AMENDMENT NO. 1

to the

INTERCONNECTION AGREEMENT

between

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

and

FIRST CHOICE TECHNOLOGIES, INC.

This Amendment No. 1 (the "Amendment") is made this 10th day of September 2001 (the "Effective Date"), by and between Verizon South Inc., f/k/a GTE South Incorporated ("Verizon"), a Virginia corporation with offices at 4100 Roxboro Road, Durham, North Carolina 27704-2166, and First Choice Technologies, Inc. ("First Choice"). (Verizon and First Choice may be referred to individually as a "Party" and collectively as the "Parties"). This Amendment covers services in the Commonwealth of Kentucky (the "State").

WITNESSETH:

WHEREAS, pursuant to an adoption letter dated March 12, 2001 (the "Adoption Letter"), First Choice adopted in the Commonwealth of Kentucky, the interconnection agreement between AT&T Communications of the South Central States, Inc. and Verizon (the "Terms"); and

WHEREAS, the Parties desire to amend the Interconnection Agreement as set forth herein;

NOW, THEREFORE, in consideration of the promises and mutual agreements set forth herein, the Parties hereby agree as follows:

1. <u>Amendment to Interconnection Agreement</u>. Effective as of the date first set forth above, the Interconnection Agreement is hereby amended as follows:

A) By adding a new Section 14 to Attachment 2 to the Terms as follows:

14. Line Sharing.

14.1 'Line Sharing' is an arrangement by which Verizon facilitates First Choice's provision of ADSL (in accordance with T1.413), Splitterless ADSL

(in accordance with T1.419), RADSL (in accordance with TR # 59), MVL (a proprietary technology), or any other xDSL technology that is presumed to be acceptable for shared line deployment in accordance with FCC rules, to a particular Customer location over an existing copper Loop that is being used simultaneously by Verizon to provide analog circuit-switched voice grade service to that Customer by making available to First Choice, solely for First Choice's own use, the frequency range above the voice band on the same copper Loop required by First Choice to provide such services. This Section 14 addresses line sharing over loops that are entirely copper loops.

- 14.2In accordance with, but only to the extent required by Applicable Law, Verizon shall provide Line Sharing to First Choice for First Choice's provision of ADSL (in accordance with T1.413), Splitterless ADSL (in accordance with T1.419), RADSL (in accordance with TR # 59), Multiple Virtual Line (MVL - a proprietary technology), or any other xDSL technology that is presumed to be acceptable for shared line deployment in accordance with FCC rules, on the terms and conditions set forth herein. In order for a Loop to be eligible for Line Sharing, the following conditions must be satisfied for the duration of the Line Sharing arrangement: (i) the Loop must consist of a copper loop compatible with an xDSL service that is presumed to be acceptable for sharedline deployment in accordance with FCC rules; (ii) Verizon must be providing simultaneous circuit-switched analog voice grade service to the Customer served by the Loop in question; (iii) the Verizon Customer's dial tone must originate from a Verizon End Office Switch in the Wire Center where the Line Sharing arrangement is being requested; and (iv) the xDSL technology to be deployed by the CLEC on that Loop must not significantly degrade the performance of other services provided on that Loop.
- 14.3 Verizon shall make Line Sharing available to First Choice at the rates set forth in the Agreement and Exhibit A. Notwithstanding anything else set forth in the Agreement, Verizon shall provide Line Sharing subject to charges based on rates and/or rate structures that are consistent with Applicable Law (rates and/or rate structures for access to Line Sharing, collectively, the "Rates" and, individually, a "Rate"). Certain of these Rates are set forth in Exhibit A, which Rates Verizon shall charge First Choice and First Choice agrees to pay to Verizon. First Choice acknowledges, however, that certain Rates are not set forth in Exhibit A as of the Effective Date but that Verizon is developing such Rates and Verizon has not finished developing such Rates as of the Effective Date. When Verizon finishes developing a Rate not included in Exhibit A as of the Effective Date, Verizon shall notify First Choice in writing of such Rate in accordance with, and subject to, the notices provision of the Agreement and thereafter shall bill First Choice, and First Choice shall pay to Verizon, for services provided under this Section 14 on the Effective Date and

thereafter in accordance with such Rate. Any notice provided by Verizon to First Choice pursuant to this Section 14.3 shall be deemed to be a part of Exhibit A immediately after Verizon sends such notice to First Choice and thereafter.

- 14.4 In addition to the recurring and nonrecurring charges shown in the Agreement and Exhibit A and pursuant to Section 14.3 for Line Sharing itself, the following rates are among those that may apply to a Line Sharing arrangement: (i) prequalification charges to determine whether a Loop is xDSL compatible (i.e., compatible with an xDSL service that is presumed to be acceptable for shared-line deployment in accordance with FCC rules); (ii) engineering query charges, engineering work order charges, or Loop conditioning (Digital Designed Loop) charges; (iii) charges associated with Collocation activities requested by First Choice; and (iv) misdirected dispatch charges, charges for installation or repair, manual intervention surcharges, trouble isolation charges, and pair swap/line and station transfer charges. These rates may be contained in Exhibit A, an applicable Verizon tariff, and/or the Agreement.
- 14.5 The following ordering procedures shall apply to Line Sharing:
 - 14.5.1 To determine whether a Loop qualifies for Line Sharing, the Loop must first be prequalified to determine if it is xDSL compatible. First Choice must utilize the mechanized and manual Loop qualification processes described in the terms applicable to xDSL and Digital Designed Loops, as referenced in paragraph (v) below, to make this determination.
 - 14.5.2 First Choice shall place orders for Line Sharing by delivering to Verizon a valid electronic transmittal service order or other mutually agreed upon type of service order. Such service order shall be provided in accordance with industry format and specifications or such format and specifications as may be agreed to by the Parties.
 - 14.5.3 If the Loop is prequalified by First Choice through the Loop prequalification database, and if a positive response is received and followed by receipt of First Choice's valid, accurate and pre-qualified service order for Line Sharing, Verizon will return an Local Service Request (LSR) confirmation within twenty-four (24) hours (weekends and holidays excluded) for LSRs with less than six (6) loop and within 72 hours

(weekends and holiday excluded) for LSRs with six (6) or more loops.

- 14.5.4 If the Loop requires qualification manually or through an Engineering Query, three (3) additional business days will be generally be required to obtain Loop qualification results before an order confirmation can be returned following receipt of First Choice's valid, accurate request. Verizon may require additional time to complete the Engineering Query where there are poor record conditions, spikes in demand, or other unforeseen events.
- 14.5.5 If conditioning is required to make a Loop capable of supporting Line Sharing and First Choice orders such conditioning, then Verizon shall provide such conditioning in accordance with the terms of the Agreement pertaining to Digital Designed Loops; or if the Agreement does not contain provisions pertaining to Digital Designed Loops, then in accordance with the terms of the Agreement pertaining to Loop Conditioning; provided, however, that Verizon shall not be obligated to provide Loop Conditioning if Verizon establishes that such conditioning is likely to degrade significantly the voice-grade service being provided to Verizon's Customers over such Loops.
- 14.5.6 The standard Loop provisioning and installation process will be initiated for the Line Sharing arrangement only once the requested engineering and conditioning tasks have been completed on the Loop. Scheduling changes and charges associated with order cancellations after conditioning work has been initiated are addressed in the terms pertaining to Digital Designed Loops, as referenced in paragraph (v) above. Except as otherwise required by Applicable Law, provisioning intervals for the Line Sharing arrangement initially shall be the standard interval of six (6) business days applicable to 2W ADSL Loops. Where Applicable Law has ordered shorter intervals, the shortened intervals will apply in the event that a dispatch is not required, where conditioning work is not necessary and where facility modifications are not required. In no event shall the Line Sharing interval applied to First Choice be longer than the interval applied to any Affiliate of Verizon. Line Sharing arrangements that require pair swaps or line and

station transfers in order to free up facilities will have a provisioning interval of no less than six (6) business days.

- 14.5.7 First Choice must provide all required Collocation, CFA, Special Bill Number (SBN) and NC/NCI information when a Line Sharing arrangement is ordered. Collocation augments required, either at the POT (Point of Termination) Bay, Collocation node, or for splitter placement must be ordered using standard collocation applications and procedures, unless otherwise agreed to by the Parties or specified in Section 14.
- 14.5.8 The Parties recognize that Line Sharing is an offering that requires both Parties to make reasonable efforts to coordinate their respective roles in the roll out of Line Sharing in order to minimize provisioning problems and facility issues. First Choice will provide reasonable, timely, and accurate forecasts of its Line Sharing requirements, including splitter placement elections and ordering preferences. These forecasts are in addition to projections provided for other stand-alone unbundled Loop types.
- 14.6 To the extent required by Applicable Law, First Choice shall provide Verizon with information regarding the type of xDSL technology that it deploys on each shared Loop. Where any proposed change in technology is planned on a shared Loop, First Choice must provide this information to Verizon in order for Verizon to update Loop records and anticipate effects that the change may have on the voice grade service and other Loops in the same or adjacent binder groups.
- 14.7 As described more fully in Verizon Technical Reference 72575, the xDSL technology used by First Choice for Line Share Arrangements shall operate within the Power Spectral Density (PSD) limits set forth in T1.413-1998 (ADSL), T1.419-2000 (Splitterless ADSL), or TR59-1999 (RADSL), and MVL (a proprietary technology) shall operate within the 0 to 4 kHz PSD limits of T1.413-1998 and within the transmit PSD limits of T1.601-1998 for frequencies above 4 kHz, provided that the MVL PSD associated with audible frequencies above 4 kHz shall be sufficiently attenuated to preclude significantly degrading voice services. First Choice's deployment of additional Advanced Services shall be subject to the applicable FCC rules.
- 14.8 First Choice may only access the high frequency portion of a Loop in a Line Sharing arrangement through an established Collocation

arrangement at the Verizon Serving Wire Center that contains the End Office Switch through which voice grade service is provided to Verizon's Customer. First Choice is responsible for providing a splitter at that Wire Center that complies with ANSI specification T1.413 which employs Direct Current (DC) blocking capacitors or equivalent technology to assist in isolating high bandwidth trouble resolution and maintenance to the high frequency portion of the frequency spectrum, and is designed so that the analog voice "dial tone" stays active when the splitter card is removed for testing or maintenance through one of the splitter options described below. First Choice is also responsible for providing its own Digital Subscriber Line Access Multiplexer (DSLAM) equipment in the Collocation arrangement and any necessary Customer Provided Equipment (CPE) for the xDSL service it intends to provide (including CPE splitters, filters and/or other equipment necessary for the end user to receive separate voice and data services across the shared Loop). Two splitter configurations are available. In both configurations, the splitter must be provided by First Choice and must satisfy the same NEBS requirements that Verizon imposes on its own splitter equipment or the splitter equipment of any Verizon Affiliate. First Choice must designate which splitter option it is choosing on the Collocation application or augment. Regardless of the option selected, the splitter arrangements must be installed before First Choice submits an order for Line Sharing.

Splitter Option 1: Splitter in First Choice Collocation Area

In this configuration, the First Choice-provided splitter (ANSI T1.413 or MVL compliant) is provided, installed and maintained by First Choice in its own Collocation space within the Customer's serving End Office. The Verizon-provided dial tone is routed through the splitter in the First Choice Collocation area. Any rearrangements will be the responsibility of First Choice.

Splitter Option 2: Splitter in Verizon Area

In this configuration, Verizon inventories and maintains a First Choice-provided splitter (ANSI T1.413 or MVL compliant) in Verizon space within the Customer's serving End Office. The splitters will be installed shelf-at-a-time.

In those serving End Offices where Verizon has employed the use of a POT Bay, the splitter will be installed (mounted) in a relay rack between the POT Bay and the MDF The demarcation point is at the splitter end of the cable connecting the CLEC Collocation and the

splitter. At CLEC's option, installation of the splitter shelf may be performed by Verizon or by a Verizon-approved vendor designated by CLEC.

In those serving End Offices where Verizon does not employ the use of a POT Bay, the CLEC provided splitter will be located via a virtual-LIKE collocation arrangement, to which CLEC does not have access. First Choice shall receive its DSL traffic via tie cables running from the MDF to the splitter and from the splitter to First Choice's collocation arrangement. The demarcation point is the connection to the DSLAM from the splitter. The installation of the splitter shelf will be performed by Verizon or by a Verizon-approved vendor.

In either scenario, Verizon will control the splitter and will direct any required activity. Where a POT bay is employed, Verizon will also perform all POT bay work required in this configuration. Verizon will provide a splitter inventory to CLEC upon completion of the required augment.

- (i) Where a new splitter is to be installed as part of an initial Collocation implementation, the splitter installation may be ordered as part of the initial Collocation application. Associated Collocation charges (application and engineering fees) apply. First Choice must submit a new Collocation application, with the application fee, to Verizon detailing its request. Standard Collocation intervals will apply (unless Applicable Law requires otherwise).
- (ii) Where a new splitter is to be installed as part of an existing Collocation arrangement, or where the existing Collocation arrangement is to be augmented (e.g., with additional terminations at the POT Bay or CLEC's collocation arrangement to support Line Sharing), the splitter installation or augment may be ordered via an application for Collocation augment. Associated Collocation charges (application and engineering fees) apply. First Choice must submit the application for Collocation augment, with the application fee, to Verizon. Unless a longer interval is stated in Verizon's applicable Tariff, an interval of seventy-six (76) business days shall apply.
- 14.9 First Choice will have the following options for testing shared Loops:
 - 14.9.1 In serving End Offices where a POT bay has been employed for use the following options shall be available to First Choice:
 - 14.9.1.1 Under Splitter Option 1, First Choice may conduct its own physical tests of the shared Loop from First Choice's collocation area. If it chooses to do so, First Choice may supply a test head to facilitate such

physical tests, provided that: (i) the test head satisfies the same NEBS requirements that Verizon imposes on its own test head equipment or the test head equipment of any Verizon Affiliate; and (ii) the test head does not interrupt the voice circuit to any greater degree than a conventional Mechanized Loop Test (MLT) test. Specifically, the First Choice-provided test equipment may not interrupt an in-progress voice connection and must automatically restore any circuits tested in intervals comparable to MLT. This optional First Choice-provided test head would be installed between the "line" port of the splitter and the POT bay in order to conduct remote physical tests of the shared loop.

- 14.9.1.2 Under Splitter Option 2, either Verizon or a Verizonapproved vendor selected by First Choice may install a First Choice-provided test head to enable First Choice to conduct remote physical tests of the shared Loop. This optional First Choice-provided test head may be installed at a point between the "line" port of the splitter and the Verizon-provided test head that is used by Verizon to conduct its own Loop testing. The First Choice-provided test head must satisfy the same NEBS requirements that Verizon imposes on its own test head equipment or the test head equipment of any Verizon Affiliate, and may not interrupt the voice circuit to any greater degree than a conventional MLT test. Specifically, the First Choice-provided test equipment may not interrupt an in-progress voice connection and must automatically restore any circuits tested in intervals comparable to MLT. Verizon will inventory, control and maintain the First Choice-provided test head, and will direct all required activity.
- 14.9.1.3 Under either Splitter Option, if Verizon has installed its own test head, Verizon will conduct tests of the shared Loop using a Verizon-provided test head, and, upon request, will provide these test results to First Choice during normal trouble isolation procedures in accordance with reasonable procedures.
- 14.9.1.4 Under either Splitter Option, Verizon will make MLT access available to First Choice via RETAS after the

service order has been completed. First Choice will utilize the circuit number to initiate a test. This functionality will be available on October 31, 2000.

- 14.9.2 In those serving End Offices where Verizon has not employed a POT Bay for use, CLEC will not be permitted to supply its own test head; Verizon will make its testing system available to CLEC through use of the on-line computer interface test system at <u>www.gte.com/wise</u>. This system is available 24 hours, 7 days a week.
- 14.9.3 The Parties will continue to work cooperatively on testing procedures. To this end, in situations where First Choice has attempted to use one or more of the foregoing testing options but is still unable to resolve the error or trouble on the shared Loop, Verizon and First Choice will each dispatch a technician to an agreed-upon point to conduct a joint meet test to identify and resolve the error or trouble. Verizon may assess a charge for a misdirected dispatch only if the error or trouble is determined to be one that First Choice should reasonably have been able to isolate and diagnose through one of the testing options available to First Choice above. The Parties will mutually agree upon the specific procedures for conducting joint meet tests.
- 14.9.4 Verizon and First Choice each have a joint responsibility to educate its Customer regarding which service provider should be called for problems with their respective voice or Advanced Service offerings. Verizon will retain primary responsibility for voice band trouble tickets, including repairing analog voice grade services and the physical line between the NID at the Customer premise and the point of demarcation in the central office. First Choice will be responsible for repairing advanced data services it offers over the Line Sharing arrangement. Each Party will be responsible for maintaining its own equipment. Before either Party initiates any activity on a new shared Loop that may cause a disruption of the voice or data service of the other Party, that Party shall first make a good faith effort to notify the other Party of the possibility of a Verizon and First Choice will work service disruption. together to address Customer initiated repair requests and to prevent adverse impacts to the Customer.

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- 14.9.5 When Verizon provides inside wire maintenance services to the Customer, Verizon will only be responsible for testing and repairing the inside wire for voice-grade services. Verizon will not test, dispatch a technician, repair, or upgrade inside wire to clear trouble calls associated with First Choice's Advanced Services. Verizon will not repair any CPE equipment provided by First Choice. Before a trouble ticket is issued to Verizon, First Choice shall validate whether the Verizon Customer is experiencing a trouble that arises from First Choice's Advanced Service. If the problem reported is isolated to the analog voice-grade service provided by Verizon, a trouble ticket may be issued to Verizon.
- 14.9.6 In the case of a trouble reported by the Customer on its voicegrade service, if Verizon determines the reported trouble arises from First Choice's Advanced Services equipment, splitter problems, or First Choice's activities, Verizon will:
 - a) Notify First Choice and request that First Choice immediately test the trouble on First Choice's Advanced Service.
 - b) If the Customer's voice grade service is so degraded that the Customer cannot originate or receive voice grade calls, and First Choice has not cleared its trouble within a reasonable time frame, Verizon may take unilateral steps to temporarily restore the Customer's voice grade service if Verizon determines in good faith that the cause of the voice interruption is First Choice's data service.
 - c) Upon completion of steps (a) and (b) above, Verizon may temporarily remove the First Choice-provided splitter from the Customer's Loop and switch port if Verizon determines in good faith that the cause of the voice interruption is First Choice's data service.
 - Upon notification from First Choice that the malfunction in First Choice's Advanced Service has been cleared, Verizon will restore First Choice's Advanced Service by restoring the splitter on the Customer's Loop.
 - e) Upon completion of the above steps, First Choice will be charged a Trouble Isolation Charge (TIC) to recover

Verizon's costs of isolating and temporarily removing the malfunctioning Advanced Service from the Customer's line if the cause of the voice interruption was First Choice's data service.

f) Verizon shall not be liable for damages of any kind for temporary disruptions to First Choice's data service that are the result of the above steps taken in good faith to restore the end user's voice-grade POTS service, and First Choice shall indemnify Verizon from any claims that result from such steps.

B) By adding the following language immediately after Section 10.5 – Obligation to Defend; Notice; Co-operation of the General Terms and Conditions of the Terms:

"10.6 Notwithstanding any other provision of this Agreement, with respect to Verizon's provision of Line Sharing to First Choice hereunder each Party shall release, indemnify, defend and hold harmless the other Party for any loss suffered, made, instituted, or asserted by the other Party's Customer(s) that arise from disruptions to that Customer's service or from any violation of Applicable Law governing the privacy of the Customer's communications, and that are proximately caused by the grossly negligent or willful acts or omissions of the indemnifying Party in connection with a Line Sharing arrangement."

2. <u>Conflict between this Amendment and the Terms</u>. This Amendment shall be deemed to revise the terms and provisions of the Terms to the extent necessary to give effect to the terms and provisions of this Amendment. In the event of a conflict between the terms and provisions of this Amendment and the terms and provisions of the Terms, this Amendment shall govern, *provided*, *however*, that the fact that a term or provision appears in this Amendment but not in the Terms, or in the Terms but not in this Amendment, shall not be interpreted as, or deemed grounds for finding, a conflict for purposes of this Section 2.

3. <u>Counterparts</u>. This Amendment may be executed in one or more counterparts, each of which when so executed and delivered shall be an original and all of which together shall constitute one and the same instrument.

4. <u>Captions</u>. The Parties acknowledge that the captions in this Amendment have been inserted solely for convenience of reference and in no way define or limit the scope or substance of any term or provision of this Amendment.

5. <u>Amendment Glossary</u>. Attached hereto as Exhibit B is a glossary of terms for use only in connection with this Amendment ("Amendment Glossary"). When used in this Amendment, the

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terms listed in the Glossary shall have the meanings stated therein and will prevail in its application to this Amendment in the event of conflict with definitions contained in the Terms.

6. <u>Scope of Amendment</u>. This Amendment shall amend, modify and revise the Terms only to the extent set forth expressly in <u>Section 1</u> of this Amendment, and, except to the extent set forth in <u>Section 1</u> of this Amendment and the terms and provisions of the Terms shall remain in full force and effect after the date first set forth above.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed and delivered by their duly authorized representatives as of the date first set forth above.

FIRST CHOICE TECHNOLOGIES, INC.

VERIZON SOUTH INC.

By: _____

Printed: _____

Printed: Steven J. Pitterle

By: _____

Title:

Title: <u>Director - Negotiations</u> <u>Network Services</u>

EXHIBIT B AMENDMENT GLOSSARY

AS USED IN THIS AMENDMENT, the following terms shall have the meanings specified below. All capitalized terms used but not defined herein shall have the meanings set forth in the Act.

1.1 "ADSL" or "Asymmetrical Digital Subscriber Line" means a transmission technology which transmits an asymmetrical digital signal of up to 6 Mbps to the Customer and up to 640 kbps from the Customer.

1.2 "Agreement" means this Terms, including all Exhibits, Schedules, addenda and attachments referenced herein and/or appended hereto.

1.3 "Applicable Law" means all laws, regulations and orders applicable to each Party's performance of its obligations hereunder.

1.4 "Customer" means a third party residence or business end-user subscriber to Telephone Exchange Services provided by either of the Parties.

1.5 "Effective Date" means the date referenced in Section 1 of this Amendment.

1.6 "Exhibit A" means the pricing schedule attached to this Amendment.

1.7 "Inside Wire" or "Inside Wiring" means all wire, cable, terminals, hardware and other equipment or materials on the Customer's side of the Rate Demarcation Point.

1.8 "Loop" means a transmission path that extends from a Main Distribution Frame, DSX-panel, or functionally comparable piece of equipment in a Customer's serving End Office to the Rate Demarcation Point (or Network Interface Device ("NID") if installed) in or at the Customer's premises. The actual transmission facilities used to provide a Loop may utilize any of several technologies.

1.9 "Main Distribution Frame" or "MDF" means the primary point at which outside plant facilities terminate within a Wire Center, for Interconnection to other Telecommunications facilities within the Wire Center.

1.10 "Network Interface Device" or "NID" means the Verizon-provided interface terminating Verizon's Telecommunications network on the property where the Customer's service is located at a point determined by Verizon. The NID contains an FCC Part 68 registered jack from which Inside Wire may be connected to Verizon's network.

1.11 "Tariff" means any applicable federal or state Tariff of a Party, or standard agreement or other document that sets forth the generally available terms and conditions, each as may be amended by the Party from time to time, under which a Party offers a particular service, facility or arrangement. A Tariff shall not include Verizon's "Statement of Generally Available Terms and Conditions for Interconnection, Unbundled Network Elements, Ancillary Services and Resale of

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Telecommunications Services" which has been approved or is pending approval by the Commission pursuant to Section 252(f) of the Communications Act of 1934, 47 U.S.C. § 252(f).

1.12 "Voice Grade" means either an analog signal of 300 to 3000 Hz or a digital signal of 56/64 kilobits per second. When referring to digital Voice Grade service (a 56/64 kbps channel), the terms "DS-0" or "sub-DS-1" may also be used.

EXHIBIT A TO AMENDMENT NO. 1

I. Prices for Line Sharing

NON-RECURRING CHARGES

LINE SHARING	Ordering	Ordering	Provisioning	
	100%	Semi-	Initial Addt'l	
	Manual	Mech.	Unit Unit	
LOOP CONDITIONING ¹ (No charge for loops 12,000 feet or less)				
Loop Conditioning - Bridged Tap	N/A	N/A	\$318.71	\$ 34.88
Loop Conditioning - Load Coils	N/A	N/A	\$249.91	\$
Loop Conditioning - Load Coils / Bridged Tap	N/A	N/A	\$568.62	\$ 34.88
COORDINATED CONVERSIONS				
Exchange - Standard Interval - Per Qtr. Hour	\$ 30.72	\$ 30.50	N/A	N/A
Exchange - Additional Interval - Per Qtr. Hour	\$ 26.97	\$ 26.75	N/A	N/A
Advanced - Standard Interval - Per Qtr. Hour	\$ 22.92	\$ 22.69	N/A	N/A
Advanced - Additional Interval - Per Qtr. Hour	\$ 21.12	\$ 20.89	N/A	N/A
HOT-CUT COORDINATED CONVERSIONS (Only available for 2-wire analog loops)				
Exchange - Standard Interval - Per Hour	\$108.80	\$108.57	N/A	N/A
Exchange - Additional Interval - Per Qtr. Hour	\$26.97	\$26.75	N/A	N/A
Advanced - Standard Interval - Per Hour	\$83.43	\$83.20	N/A	N/A
Advanced - Additional Interval - Per Qtr. Hour	\$21.12	\$20.89	N/A	N/A
EXPEDITES				
Exchange Products	\$ 3.36	\$ 3.36	N/A	N/A
Advanced Products	\$ 25.80	\$ 25.80	N/A	N/A
OTHER				
Customer Record Search (per account)	\$ 4.21	\$ -	N/A	N/A
CLEC Account Establishment (per CLEC)	\$166.32	\$166.32	N/A	N/A
LINE SHARING - CLEC OWNED SPLITTER				
CLEC Splitter Connection - Initial	\$ 32.19	\$ 22.52	\$ 53.04	\$ 47.29
CLEC Splitter Connection - Subsequent	\$ 13.24	\$ 9.83	\$ 14.49	\$ 13.53

¹ These charges are interim and subject to retroactive true-up back to the Effective Date of this Agreement. VERIZON-KY/First Choice AMD. 1 081701

Application of NRCs

Preordering:

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

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

Ordering and Provisioning:

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

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

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

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

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

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

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

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

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

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

AMENDMENT NO. 2

to the

INTERCONNECTION, RESALE AND UNBUNDLING AGREEMENT

between

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

and

FIRST CHOICE TECHNOLOGIES, INC.

THIS AMENDMENT No. 2 (this "Amendment") is made this 10th day of September 2001 (the "Effective Date"), by and between Verizon South Inc., f/k/a GTE South Incorporated, a Virginia corporation ("Verizon") and First Choice Technologies, Inc., a Kentucky corporation ("First Choice"). (Verizon and First Choice may be hereinafter referred to, each individually, as a "Party" and, collectively, as the "Parties"). This Amendment covers services in the Commonwealth of Kentucky (the "State").

WITNESSETH:

WHEREAS, pursuant to an adoption letter dated March 12, 2001 (the "Adoption Letter"), First Choice adopted in the Commonwealth of Kentucky, the interconnection agreement between AT&T Communications of the South Central States, Inc. and Verizon (the "Terms"); and

WHEREAS, subsequent to the approval of the Terms, First Choice notified Verizon that it desired to amend the Terms as set forth herein; and

NOW, THEREFORE, in consideration of the mutual promises, provisions and covenants herein contained, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. The Parties agree that the terms and conditions set forth in the Combinations Attachment and Pricing Appendix to Combinations Attachment attached hereto as Appendix A, shall govern the provisions of Combinations.

2. <u>Conflict between this Amendment and the Terms</u>. This Amendment shall be deemed to revise the terms and provisions of the Terms to the extent necessary to give effect to the terms and provisions of this Amendment. In the event of a conflict between the terms and provisions of this Amendment and the terms and provisions of the Terms, this Amendment shall govern, *provided*, *however*, that the fact that a term or provision appears in this Amendment but not in the Terms, or in the Terms but not in this Amendment, shall not be interpreted as, or deemed grounds for finding, a conflict for purposes of this <u>Section 2</u>.

3. <u>Counterparts</u>. This Amendment may be executed in one or more counterparts, each of which when so executed and delivered shall be an original and all of which together shall constitute one and the same instrument.

Verizon KY/First Choice Amend No. 2 Combinations 091001

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4. <u>Captions</u>. The Parties acknowledge that the captions in this Amendment have been inserted solely for convenience of reference and in no way define or limit the scope or substance of any term or provision of this Amendment.

5. <u>Scope of this Amendment</u>. This Amendment shall amend, modify and revise the Terms only to the extent set forth expressly in <u>Section 1</u> of this Amendment, and, except to the extent set forth in <u>Section 1</u> of this Amendment, the terms and provisions of the Terms shall remain in full force and effect after Effective Date.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed and shall be effective upon the Effective Date.

FIRST CHOICE TECHNOLOGIES, INC.

VERIZON SOUTH INC.

By: _____

Printed: _____

Title: _____

By: _____

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Title: <u>Director - Negotiations</u> <u>Network Services</u>

COMBINATIONS ATTACHMENT

1. General

- 1.1 Verizon shall provide to First Choice, in accordance with this Attachment (including, but not limited to, Verizon's applicable Tariffs) and the requirements of Applicable Law, access to Verizon's Network Elements in combinations (Combinations); provided, however, that notwithstanding any other provision of this Attachment, Verizon shall be obligated to provide Combinations to First Choice only to the extent required by Applicable Law and may decline to provide Combination to First Choice to the extent that provision of such Combination is not required by Applicable Law.
- 1.2 Except as otherwise required by Applicable Law: (a) Verizon shall be obligated to provide a Combination pursuant to this Attachment only to the extent such Combination, and the equipment and facilities necessary to provide such Combination, are available in Verizon's network; (b) Verizon shall have no obligation to construct or deploy new facilities or equipment to offer any Combination; and, (c) Verizon shall not be obligated to combine UNEs that are not already combined in Verizon's network. First Choice shall not directly or through a third party (e.g., First Choice's Customer) order Telecommunications Services from Verizon in order to impose on Verizon an obligation to provide. For example, First Choice shall not order Telecommunications Services or advise its Customer to order Telecommunications Services services where existing Combination desired by First Choice is not available in order to permit First Choice to subsequently convert the Telecommunications Services to the Combinations desired by First Choice.
- 1.3 First Choice may use a Combination only for those purposes for which Verizon is required by Applicable Law to provide such Combination to First Choice. Without limiting the foregoing, First Choice may use a Combination (a) only to provide a Telecommunications Service and (b) to provide Exchange Access services only to the extent that Verizon is required by Applicable Law to provide such Combination to First Choice in order to allow First Choice to provide such Exchange Access services.
- 1.4 Notwithstanding any other provision of this Attachment:
 - 1.1.1 To the extent that Verizon is required by a change in Applicable Law to provide a Combination not offered under this Attachment to First Choice as of the Effective Date, the terms, conditions and prices for such Combination (including, but not limited to, the terms and conditions defining the Combination and stating when and where the Combination will be available and how it will be used, and terms, conditions and prices for pre-ordering, ordering, provisioning, repair, maintenance and billing) shall be as provided in an applicable Tariff of Verizon, or, in the absence of an applicable Verizon Tariff, as mutually agreed by the Parties.
 - 1.1.2 Verizon shall not be obligated to provide to First Choice, and First Choice shall not request from Verizon, access to a proprietary advanced intelligent network service.
- 1.5 Without limiting Verizon's rights pursuant to Applicable Law or any other section of this Attachment to terminate its provision of a Combination, if Verizon provides a Combination to First Choice, and the Commission, the FCC, a court or other governmental body of appropriate jurisdiction determines or has determined that Verizon is not required by Applicable Law to provide such Combination, Verizon may terminate its provision of such Combination to First Choice. If Verizon terminates its provision of a Combination to First Choice pursuant to this Section 1.5 and First Choice elects to purchase other Services offered by Verizon in place of such Combination, then: (a) Verizon shall reasonably cooperate with First Choice to coordinate the termination of such Combination and the installation of such Services to minimize the interruption of service to Customers of First Choice; and, (b) First Choice shall pay all applicable charges for such Services, including,

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but not limited to, all applicable installation charges.

- 1.6 Nothing contained in this Attachment shall be deemed to constitute an agreement by Verizon that any item identified in this Attachment as a UNE is (i) a Network Element under Applicable Law, or (ii) a Network Element Verizon is required by Applicable Law to provide to First Choice on an unbundled basis.
- 1.7 If as the result of First Choice Customer actions (i.e., Customer Not Ready ("CNR")), Verizon cannot complete requested work activity when a technician has been dispatched to the First Choice Customer premises, First Choice will be assessed a non-recurring charge associated with this visit. This charge will be the sum of the applicable Service Order charge specified in the Pricing Attachment and the Premises Visit Charge as specified in Verizon's applicable retail or Wholesale Tariff.

2. Combinations

Subject to the conditions set forth in Section 1, Verizon shall be obligated to provide a combination of Network Elements (a "Combination") only to the extent provision of such Combination is required by Applicable Law. To the extent Verizon is required by Applicable Law to provide a Combination to First Choice, Verizon shall provide such Combination in accordance with, and subject to, requirements established by Verizon that are consistent with Applicable Law (such requirements, the "Combo Requirements"). Verizon shall make the Combo Requirements publicly available in an electronic form.

PRICING ATTACHMENT

1. General

- 1.1 As used in this Attachment, the term "Charges" means the rates, fees, charges and prices for a Service.
- 1.2 Except as stated in Section 2, below, Charges for Services shall be as stated in this Section 1.
- 1.3 The Charges for a Service shall be the Charges for the Service stated in the Providing Party's applicable Tariff.
- 1.4 In the absence of Charges for a Service established pursuant to Section 1.3, the Charges shall be as stated in Appendix A of this Pricing Attachment.
- 1.5 The Charges stated in Appendix A of this Pricing Attachment shall be automatically superseded by any applicable Tariff Charges. The Charges stated in Appendix A of this Pricing Attachment also shall be automatically superseded by any new Charge(s) when such new Charge(s) are required by any order of the Commission or the FCC, approved by the Commission or the FCC, or otherwise allowed to go into effect by the Commission or the FCC (including, but not limited to, in a Tariff that has been filed with the Commission or the FCC), provided such new Charge(s) are not subject to a stay issued by any court of competent jurisdiction.
- 1.6 In the absence of Charges for a Service established pursuant to Sections 1.3 through 1.5, if Charges for a Service are otherwise expressly provided for in this Attachment, such Charges shall apply.
- 1.7 In the absence of Charges for a Service established pursuant to Sections 1.3 through 1.6, the Charges for the Service shall be the Providing Party's FCC or Commission approved Charges.
- 1.8 In the absence of Charges for a Service established pursuant to Sections 1.3 through 1.7, the Charges for the Service shall be mutually agreed to by the Parties in writing.

2. First Choice Prices

Notwithstanding any other provision of this Attachment, the Charges that First Choice bills Verizon for First Choice's Services shall not exceed the Charges for Verizon's comparable Services, except to the extent the First Choice has demonstrated to Verizon, or, at Verizon's request, to the Commission or the FCC, that First Choice's cost to provide such First Choice Services to Verizon exceeds the Charges for Verizon's comparable Services.

3. Section 271

If Verizon is a Bell Operating Company (as defined in the Act) and in order to comply with Section 271(c)(2)(B) of the Act provides a Service under this Attachment that Verizon is not required to provide by Section 251 of the Act, Verizon shall have the right to establish Charges for such Service in a manner that differs from the manner in which under Applicable Law (including, but not limited to, Section 252(d) of the Act) Charges must be set for Services provided under Section 251.

4. Regulatory Review of Prices

Notwithstanding any other provision of this Attachment, each Party reserves its respective rights to institute an appropriate proceeding with the FCC, the Commission or other governmental body of appropriate jurisdiction: (a) with regard to the Charges for its Services (including, but not limited to, a proceeding to change the Charges for its services, whether provided for in any of its Tariffs, in Appendix A, or otherwise); and (b) with regard to the Charges of the other Party (including, but not limited to, a proceeding to obtain a reduction in such Charges and a refund of any amounts paid in excess of any Charges that are reduced).

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PRICING APPENDIX TO THE COMBINATIONS ATTACHMENT

1. UNE-P Pricing

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

(Note A): UNE platforms are available in four loop/port configurations as shown below. If the price for any component of these platforms is not set forth herein, Verizon will use the ICB process to determine the appropriate price and TBD pricing shall apply.

UNE Basic Analog Voice Grade Platform consists of the following components: UNE 2-wire Analog loop; and UNE Basic Analog Line Side port
UNE ISDN BRI Platform consists of the following components: UNE 2-wire Digital loop; and UNE ISDN BRI Digital Line Side port

UNE ISDN PRI Platform consists of the following components: UNE DS1 loop; and UNE ISDN PRI Digital Trunk Side port

UNE DS1 Platform consists of the following components: UNE DS1 loop; and UNE DS1 Digital Trunk Side port

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

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

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

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APPENDIX A TO THE PRICING ATTACHMENT

1. Prices for Unbundled Network Elements

NON-RECURRING CHARGES

	Drdering 100% Manual	Ordering Semi- Mech.	Initial Unit	ioning Addt'l Unit			
ENHANCED EXTENDED LINK (WITH MANUAL AND SEMI-MECHANIZED OPTIONS)							
Advanced - Basic - Subsequent\$DS0 - Initial\$DS0 - Subsequent\$DS1/DS3 - Initial\$	88.39	 \$ 56.13 \$ 21.89 \$ 56.13 \$ 21.89 \$ 65.68 \$ 21.89 	\$397.31 \$49.53 \$482.99 \$ \$384.08 \$9.90	N/A N/A N/A N/A N/A			
UNE PLATFORM							
Exchange - Basic - Subsequent\$Exchange - Basic - Changeover\$Exchange - Complex Nondigital - Initial\$Exchange - Complex Nondigital - Subsequent (Port Feature)\$Exchange - Complex Nondigital - Subsequent (Switch Feature)\$Group)Exchange - Complex Nondigital - Changeover (As Is)\$Exchange - Complex Nondigital - Changeover (As Specified)\$Exchange - Complex Nondigital - Changeover (As Specified)\$Exchange - Complex Nondigital - Changeover (As Specified)\$Exchange - Complex Digital - Initial\$	 19.93 19.93 41.35 16.44 20.82 22.35 30.08 41.35 16.44 20.82 22.35 30.08 48.35 20.82 	 \$ 22.13 \$ 13.26 \$ 15.54 \$ 27.53 \$ 13.26 \$ 17.96 \$ 21.31 \$ 27.53 \$ 13.26 \$ 13.26 \$ 13.26 \$ 17.96 \$ 21.31 \$ 34.53 \$ 13.26 	<pre>\$ 28.23 \$ 1.08 \$ 0.90 \$162.41 \$ 5.89 \$ 22.73 \$ 3.61 \$ 20.97 \$205.75 \$ 5.15 \$ 22.73 \$ 4.18 \$ 80.98 \$681.24 \$ 65.81 \$ 51.51</pre>	<pre>\$ 26.58 \$ 1.08 \$ 0.90 \$ 31.70 \$ 5.89 \$ 22.73 \$ 3.61 \$ 28.18 \$ 5.15 \$ 22.73 \$ 4.18 \$ 4.18 \$ 303.66 \$ 48.47 \$ 34.17</pre>			

Application of NRCs

Ordering and Provisioning:

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

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

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

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

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

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

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