications carrier to another. The Parties recognize that some of the traffic to be exchanged under this Agreement may be destined for telephone numbers that have been ported.
2. In such cases, when more than one carrier is involved in completing the call, the N-1 carrier has the responsibility to determine if a query is required, to launch the query, and to route the call to the appropriate switch or network in which the telephone number resides.
3. The Parties shall provide LNP query, routing, and transport services in accordance with rules and regulations as prescribed by the FCC and the guidelines set forth by the North American Numbering Council ("NANC"). The applicable charges for LNP query, routing, and transport services on Schedule 1 shall be assessed per query performed.
4. If a Party does not fulfill its N-1 carrier responsibility, and the other Party performs queries on calls to telephone numbers with portable NXXs received from the N-1 carrier and routes the call to the appropriate switch or network in which the telephone number resides, the N-1 carrier shall be responsible for payment of charges to the other Party for any queries, routing, and transport functions the other Party performs on its behalf. In addition, the N-1 carrier shall be responsible for payment of the reciprocal compensation charges assessed by the terminating carrier and/or the transit charges assessed by a tandem provider associated with each such call.

SECTION XVI
NONDISCLOSURE OF PROPRIETARY INFORMATION

The Parties agree that it may be necessary to exchange certain confidential information during the term of this Agreement including, without limitation, technical and business plans, technical information, proposals, specifications, drawings, procedures, orders for services, usage

information in any form, customer account data and Customer Proprietary Network Information ("CPNI") as that term is defined by the Communications Act of 1934, as amended, and the rules and regulations of the FCC and similar information ("Confidential Information"). Confidential Information shall include (i) all information delivered in written or electronic form and marked "confidential" or "proprietary" or bearing mark of similar import; or (ii) information derived by the Recipient from a Disclosing Party's usage of the Recipient's network including customer account data and CPNI. For purposes of this Section XVI, the Disclosing Party shall mean the owner of the Confidential Information, and the Recipient shall mean the Party to whom Confidential Information is disclosed. Information disclosed orally shall not be considered Confidential Information unless Disclosing Party advises Recipient prior to disclosure that such information is Confidential Information and such information is reduced to writing by the Disclosing Party and delivered to the Recipient within seventy-two (72) hours of disclosure. The Confidential Information is deemed proprietary to the Disclosing Party and it shall be protected by the Recipient as the Recipient would protect its own proprietary information. Confidential Information shall not be disclosed or used for any purpose other than to provide service as specified in this Agreement.

Information shall not be deemed Confidential Information and the Recipient shall have no obligation to safeguard Confidential Information (i) which was in the Recipient's possession free of restriction prior to its receipt from Disclosing Party, (ii) after it becomes publicly known or available through no breach of this Agreement by Recipient, (iii) after it is rightfully acquired by Recipient free of restrictions by the Disclosing Party, or (iv) after it is independently developed by personnel of Recipient to whom the Disclosing Party's Confidential information had not been previously disclosed. Recipient may disclose Confidential Information if required by law, a court, or governmental agency provided the Recipient shall give at least thirty (30) days notice (or such lesser time as may be sufficient based on the time of the request) to the Disclosing Party to enable the Disclosing Party to seek a protective order. Each Party agrees that the Disclosing Party would be irreparably injured by a breach of this Agreement by Recipient or its representatives and that Disclosing Party shall be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any breach of this paragraph. Such remedies shall not be exclusive, but shall be in addition to all other remedies available at law or in equity.

SECTION XVII
COMPLIANCE WITH SECTION 252(I)

In accordance with Section 252(i) of the Act, ILEC shall make available any interconnection service, or network element provided under an agreement approved under this section to which it is a party to CMRS Carrier upon the same terms and conditions as those provided in the agreement.

By: ILEC

Signature (date)

Printed name and title: _____

By: CMRS Carrier

Signature (date)

Printed name and title: _____

Signature Page dated _____, 2005 to Interconnection Agreement between ILEC and CMRS Carrier.

APPENDIX A
Rates and Billing Procedures

I. INTRAMTA TRAFFIC

Subject to the *de minimis* exception set forth below in section I.D. below, the Parties shall reciprocally and symmetrically compensate one another for IntraMTA Traffic that is terminated to their respective customers at the rates set forth below.

A. Reciprocal Compensation

End office switching: TBD

Tandem switching: TBD

Common Transport - per mile per MOU: TBD

Common Transport - Facilities Termination per MOU: TBD

B. Transit Service TBD per MOU

C. Default Routing Per Queried Call

CMRS Carrier Rate \$ TBD

ILEC Rate See Interstate Access Tariff

D. Billing Method

1. Based on Measurement/Records

- a) It is the responsibility of the billing party to determine the amount to be billed.
- b) ILEC may measure or obtain industry standard records (e.g. EMI 11-01-01 records) summarizing Traffic originated by CMRS Carrier and terminating to ILEC provided by the transit provider. This information shall be used by ILEC for billing CMRS Carrier for Traffic terminating to ILEC.
- c) CMRS Carrier may measure, or obtain industry standard records summarizing Traffic originated by ILEC and

terminated to CMRS Carrier. This information may be used by CMRS Carrier for invoicing ILEC for terminating Traffic to CMRS Carrier.

- d) To the extent that the Parties rely on industry standard records or reports, the Parties agree to accept those reports or records as an accurate statement of Traffic exchanged between the Parties. Either Party may perform an audit of the other Party's billing information related to terminating minutes of use of the billed Party. The Parties agree that such audits shall be performed no more than one time per calendar year. Each Party shall bear its own expenses associated with such audit. The audits shall be conducted on the premises of the audited Party during normal business hours.

2. Based on Factors

- a) *Traffic Ratio*: In the event one of the Parties is unable to measure traffic pursuant to Section D.1, above, the Parties agree to the following Traffic Ratio Factors to estimate the proportion of total Traffic exchanged between the Parties' networks to be:

Mobile-to-Land	TBD%
Land-to-Mobile	TBD%

- b) To the extent a CMRS Carrier or an ILEC has, or subsequently obtains, the ability to measure terminating usage, the CMRS Carrier or ILEC may begin billing pursuant to Section D.1 above
- c) Either Party may request to revise the default percentages no more than once every six (6) months, based on the previous six (6) months average of actual usage. At the written request of either Party to revise the default percentages for reciprocal compensation, the default percentages will be adjusted based on the Parties' respective percentages of all intraMTA traffic exchanged by the Parties. Any adjustments to the default percentages that is agreed upon by the Parties or otherwise resolved pursuant to Section VIII, will be effective the next billing cycle after the receipt of the written request. In the event of a dispute regarding the adjustment, if any, to the factors, the dispute will be resolved pursuant to the provisions of Section VIII.

E. **Form of Billing:** When billing is based on Traffic factors, the CMRS Carrier may elect to use either mutual or net billing arrangements.

F. **Billing Interval:** Either Party may elect to bill on a monthly or quarterly basis. If either Party wishes to revise its billing method it may do so upon (30) thirty days' written notice to the other Party.

G. **De Minimis Exemption:** Until the total traffic exchanged between the Parties reaches 7,500 minutes each month for three consecutive months the Parties agree that the only compensation will be in the form of the reciprocal Transport and Termination service provided by the other Party, and no billings will be issued by either Party.

II. INTERMTA TRAFFIC

A. **InterMTA Factor:** The Parties agree to the following InterMTA Traffic Factor to estimate the InterMTA portion of the total traffic originated on CMRS Carrier's network and terminated on ILEC's network:

1. TBD% of terminating CMRS Carrier MOUs.
2. The TBD% interMTA factor will be paid only by the CMRS Carrier and will be split evenly (50/50) between intrastate and interstate jurisdictions (i.e., 50% will be charged at ILEC's tariffed intrastate access rates and 50% will be charged at ILEC's tariffed interstate access rates).

III. FACILITIES

A. Usage Factor

1. The Usage Factor applies to the facility charges incurred for the Direct Interconnection Facility and is based on the proportionate use of the facility by the Parties.
2. The Usage Factor will be the same as the Traffic Ratio factor in D.2.a. above, or as otherwise amended per this Agreement.

B. ILEC Leased Direct Interconnection Facilities \$TBD

-----Original Message-----

From: Eileen Bodamer [mailto:ebodamer@cronincom.com]

Sent: Wednesday, March 01, 2006 9:34 AM

To: Leon Bloomfield; Linda.lowrance@tdstelecom.com; John.selent@dinslaw.com;
tpreston@foothills.net; sison@mountaintelephone.com; kgabbard@prtcnet.org;
donnie_bennett@scrtc.net; Allison Willoughby; dave@highlandtel.net; JCamp@Gearheart.com;
JMcClanahan@nctc.com

Cc: Brown, Bill; Chiarelli, Joe M [LEG]; Van Eckhardt, Michael; Sterling, Marc B.; Atkinson, Bill R
[REG]; Jones, Shelley E [NTK]; Critides, Elaine; Ashby, Mark J; Michele.Thomas@T-Mobile.com;
Dan Williams; Greg Tedesco (greg tedesco)

Subject: RE: Kentucky Rural ILECs and Wireless Carrier Interconnection Negotiations

Leon,

I have asked my companies about a joint negotiation as requested in your email letter of Friday the 24th. I have queried Gearheart, Foothills, North Central, Peoples Rural, Mountain Rural, and South Central regarding their interest in participating in such a group.

All of my clients (listed above) do not feel it is practical to combine all of their efforts or to work with all the CMRS providers as a group. While they are open to working together to the extent feasible with ACC (or any one CMRS provider), their issues and progress with the other carriers are too diverse to make this a practical approach. The ITCs themselves are also in differing aspects of what they need accomplished. In several instances my clients already have or feel they will soon have an agreement with some of the CMRS providers ACC proposes to include in this combined effort. Nearly all of the ITCs have an agreement with one or more CMRS carrier.

We appreciate your making this suggestion and I am reviewing your template.

As a housekeeping matter, I have corrected the email addresses for North Central and Gearheart - they were incorrect in your original email. Otherwise, I have kept all the same people on your list except for AllTel. We do not consider them an ITC in Kentucky.

Eileen M Bodamer

Cronin Communications Consultants

770-649-1886 / fax 770-645-6545

415 Hepplewhite Dr., Alpharetta GA 30022

www.cronincom.com

From: Leon Bloomfield [mailto:lmb@wblaw.net]
Sent: Friday, February 24, 2006 7:34 PM
To: Linda.lowrance@tdstelecom.com; Eileen Bodamer; John.selent@dinslaw.com;
jimmy.dolan@alltel.com; tpreston@foothills.net; jcamp@gearhart.com;
sison@mountaintelephone.com; kgabbard@prtcnet.org; donnie_bennett@scrtc.net; 'Allison
Willoughby'; dave@highlandtel.net; jmmclanahan@nctc.com
Cc: 'Brown, Bill'; 'Chiarelli, Joe M [LEG]'; 'Van Eckhardt, Michael';
Marc.Sterling@VerizonWireless.com; 'Atkinson, Bill R [REG]'; 'Jones, Shelley E [NTK]';
Elaine.Critides@VerizonWireless.com; 'Ashby, Mark J'; Michele.Thomas@T-Mobile.com; 'Dan
Williams'; 'Greg Tedesco (greg tedesco)'; Bill Brown
Subject: Kentucky Rural ILECs and Wireless Carrier Interconnection Negotiations

Please see attached.

Leon M. Bloomfield
Wilson & Bloomfield LLP
1901 Harrison St., Suite 1620
Telephone: 510.625.8250
Mobile: 510.282.6240
Fax: 510.625.8253

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From: Marc.Sterling@VerizonWireless.com [mailto:Marc.Sterling@VerizonWireless.com]
Sent: Friday, April 21, 2006 3:46 PM
To: Eileen Bodamer
Subject: RE: Kentucky Rural ILECs and Wireless Carrier Interconnection Negotiations

Eileen,

Attached is draft KY template. I first revised the Mid-Maine agreement to make it a generic template for KY. Please note the following:

- Sections 1.16 and 3.3 reference MTAs. Based on your clients' territory, I included both the Cincinnati-Dayton and Louisville-Lexington MTAs. We can modify this as needed for each bilateral agreement.
- Section 5.3.3 - I'm not familiar with SECABS, and thus I didn't know if this was specific to Mid-Maine, or if it can/should remain in the KY agreements.
- Section 18.16 - VZW now includes this provision in each of its interconnection agreements. It results from an agreement entered into with the Dept of Justice in connection with the initial formation of Verizon Wireless. As you may not have seen this provision before, I kept it as a redline.

Please also note the following red-lined terms:

- Section 4.2 - Because it's possible that more than one VZW switch could route traffic indirectly to a given KY rural LEC, I've modified the language to apply based on the usage at a given VZW switch. Otherwise, we may find ourselves establishing direct trunks that would carry only minimal volumes of traffic. I'm also proposing a higher volume threshold than the one in the Mid-Maine agreement. Our preference is that we exchange traffic indirectly until traffic volume is sufficient to warrant 2 or 3 DS1s rather than 1 DS1.
- Section 5.1 - VZW has recently negotiated agreements with this \$0.012/\$0.015 bifurcated rate structure, providing a lower rate for traffic exchanged over direct trunks. This is not intended to imply that there's a lower cost to terminate traffic delivered over direct trunks. We believe that both of these rates are above the rural LECs' forward looking costs. Instead, the lower direct rate reflects the value that direct trunking provides to the rural LECs as (1) they are able to measure traffic delivered directly rather than rely on billing records from a third party tandem provider, and (2) they are no longer exposed to third party transit fees for their originated traffic. Further, the lower direct rate provides some incentive for the wireless carrier, as the cost of facilities to the rural LEC's switch often exceeds the savings from the eliminated transit fees.

Please provide redline comments or let me know when you're available to discuss this. FYI, I'll be out of the office Wednesday, April 26 through Friday, April 28.

Thanks,
Marc

-----Original Message-----

From: Eileen Bodamer [mailto:ebodamer@cronincom.com]
Sent: Tuesday, April 18, 2006 6:50 PM
To: Sterling, Marc B.
Subject: RE: Kentucky Rural ILECs and Wireless Carrier Interconnection Negotiations

Marc,

I think your assessment is correct. I checked myself after these were provided. I am happy to use the MM template - I am in ND right now but will email when I am back and we can work out a schedule for getting this resolved.

Thanks,

Elleen

From: Marc.Sterling@VerizonWireless.com [mailto:Marc.Sterling@VerizonWireless.com]
Sent: Tuesday, April 18, 2006 11:13 AM
To: Eileen Bodamer
Subject: RE: Kentucky Rural ILECs and Wireless Carrier Interconnection Negotiations

Eileen,

Your e-mail below notes your clients' willingness to consider collective negotiations with a given CMRS carrier. In response, I'd like to pursue negotiations between Verizon Wireless and Coalfields (Gearheart), Foothills Rural, Mountain Rural, Peoples Rural, and South Central Rural. Correspondence from these companies from earlier this year asked for identification of Verizon Wireless' NXXs or number blocks that are associated with rate centers within their local calling scopes. I'm not aware of any current number resources of ours that fall into this category. I expect somewhat as a result of this, the volume of traffic Verizon Wireless exchanges with these LECs is fairly low. As such, we would expect to continue to exchange traffic indirectly at this time. To the extent it would be of interest to your clients, Verizon Wireless would be willing to consider a volume threshold that would trigger the establishment of direct trunks.

Please let me know if the above noted clients of yours would consider using the form of interconnection agreement that you and Greg Cole negotiated last summer between Verizon Wireless and Mid-Maine Telecom. If so, I could provide a draft template for KY. While we would need to update rates and factors, I understand that agreement contemplated indirect interconnection, and established a volume threshold which, when exceeded, would result in direct interconnection.

Thanks,
Marc

Marc Sterling
Verizon Wireless
678-339-4276 (phone)
678-591-4687 (cell)
marc.sterling@verizonwireless.com

-----Original Message-----

From: Eileen Bodamer [mailto:ebodamer@cronincom.com]
Sent: Wednesday, March 01, 2006 9:34 AM
To: Leon Bloomfield; Linda.lowrance@tdstelecom.com; John.selent@dinslaw.com; tpreston@foothills.net; sison@mountaintelephone.com; kgabbard@prtcnet.org; donnie_bennett@scrtc.net; Allison Willoughby; dave@highlandtel.net; JCamp@Gearheart.com; JMcClanahan@nctc.com
Cc: Brown, Bill; Chiarelli, Joe M [LEG]; Van Eckhardt, Michael; Sterling, Marc B.; Atkinson, Bill R [REG]; Jones, Shelley E [NTK]; Critides, Elaine; Ashby, Mark J;

Michele.Thomas@T-Mobile.com; Dan Williams; Greg Tedesco (greg.tedesco)
Subject: RE: Kentucky Rural ILECs and Wireless Carrier Interconnection Negotiations

Leon,

I have asked my companies about a joint negotiation as requested in your email letter of Friday the 24th. I have queried Gearheart, Foothills, North Central, Peoples Rural, Mountain Rural, and South Central regarding their interest in participating in such a group.

All of my clients (listed above) do not feel it is practical to combine all of their efforts or to work with all the CMRS providers as a group. While they are open to working together to the extent feasible with ACC (or any one CMRS provider), their issues and progress with the other carriers are too diverse to make this a practical approach. The ITCs themselves are also in differing aspects of what they need accomplished. In several instances my clients already have or feel they will soon have an agreement with some of the CMRS providers ACC proposes to include in this combined effort. Nearly all of the ITCs have an agreement with one or more CMRS carrier.

We appreciate your making this suggestion and I am reviewing your template.

As a housekeeping matter, I have corrected the email addresses for North Central and Gearheart - they were incorrect in your original email. Otherwise, I have kept all the same people on your list except for AllTel. We do not consider them an ITC in Kentucky.

Eileen M Bodamer
Cronin Communications Consultants
770-649-1886 / fax 770-645-6545
415 Hepplewhite Dr., Alpharetta GA 30022
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From: Leon Bloomfield [mailto:lmb@wblaw.net]
Sent: Friday, February 24, 2006 7:34 PM
To: Linda.lowrance@tdstelecom.com; Eileen Bodamer; John.selent@dinslaw.com; jimmy.dolan@alltel.com; tpreston@foothills.net; jcamp@gearhart.com; sison@mountaintelephone.com; kgabbard@prtcnet.org; donnie_bennett@scrtc.net; 'Allison Willoughby'; dave@highlandtel.net; jmmclanahan@nctc.com
Cc: 'Brown, Bill'; 'Chiarelli, Joe M [LEG]'; 'Van Eckhardt, Michael'; Marc.Sterling@VerizonWireless.com; 'Atkinson, Bill R [REG]'; 'Jones, Shelley E [NTK]'; Elaine.Critides@VerizonWireless.com; 'Ashby, Mark J'; Michele.Thomas@T-Mobile.com; 'Dan Williams'; 'Greg Tedesco (greg.tedesco)'; Bill Brown
Subject: Kentucky Rural ILECs and Wireless Carrier Interconnection Negotiations

Please see attached.

Leon M. Bloomfield
Wilson & Bloomfield LLP
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TRAFFIC EXCHANGE AGREEMENT

BETWEEN

[Kentucky Rural LEC]

AND

VERIZON WIRELESS

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I. Article I

1. INTRODUCTION

This traffic exchange and compensation agreement ("Agreement") is effective as of the 1st day of _____, 200_ (the "Effective Date"), by and between _____ ("KY RLEC") with offices at _____, Kentucky _____ and the Verizon Wireless ("VZW") entities listed on the signature page of this Agreement and on Attachment A, each having an office and principal place of business at 180 Washington Valley Road, Bedminster, NJ 07921 (collectively "VZW").

2. RECITALS

WHEREAS, KY RLEC is an incumbent Local Exchange Carrier in the State of Kentucky;

WHEREAS, VZW is a Commercial Mobile Radio Service provider of two-way mobile communications services operating within the state of Kentucky;

WHEREAS, The Parties acknowledge that KY RLEC is entitled to maintain that it is a rural telephone company (as defined in 47 U.S.C. 153) as provided by 47 U.S.C. 251(f); By entering into this Agreement, KY RLEC is not waiving its right to maintain that it is a rural telephone company and its right to maintain that it is exempt from Section 251(c) under 47 U.S.C. 251 (f) of the Act;

WHEREAS, KY RLEC and VZW exchange calls between their networks and wish to establish traffic exchange and compensation arrangements for exchanging traffic as specified below;

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, KY RLEC and VZW hereby agree as follows:

II. Article II

1. DEFINITIONS

Special meanings are given to common words in the telecommunications industry, and coined words and acronyms are common in the custom and usage in the industry. Words used in this contract are to be understood according to the custom and usage of the telecommunications industry, as an exception to the general rule of contract

Traffic Exchange Agreement between Kentucky Rural LEC and VZW

interpretation that words are to be understood in their ordinary and popular sense. In addition to this rule of interpretation, the following terms used in this Agreement shall have the meanings as specified below:

- 1.1 “Act” means the Communications Act of 1934, as amended.
- 1.2 “As Defined in the Act”, means as specifically defined by the Act, as may be interpreted from time to time by the FCC, the Commission, Kentucky state courts, or federal courts.
- 1.3 “As Described in the Act” means as described in or required by the Act, as may be interpreted from time to time by the FCC, the Commission, Kentucky state courts, or federal courts.
- 1.4 “Affiliate” means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term “own” means to own an equity interest (or the equivalent thereof) of more than 10 percent.
- 1.5 “Central Office Switch” means a switch used to provide Telecommunications Services, including, but not limited to:
 - (a) “End Office Switch” is a switch in which the subscriber station loops are terminated for connection to either lines or trunks. The subscriber receives terminating, switching, signaling, transmission, and related functions for a defined geographic area by means of an End Office Switch.
 - (b) “Remote End Office Switch” is a switch in which the subscriber station loops are terminated. The control equipment providing terminating, switching, signaling, transmission, and related functions would reside in a host office. Local switching capabilities may be resident in a Remote End Office Switch.
 - (c) “Host Office Switch” is a switch with centralized control over the functions of one or more Remote End Office Switches. A Host Office Switch can serve as an end office as well as providing services to other remote end offices requiring terminating, signaling, transmission, and related functions including local switching.
 - (d) “Tandem Office Switch” is a switching system that establishes trunk-to-trunk connections. Local tandems switch calls from one end office to another within the same geographic area, and access tandems switch traffic from host or end offices to and from an Interexchange Carrier. A Tandem Office Switch can provide host office or end office switching functions as well as the tandem functions.

Traffic Exchange Agreement between Kentucky Rural LEC and VZW

- 1.6 "Commercial Mobile Radio Services" or "CMRS" means a radio communication service between mobile stations or receivers and land stations, or by mobile stations communicating among themselves that is provided for profit and that makes interconnected service available to the public or to such classes of eligible users as to be effectively available to a substantial portion of the public. 47 CFR Section 20.
- 1.7 "Commission" means the Kentucky Public Service Commission.
- 1.8 "Extended Area Service" or "EAS" is as defined and specified in KY RLEC's then current General Subscriber Services Tariff.
- 1.9 "Effective Date" means the date first above written.
- 1.10 "FCC" means the Federal Communications Commission.
- 1.11 "Interconnection" for purposes of this Agreement is the linking of KY RLEC and VZW networks for the exchange of telecommunications traffic described in this Agreement.
- 1.12 "Interexchange Carrier" or "IXC" means a carrier, other than a CMRS carrier, that provides or carries, directly or indirectly, InterLATA Service or IntraLATA Toll Traffic.
- 1.13 "InterLATA Service" means telecommunications between a point located in a local access and transport area and a point located outside such area.
- 1.14 "IntraLATA Toll Traffic," means those station calls that originate and terminate within the same local access and transport area and that are carried outside KY RLEC's Local Service Area.
- 1.15 "Local Access and Transport Area" or "LATA" means a contiguous geographic area:
- (A) Established before February 8, 1996, by a Bell operating company such that no exchange area includes points within more than 1 metropolitan statistical area, consolidated metropolitan statistical area, or State, except as expressly permitted under the AT&T Consent Decree; or
 - (B) Established or modified by a Bell operating company after February 8, 1996, and approved by the Commission.
- 1.16 "Local Service Area" means, for VZW, Major Trading Area Number 18 (Cincinnati-Dayton) and/or Major Trading Area Number 26 (Louisville-Lexington-Evansville) and for KY RLEC, its local calling area contained in KY RLEC's then current General Subscriber Services Tariff.

Traffic Exchange Agreement between Kentucky Rural LEC and VZW

- 1.17 “Local Traffic” is defined for all purposes under this Agreement as Local Service Area traffic that is originated by an end user of one Party on that Party's network, and terminates to an end user of the other Party on the other Party's network within the same Major Trading Area (MTA). Local Traffic may be handled pursuant to an approved interconnection agreement between the originating Party and a carrier which performs only a contractual transiting function for the originating Party in lieu of a direct connection between the Parties, provided that the service provided by VZW is a two-way mobile service. For purposes of determining originating and terminating points, the originating or terminating point for KY RLEC shall be the end office serving the calling or called party, and for VZW shall be the originating or terminating cell site location which services the calling or called party at the beginning of the call. To the extent VZW delivers to KY RLEC traffic originated by end users of other CMRS providers, which is carried by VZW pursuant to “roaming” arrangements, such traffic shall be treated, for purposes of this Agreement, as having originated by VZW end users. VZW shall not otherwise deliver or transit other carriers' or CMRS providers' traffic to KY RLEC.
- 1.18 “Local Exchange Carrier” or “LEC” means any person that is engaged in the provision of telephone exchange service or exchange access. Such term does not include a person insofar as such person is engaged in the provision of a commercial mobile service under section 332(c) of the Act, except to the extent that the Federal Communications Commission finds that such service should be included in the definition of such term. 47 U.S.C. §153(26).
- 1.19 “Major Trading Area” or “MTA” means the Major Trading Area designated by the FCC which is the service area based on the Rand McNally 1992 Commercial Atlas & Marketing Guide, 123rd edition, at pages 38-39, as further specified or modified by 47 C.F.R. §24.202(a) or other applicable law.
- 1.20 “Mobile Station” means a radio-communication station capable of being moved and which ordinarily does move. 47 U.S.C. §153(28)
- 1.21 “Non-Local Traffic”– means all traffic that is not Local Traffic as defined in Section 1.17 hereof and includes IntraLATA Toll Traffic.
- 1.22 “NPA” or the “Number Plan Area” also referred to as an “area code” refers to the three-digit code which precedes the NXX in a dialing sequence and identifies the general calling area within the North American Numbering Plan scope to which a call is routed to (i.e., NPA/NXX-XXXX).
- 1.23 “NXX” means the three-digit code, which appears as the first three digits of a seven-digit telephone number within a valid NPA or area code.
- 1.24 “Party” means either KY RLEC or VZW, and “Parties” means KY RLEC and VZW.

Traffic Exchange Agreement between Kentucky Rural LEC and VZW

- 1.25 “Point of Interconnection” or “POI” means the mutually agreed upon point between the Parties’ respective networks where an originating Party’s traffic is deemed to be handed off to the terminating Party’s network.
- 1.26 “Rate Center” means the specific geographic point and corresponding geographic area that is associated with one or more NPA-NXX codes that have been assigned to an incumbent LEC for its provision of exchange services.
- 1.27 “Reciprocal Compensation” means an arrangement between two carriers in which each receives the same compensation rate from the other carrier for the transport and termination on each carrier’s network of Local Traffic, as defined in Section 1.17 above, that originates on the network facilities of the other carrier. Compensation, regardless of the Party that receives it, is symmetrical.
- 1.28 “Telecommunications” means the transmission, between or among points specified by the user, of information of the user’s choosing, without change in the form or content of the information as sent and received. 47 U.S.C. §153(43)
- 1.29 “Telecommunications Act” means the Communications Act of 1934, as amended.
- 1.30 “Telecommunications Carrier” means any provider of telecommunications services, except that such term does not include aggregators of telecommunications services (as defined in 47 U.S.C. Section 226(a)(2)). A Telecommunications Carrier shall be treated as a common carrier under this chapter only to the extent that it is engaged in providing telecommunications services, except that the Federal Communications Commission shall determine whether the provision of fixed and mobile satellite service shall be treated as common carriage. 47 U.S.C. §153(44)
- 1.31 “Telecommunications Services” means the offering of Telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.
- 1.32 “Termination” means the switching of Local Traffic at the terminating carrier’s end office switch, or equivalent facility, and delivery of such traffic to the called Party’s premises or mobile handset.
- 1.33 “Transiting Traffic” is traffic that originates from one provider’s network, “transits” one or more other provider’s network substantially unchanged, and terminates to yet another provider’s network.
- 1.34 “Transport” means the transmission and any necessary tandem switching of Local Traffic subject to Section 251(b)(5) of the Act from the Point of Interconnection 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.

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- 1.35 "Type 1 Service" often referred to as a line-side trunk connection, is a service that involves interconnection to a telephone company end office. A Type 1 Service is offered in connection with the provision of telephone numbers hosted by a KY RLEC switch. If available and economically feasible, SS7 functionality will be used.
- 1.36 "Type 2 Service" often referred to as a trunk side connection, is a service that involves interconnection to a telephone company end office (Type 2-B) or tandem (Type 2-A).

2.0 INTERPRETATION AND CONSTRUCTION

All references to Sections, Exhibits and Schedules shall be deemed to be references to Sections of, and Exhibits and Schedules to, this Agreement unless the context shall otherwise require. The headings of the Sections and the terms are inserted for convenience of reference 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 or other third party offering, guide or practice, 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 a 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).

3.0 SCOPE

3.1 This Agreement is intended, inter alia, to describe and enable specific traffic exchange and Reciprocal Compensation arrangements between the Parties. This Agreement does not obligate either Party to provide arrangements not specifically provided for herein.

3.2 This Agreement sets forth the terms, conditions, and rates under which the Parties agree to interconnect the CMRS network of VZW and the ILEC network of KY RLEC for purposes of exchanging Local Service Area traffic, provided that the service provided by VZW to its customer is a two-way mobile service as defined in 47 U.S.C. §153(27). This Agreement does not cover VZW one-way paging service traffic or fixed wireless. VZW does not currently provide fixed wireless services in KY RLEC's Local Service Area. VZW agrees that it will provide KY RLEC prior notice of its intent to launch fixed wireless services in KY RLEC's Local Service Area. Upon KY RLEC's receipt of such notice, the Parties agree to negotiate an appropriate agreement or an Amendment to this Agreement, which will address the exchange of such traffic.

3.3 This Agreement relates to exchange of traffic between KY RLEC and VZW. VZW represents that it is a CMRS provider of telecommunications services to

subscribers in MTA Nos. 18 (Cincinnati-Dayton) and 26 (Louisville-Lexington-Evansville). Additions or changes to VZW's NPA/NXXs will be as listed in Telcordia's Local Exchange Routing Guide ("LERG") under Operating Company Number ("OCN") 6500.

3.4 This Agreement is limited to KY RLEC end user customers' traffic for which KY RLEC has tariff authority to carry. KY RLEC's NPA/NXX(s) are listed in the LERG under OCN [REDACTED].

3.5 Any amendment, modification, or supplement to this Agreement must be in writing and signed by an authorized representative of each Party.

4.0 SERVICE AGREEMENT

Description of Arrangements. This Agreement provides for the following interconnection and arrangements between the networks of KY RLEC and VZW. Additional arrangements that may be agreed to in the future will be delineated in Attachment B to this Agreement. An NPA/NXX assigned to VZW shall be treated as Local Service Area traffic and included in any EAS calling scope, or similar program, to the same extent as any other incumbent LEC's NPA/NXX in the same rate center provided that VZW assigns numbers from such NPA/NXX to customers within the Local Service Area of KY RLEC and VZW has network facilities to serve such customers.

4.1 Indirect Interconnection: The Parties agree to interconnect their networks indirectly via a third party LEC ("Third Party Tandem Provider") in order to exchange Local Traffic, and that the originating Party is responsible for any transit fees imposed by the Third Party Tandem Provider. The Parties agree that this provision will in no way prejudice any position either Party may take regarding financial responsibility for charges by Third Party Tandem Providers with respect to future agreements or regulatory or legislative proceedings.

This arrangement for indirect interconnection will be subject to renegotiation if by change of law or for any other reason the Third Party Tandem Provider no longer offers the transiting service.

4.2 Direct Interconnection: Where the total Local Traffic exchanged between a specific VZW switch and KY RLEC's specific Tandem Office Switch or specific End Office Switch exceeds more than ~~250,000~~ 500,000 minutes of use per month, in either direction, for three consecutive months, VZW and KY RLEC shall work cooperatively to implement direct interconnection arrangements and to amend this Agreement, as required. VZW may also request an amendment to establish a direct interconnection regardless of the volume of traffic exchanged. For direct interconnection, the POI shall be at any technically feasible point on KY RLEC's network, including points on KY RLEC's network, if any, that extend beyond KY RLEC's service area boundary.

5.0 COMPENSATION

5.1 Traffic Subject to Reciprocal Compensation.

Reciprocal Compensation is applicable for Transport and Termination of Local Traffic as defined in Section 1.17 and is related to the exchange of traffic described in Section 4 and in Attachment B, as applicable. For the purposes of billing compensation for Local Traffic, billed minutes will be based upon actual usage recorded and/or records/reports provided by the transiting carrier. Measured usage begins when the terminating recording switch receives answer supervision from the called end-user and ends when the terminating recording switch receives or sends disconnect (release message) supervision, whichever occurs first. The measured usage is aggregated at the end of the measurement cycle and rounded to a whole minute. Billing for Local Traffic shall be based on the aggregated measured usage less traffic recorded as local that is deemed Non-Local Traffic based on the default factor provided in Section 5.4.3.

The rate for Reciprocal Compensation for traffic delivered via direct interconnection shall be: ~~\$0.020~~\$0.012 per minute

The rate for Reciprocal Compensation for traffic delivered via indirect interconnection shall be \$0.015 per minute

The Parties agree to bill each other for Local Traffic as described in this Agreement unless the Local Traffic exchanged between the Parties is balanced and falls within an agreed upon threshold ("Traffic Balance Threshold"). The Parties agree that for purposes of this Agreement, the Traffic Balance Threshold is reached when the Local Traffic exchanged, both directly and indirectly, falls between 55% / 45% in either the wireless-to-landline or landline-to-wireless direction. When the actual usage data for three (3) consecutive months indicates that the Local Traffic exchanged, both directly and indirectly, falls within the Traffic Balance Threshold, then either Party may provide the other Party a written request, along with verifiable information supporting such request, to eliminate billing for Reciprocal Compensation per minute. Upon written consent by the Party receiving the request, which shall not be withheld unreasonably, there will be no billing for Reciprocal Compensation on a going forward basis unless otherwise agreed to by both Parties, in writing. The Parties' agreement to eliminate billing for Reciprocal Compensation carries with it the precondition regarding the Traffic Balance Threshold discussed above. As such, the two points have been negotiated as one interrelated term containing specific rates and conditions, which are non-separable for purposes of Section 16, hereof.

5.2 Traffic Subject to Switched Access Compensation.

Access charges apply to all Non-Local Traffic originated on VZW's network and delivered to KY RLEC for termination to its customers as described in Section 4 and Attachment B, as applicable. VZW shall compensate KY RLEC at KY RLEC's

applicable access tariff rates for all VZW-originated Non-Local Traffic only to the extent that such VZW-originated Non-Local Traffic is not handed off to an Interexchange Carrier for delivery to KY RLEC.

5.3 Calculation of Payments and Billing.

5.3.1 VZW will compensate KY RLEC for Local and Non-Local Traffic delivered to KY RLEC for termination to its customers, as prescribed and at the rates provided in Sections 5.1, 5.2. KY RLEC will compensate VZW for Local Traffic originated by KY RLEC customers on KY RLEC's network and delivered to VZW, for termination to its customers, as prescribed in Section 4 and at the rate provided in Section 5.1.

5.3.2 VZW shall prepare a monthly billing statement to KY RLEC, reflecting the calculation of Reciprocal Compensation due VZW. KY RLEC shall prepare a monthly billing statement to VZW, which will separately reflect the calculation of Reciprocal Compensation, Switched Access Compensation, and total compensation due KY RLEC. Billing shall be based on actual measured usage, when available. To the extent VZW does not have the capability to bill based on actual measured usage, KY RLEC may provide the actual measured usage for use by VZW. If actual measured usage is not available, the Parties agree that usage from the third-party transit provider may be used for billing. Alternatively, if VZW does not measure or cannot obtain the landline-to-wireless usage data from KY RLEC or from the third-party transit provider, then VZW may bill using a factor that is based on each Party's proportion of originating Local Traffic to total Local Traffic exchanged between the Parties. This estimated percentage is referred to as the Traffic Factor and is listed below. The Parties agree to review the Traffic Factor on a periodic basis and, if warranted by the actual usage, revise the Traffic Factor appropriately. Upon thirty (30) days written notice, a Party may request a review of the Traffic Factor, and the Party requesting the review shall supply the supporting documentation to the other Party for review. After reviewing this documentation, the Parties may mutually agree to revise the Traffic Factor. The Parties agree that a review of the Traffic Factor shall not occur more frequently than one (1) time per calendar year. In the event the Parties cannot agree upon a revised Traffic Factor, either Party may invoke the Dispute Resolution procedures as set forth in Section 17.

a)	Landline-to-Wireless	30%
b)	Wireless-to-Landline	70%

5.3.3 KY RLEC will prepare its bill in accordance with its existing CABS / SECABS billing systems. VZW will prepare its bill in accordance with its existing process for billing Reciprocal Compensation. The Parties will make an effort to conform to current and future OBF (CABS BOS) standards, insofar as is reasonable. In

addition, the Parties will abide by all signaling standards as described in Section 7.8.

- 5.3.4 Recognizing that KY RLEC has no way of measuring the Non-Local Traffic, and in the event that VZW does not track the usage information required to identify the Non-Local Traffic originated or terminated by KY RLEC, both Parties agree to use a default factor of 0% as an estimate of Non-Local Traffic. The actual recorded usage shall be the basis for billing, when available and verifiable.
- 5.3.5 Each party may request to inspect, during normal business hours, the records which are the basis for any monthly bill issued by the other Party and to request copies thereof provided that the requested records do not exceed 12 months in age from the date the monthly bill containing said record information was issued.

6.0 NOTICE OF CHANGES

If a Party contemplates a change in its network, which it believes will materially affect the inter-operability 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, provided, however, that this provision shall not apply to changes necessitated by emergencies or other circumstances outside the control of the party modifying its network.

7.0 GENERAL RESPONSIBILITIES OF THE PARTIES

7.1 Each Party is individually responsible to provide facilities within its network which are necessary for routing, transporting and, consistent with Section 5, measuring and billing traffic from the other Party's network and for delivering such traffic to the other Party's network in an acceptable industry standard format, and to terminate the traffic it receives in that acceptable industry standard format to the proper address on its network. 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. 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.

7.2 Each Party is solely responsible for the services it provides to its customers and to other Telecommunications Carriers.

7.3 Each Party is responsible for managing NXX codes assigned to it.

7.4 Each Party is responsible for obtaining Local Exchange Routing Guide ("LERG") listings of the Common Language Location Identifier ("CLLI") assigned to its switches.

7.5 Each Party agrees to adhere to the blocking requirements for interconnection (P.01) as provided in Telecordia documentation GR145 - Core Compatibility for Interconnection of a Wireless Services Provider and a Local Exchange Company Network.

7.6 SS7 Out of Band Signaling (CCS/SS7) shall be the signaling of choice for interconnecting trunks where technically feasible for both Parties. Use of a third-party provider of SS7 trunks for connecting VZW to the KY RLEC SS7 systems is permitted. Such connections will meet generally accepted industry technical standards. Each Party is responsible for its own SS7 signaling and therefore, neither Party will bill the other SS7 signaling charges.

7.7 Each Party shall be responsible for its own independent connections to the 911/E911 network.

7.8 All originating traffic shall contain basic call information within the Initial Address Message (IAM) such as the calling number, charged number, Generic Address Parameter Ported Dialed Number (GAPPDN), Translated Called Number Indicator of Forward Call Indicators (FCI Bit-M) either the Jurisdictional Information Parameter (JIP) or the Originating Location Routing Number (LRN), and the carrier identification code (CIC) when applicable. The JIP or Originating LRN must be unique to the Mobile Switching Center (MSC). Altering of data parameters within the IAM shall not be permitted.

8.0 TERM AND TERMINATION

8.1 Subject to the provisions of Section 14, the initial term of this Agreement shall be for a two-year term ("Term"), which shall commence on the Effective Date. This Agreement shall automatically renew for successive 6-month periods. Either Party may notify the other Party of its intent to renegotiate a new agreement on no less than ninety (90) days prior notice to the end of the term or any renewal term. In the event of such renegotiations, this Agreement shall remain in effect until such time that a new agreement becomes effective.

8.2 The Parties will work cooperatively to ensure there are no outstanding balances for the period prior to the Effective Date.

8.3 The Parties agree that disputed and undisputed amounts due under this Agreement shall be handled as follows:

8.3.1 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 written notice to the Billing Party of the amounts it disputes ("Disputed Amounts") 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. The Parties will work together in good faith to resolve issues relating to the disputed amounts. If the dispute is resolved such that payment of the disputed amount is required, whether for the original full amount or for the settlement amount, the Non-Paying Party shall pay the full disputed or settlement amounts with interest 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 Kentucky applicable law. In addition, the Billing Party may initiate a complaint proceeding with the appropriate regulatory or judicial entity, if unpaid undisputed amounts become more than ninety (90) days past due, provided the Billing Party gives an additional thirty (30) days notice and opportunity to cure the default.

8.3.2 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 Kentucky applicable law.

8.3.3 Undisputed amounts shall be paid within thirty (30) days of receipt of invoice from the Billing Party.

8.4 Upon termination or expiration of this Agreement in accordance with this Section:

- (a) Each Party shall comply immediately with its obligations as set forth above;
- (b) Each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement;
- (c) Each Party's indemnification obligations shall survive termination or expiration of this Agreement.

8.5 All invoices under this Agreement shall be sent to:

Verizon Wireless	KY RLEC
Karen Clevenger Verizon Wireless 250 E 96 th Street Indianapolis, IN 46240 Tel.: 317-816-6421 Fax.:	Tel.: Fax.:

8.6 Either Party may terminate this Agreement in whole or in part in the event of a default of the other Party, provided, however, that the non-defaulting Party notifies the defaulting Party in writing of the alleged default and the defaulting Party does not implement mutually acceptable steps to remedy such alleged default within thirty (30) days after receipt of written notice thereof.

9.0 CANCELLATION CHARGES

Except as provided herein, no cancellation charges shall apply.

10.0 NON-SEVERABILITY

10.1 The services, arrangements, terms and conditions of this Agreement were mutually negotiated by the Parties as a total arrangement and are intended to be non-severable.

10.2 VZW recognizes that KY RLEC may at some time provision facilities in order to support exchange of traffic under this Agreement, and agrees that compensation for establishing and provisioning these facilities is non-severable from provisioning of such facilities.

11.0 INDEMNIFICATION

11.1 Each Party (the "Indemnifying Party") shall indemnify and hold harmless the other Party ("Indemnified Party") from and against loss, cost, claim liability, damage, and expense (including reasonable attorney's fees) to customers and other third parties for:

- (1) damage to tangible personal property or for personal injury proximately caused by the negligence or willful misconduct of the Indemnifying Party, its employees, agents or contractors;
- (2) claims for libel, slander, or infringement of copyright arising from the material transmitted over the Indemnified Party's facilities arising from the Indemnifying Party's own communications or the communications of such Indemnifying Party's customers; and
- (3) claims for infringement of patents arising from combining the Indemnified Party's facilities or services with, or the using of the Indemnified Party's services or facilities in connection with, facilities of the Indemnifying Party.

Notwithstanding this indemnification provision or any other provision in the Agreement, neither Party, nor its parent, subsidiaries, affiliates, agents, servants, or

employees, shall be liable to the other for Consequential Damages (as defined in Section 12.3).

11.2 The Indemnified Party will notify the Indemnifying Party promptly in writing of any claims, lawsuits, or demands by customers or other third parties for which the Indemnified Party alleges that the Indemnifying Party is responsible under this Section, and, if requested by the Indemnifying Party, will tender the defense of such claim, lawsuit or demand.

(1) In the event the Indemnifying Party does not promptly assume or diligently pursue the defense of the tendered action, then the Indemnified Party may proceed to defend or settle said action and the Indemnifying Party shall hold harmless the Indemnified Party from any loss, cost liability, damage and expense.

(2) In the event the Party otherwise entitled to indemnification from the other elects to decline such indemnification, then the Party making such an election may, at its own expense, assume defense and settlement of the claim, lawsuit or demand.

(3) The Parties will cooperate in every reasonable manner with the defense or settlement of any claim, demand, or lawsuit.

12.0 LIMITATION OF LIABILITY

12.1 No liability shall attach to either Party, its parents, subsidiaries, affiliates, agents, servants, employees, officers, directors, or partners for damages arising from errors, mistakes, omissions, interruptions, or delays in the course of establishing, furnishing, rearranging, moving, terminating, changing, or providing or failing to provide services or facilities (including the obtaining or furnishing of information with respect thereof or with respect to users of the services or facilities) in the absence of gross negligence or willful misconduct.

12.2 Except as otherwise provided in Section 11.0, no Party shall be liable to the other Party for any loss, defect or equipment failure caused by the conduct of the first Party, its agents, servants, contractors or others acting in aid or concert with that Party, except in the case of gross negligence or willful misconduct.

12.3 In no event shall either Party have any liability whatsoever to the other Party for any indirect, special, consequential, incidental or punitive damages, including but not limited to loss of anticipated profits or revenue or other economic loss in connection with or arising from anything said, omitted or done hereunder (collectively, "Consequential Damages"), even if the other Party has been advised of the possibility of such damages.

13.0 DISCLAIMER

EXCEPT AS OTHERWISE PROVIDED HEREIN, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR INTENDED OR PARTICULAR PURPOSE WITH RESPECT TO SERVICES PROVIDED HEREUNDER. ADDITIONALLY, NEITHER PARTY ASSUMES ANY RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY THE OTHER PARTY WHEN THIS DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD-PARTY.

14.0 REGULATORY APPROVAL

The Parties understand and agree that this Agreement will be filed with the Commission, and to the extent required by FCC rules may thereafter be filed with the FCC. Each Party covenants and agrees to fully support approval of this Agreement by the Commission or the FCC under Section 252(e) of the Act without modification. The Parties, however, 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 or FCC rejects this Agreement in whole or in part, the Parties agree to meet and negotiate in good faith to arrive at a mutually acceptable modification of the rejected portion(s). 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.

The Parties agree that their entrance into this Agreement is without prejudice to any positions they may have taken previously, or may take in future, in any legislative, regulatory, judicial or other public forum addressing any matters, including matters related to the same types of arrangements covered in this Agreement.

15.0 CHANGE IN LAW

The Parties acknowledge that the respective rights and obligations of each Party as set forth in this Agreement are based on the text of the Act and the rules and regulations promulgated thereunder by the FCC and the Commission as of the Effective Date ("Applicable Rules"). In the event of any amendment to the Act, any effective legislative action or any effective regulatory or judicial order, rule, regulation, arbitration award, dispute resolution procedures under this Agreement or other legal action purporting to apply the provisions of the Act to the Parties or in which the FCC or the Commission makes a generic determination that is generally applicable which revises, modifies or reverses the Applicable Rules (individually and collectively, "Amended Rules"), either Party may, by providing written notice to the other party, require that the

affected provisions of this Agreement be renegotiated in good faith and this Agreement shall be amended accordingly to reflect the pricing, terms and conditions of each such Amended Rules relating to any of the provisions in this Agreement.

16.0 MOST FAVORED NATION PROVISION

In accordance with Section 252(i) of the Act and 47 C.F.R. §51.809, VZW shall be entitled to adopt from KY RLEC any entire Interconnection/Compensation agreement provided by KY RLEC to any other CMRS provider that has been filed and approved by the Commission, for services described in such agreement, on the same terms and conditions. The term of the adopted agreement shall expire on the same date as set forth in the agreement that was adopted.

17.0 DISPUTE RESOLUTION

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

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

17.2 Formal Dispute Resolution. If negotiations fail to produce an agreeable resolution within ninety (90) days, then either Party may proceed with any remedy available to it pursuant to law, equity or agency mechanisms; provided, that upon mutual agreement of the Parties such disputes may also be submitted to binding arbitration. In the case of an arbitration, each Party shall bear its own costs. The Parties shall equally split the fees of any mutually agreed upon arbitration procedure and the associated arbitrator.

17.3 Continuous Service. The Parties shall continue providing services to each other during the pendency of any dispute resolution procedure, and the Parties shall continue to perform their payment obligations including making payments in accordance with this Agreement.

18.0 MISCELLANEOUS

18.1 Authorization

18.1.1 KY RLEC is a corporation duly organized, validly existing and in good standing under the laws of the State of Kentucky and each has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to any necessary regulatory approval.

18.1.2 Celco Partnership d/b/a Verizon Wireless is a general partnership, duly organized, validly existing and in good standing under the laws of the State of Delaware. GTE Wireless of the Midwest Incorporated d/b/a Verizon Wireless is a corporation, duly organized, validly existing and in good standing under the laws of the State of Indiana. Each has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to any necessary regulatory approval.

18.2 Compliance. Each Party shall comply with all applicable federal, state, and local laws, rules, and regulations applicable to its performance under this Agreement. Nothing in this Agreement shall be construed as requiring or permitting either Party to contravene any mandatory requirement of federal or state law, or any regulations or orders adopted pursuant to such law.

18.3 Independent Contractors. Neither this Agreement, nor any actions taken by VZW or KY RLEC in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between VZW and KY RLEC, or any relationship other than that of co-carriers. Neither this Agreement, nor any actions taken by VZW or KY RLEC in compliance with this Agreement, shall create a contractual, agency, or any other type of relationship or third party liability between VZW and KY RLEC end users or others.

18.4 Force Majeure. Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, equipment failure, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions or any other circumstances beyond the reasonable control and without fault or negligence of the Party affected. (collectively, a "Force Majeure Event"). If any Force Majeure condition occurs, the Party delayed or

unable to perform shall give immediate notice to the other Party and shall take all reasonable steps to correct the Force Majeure condition. During the pendency of the Force Majeure, the duties of the Parties under this Agreement affected by the Force Majeure condition shall be abated and shall resume without liability thereafter.

18.5 Confidentiality.

- 18.5.1 Any information such as specifications, drawings, sketches, business information, forecasts, models, samples, data, computer programs and other software and documentation of one Party (a Disclosing Party) that is furnished or made available or otherwise disclosed to the other Party or any of its employees, contractors, or agents (its "Representatives" and with a Party, a "Receiving Party") pursuant to this Agreement ("Proprietary Information") shall be deemed the property of the Disclosing Party. Proprietary Information, if written, shall be clearly and conspicuously marked "Confidential" or "Proprietary" or other similar notice, and, if oral or visual, shall be confirmed in writing as confidential by the Disclosing Party to the Receiving Party within ten (10) days after disclosure. Unless Proprietary Information was previously known by the Receiving Party free of any obligation to keep it confidential, or has been or is subsequently made public by an act not attributable to the Receiving Party, or is explicitly agreed in writing not to be regarded as confidential, such information: (i) shall be held in confidence by each Receiving Party; (ii) shall be disclosed to only those persons who have a need for it in connection with the provision of services required to fulfill this Agreement and shall be used by those persons only for such purposes; and (iii) may be used for other purposes only upon such terms and conditions as may be mutually agreed to in advance of such use in writing by the Parties. Notwithstanding the foregoing sentence, a Receiving Party shall be entitled to disclose or provide Proprietary Information as required by any governmental authority or applicable law, upon advice of counsel, only in accordance with Section 18.5.2 of this Agreement.
- 18.5.2 If any Receiving Party is required by any governmental authority or by applicable law to disclose any Proprietary Information, then such Receiving Party shall provide the Disclosing Party with written notice of such requirement as soon as possible and prior to such disclosure. The Disclosing Party may then seek appropriate protective relief from all or part of such requirement. The Receiving Party shall use all commercially reasonable efforts to cooperate with the Disclosing Party in attempting to obtain any protective relief which such Disclosing Party chooses to obtain.
- 18.5.3 In the event of the expiration or termination of this Agreement for any reason whatsoever, each Party shall return to the other Party or destroy all Proprietary Information and other documents, work papers and other material (including all copies thereof) obtained from the other Party in connection with this Agreement and shall use all reasonable efforts, including instructing its employees and others who have had access to such information, to keep confidential and not to use any

such information, unless such information is now, or is hereafter disclosed, through no act, omission or fault of such Party, in any manner making it available to the general public.

18.6 Governing Law. This Agreement shall be governed by the domestic laws of the State of Kentucky without reference to conflict of law provisions. Notwithstanding the foregoing, the Parties may seek resolution of disputes under this Agreement by the FCC, the Commission, or the Kentucky state court, or federal court, as appropriate.

18.7 Taxes. Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, transaction or similar taxes, fees or surcharges levied against or upon such purchasing Party (or the providing Party when such providing Party is permitted to pass along to the purchasing Party such taxes, fees or surcharges), except for any tax on either Party's corporate existence, status or income. Whenever possible, these amounts shall be billed as a separate item on the invoice. To the extent a sale is claimed to be for resale tax exemption, the purchasing Party shall furnish the providing Party a proper resale tax exemption certificate as authorized or required by statute or regulation by the jurisdiction providing said resale tax exemption. Failure to timely provide such sale for resale tax exemption certificate will result in no exemption being available to the purchasing Party.

18.8 Assignment. This Agreement shall be binding upon the Parties and shall continue to be binding upon all such entities regardless of any subsequent change in their ownership. Except as provided in this paragraph, neither Party may assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third party without the prior written consent of the other Party which consent will not be unreasonably withheld; provided that either Party may assign this Agreement to a corporate Affiliate or an entity under its common control or an entity acquiring all or substantially all of its assets or equity by providing prior written notice to the other Party of such assignment or transfer. Any attempted assignment or transfer that is not permitted is void *ab initio*. Without limiting the generality of the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties' respective successors and assigns.

18.9 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.

18.10 Notices. Notices given by one Party to the other Party under this Agreement shall be in writing and shall be: (i) delivered personally; (ii) delivered by express delivery service; (iii) mailed, certified mail, return receipt requested to the following addresses of the Parties:

Traffic Exchange Agreement between Kentucky Rural LEC and VZW

To: VZW	To: KY RLEC
Verizon Wireless One Verizon Place Alpharetta, GA 30004 Attn: Director – Wireline Interconnection	Attn:
With a copy to: Verizon Wireless 1300 I Street, NW Suite 400 Washington, DC 20005 Attn: Regulatory Counsel, Interconnection	With a copy to: Attn:

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; (ii) the next business day when notice is sent via express mail or personal delivery; (iii) three (3) days after mailing in the case of certified U.S. mail.

18.11 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.

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

18.13 No Third Party Beneficiaries; Disclaimer of Agency. This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein expressed or implied shall create or be construed to create any third-party beneficiary rights hereunder. Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a party as a legal representative or agent of the other Party; nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against, in the name of, 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.

18.14 No License. No license under patents, copyrights, or any other intellectual property right (other than the limited license to use consistent with the terms, conditions and restrictions of this Agreement) is granted by either Party, or shall be implied or arise by estoppel with respect to any transactions contemplated under this Agreement.

18.15 Technology Upgrades. Nothing in this Agreement shall limit either Parties' ability to upgrade its network through the incorporation of new equipment, new software or otherwise, provided it is to industry standards, and that the Party initiating the upgrade shall provide the other Party written notice at least ninety (90) days prior to the incorporation of any such upgrade in its network which will materially impact the other Party's service. Each Party shall be solely responsible for the cost and effort of accommodating such changes in its own network.

18.16 Foreign Based Services. KY RLEC represents, warrants, and covenants that no service performed by KY RLEC pursuant to this Agreement shall be provided, directed, controlled, supervised, or managed, and no data or VZW customer communication (voice or data) relating to any such service shall be stored or transmitted, at, in, or through, a site located outside of the United States without the advance written consent of VZW.

18.17 Entire Agreement. The terms contained in this Agreement and any Schedules, Exhibits, tariffs and other documents or instruments referred to herein are hereby incorporated into this Agreement by reference as if set forth fully herein, and constitute the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written. Neither Party shall be bound by any preprinted terms additional to or different from those in this Agreement that may appear subsequently in the other Party's form documents, purchase orders, quotations, acknowledgments, invoices or other communications. This Agreement may only be modified by a writing signed by an officer of each Party.

Traffic Exchange Agreement between Kentucky Rural LEC and VZW

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the dates listed below.

<p>Cellco Partnership d/b/a Verizon Wireless</p> <p>GTE Wireless of the Midwest Incorporated d/b/a Verizon Wireless</p>	<p>KY RLEC</p>
<p>By: _____</p> <p>Name: <u>Howard Bower</u></p> <p>Title: <u>Area Vice President – Network</u></p> <p>Date: _____</p>	<p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Date: _____</p>

Attachment A

Licensee

Cellco Partnership
Cellco Partnership
Cellco Partnership
Cellco Partnership
GTE Wireless of the Midwest Incorporated

Market Name

Lexington, KY BTA
Lexington-Fayette, KY MSA
Louisville, KY BTA
Louisville, KY/IN MSA
Cincinnati-Dayton, OH MTA

Attachment B

Reserved For Future Use