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March 6, 2013

Jeff R. Derouen, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

Via email to JeffD.Cline@KY.gov

Dear Mr. Derouen:

Please accept the enclosed filing of a negotiated interconnection agreement between Highland Telephone Cooperative and ALEC, LLC. This agreement replaces in its entirety the one previously negotiated between the parties (tracking number 01038-AI) filed on March 18, 2009.

Should you have any questions, please call me at 770-649-1886.

Sincerely,

A handwritten signature in black ink that reads 'Eileen M Bodamer'. The signature is fluid and cursive, with the first name 'Eileen' and last name 'Bodamer' clearly legible.

Eileen M Bodamer
Consultant to Highland Telephone Cooperative
Enclosures

Cc: Dave Crawford, Highland Telephone Cooperative, via email
Mark Hayes, ALEC, LLC, via email

AGREEMENT

EFFECTIVE _____

by and between

ALEC, LLC

and

Highland Telephone Cooperative

FOR THE COMMONWEALTH OF KENTUCKY

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GENERAL TERMS AND CONDITIONS

PREFACE

This Agreement (“Agreement”) is by and between Highland Telephone Cooperative (“HTC”), a Tennessee corporation with offices at 7840 Morgan County Highway, Sunbright, TN and ALEC, LLC, a Kentucky corporation with offices at 250 West Main St. Suite 1920 Lexington, KY (“ALEC”). (ALEC and HTC may be referred to hereinafter, each individually, as a “Party,” and, collectively, as the “Parties”).

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

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement, and intending to be legally bound, HTC and ALEC hereby agree as follows:

1. The Agreement

- 1.1 This Agreement includes the Principal Document (“General Terms and Conditions”), including the Glossary, Additional Services Attachment, Interconnection Attachment, and Pricing Attachment. This Agreement specifies the rights and obligations of each Party with respect to the establishment of Local Interconnection within the incumbent service area of HTC in the state of the Kentucky. Certain terms used in this Agreement shall have the meanings defined in the Glossary of Terms, or as otherwise elsewhere defined throughout this Agreement. Other terms used but not defined herein will have the meanings ascribed to them in the Act, in the FCC's, and in the Commission's Rules and Regulations.
- 1.2 Each Party hereby incorporates by reference, to the extent applicable, those provisions of its Tariffs that govern the provision of any of the services or facilities provided hereunder. The fact that a condition, right, obligation, or other term appears in this Agreement but not in any such Tariff shall not be interpreted as, or be deemed grounds for finding, a conflict for purposes of this Section. If any provision of this Agreement and an applicable Tariff cannot be reasonably construed or interpreted to avoid conflict, the provision contained in this Agreement shall prevail. If any provision contained in these General Terms and Conditions of the Agreement and any attachment or appendix hereto cannot be reasonably construed or interpreted to avoid conflict, the provision contained in the attachment or appendix shall prevail.
- 1.3 Except as otherwise expressly provided in this Agreement, a Party may purchase services from the other Party pursuant to that other Party's Tariff(s). In such instances, the rates, terms, and conditions of the other Party's applicable Tariff(s) shall apply.

- 1.4 This Agreement replaces in its entirety the Parties' March 18, 2009 Agreement filed and approved by the Commonwealth of Kentucky on March 23, 2009.

2. Regulatory Approvals

This Agreement, and any amendment(s) or modifications(s) hereof, will be submitted to the Commission for approval within ten (10) days after obtaining the last required Agreement signature. In the event any government authority or agency rejects any provision hereof, the Parties shall negotiate promptly and in good faith such revisions as may reasonable be required to achieve such approval consistent with the requirements for each Party under Applicable Law.

3. Term and Termination

- 3.1 This Agreement shall be deemed effective on the date is filed with the Commission for approval, subject to the Commission subsequently withholding its approval ("Effective Date"). In the event such approval is withheld, Parties agree that the Effective Date of this Agreement will be the date this Agreement, as may be modified, is approved by the Commission
- 3.2 This Agreement shall be effective as of the Effective Date and, unless cancelled or terminated earlier in accordance with the terms hereof, shall continue in effect until: calendar date two years after effective date (the "Initial Term"). Thereafter, this Agreement shall continue in force and effect unless and until cancelled or terminated as provided in this Agreement.
- 3.3 Either ALEC or HTC may terminate this Agreement effective upon the expiration of the Initial Term or effective upon any date after expiration of the Initial Term by providing written notice of termination at least ninety (90) days in advance of the date of termination.
- 3.4 If either ALEC or HTC provides notice of termination pursuant to Section 3.3 and on or before the proposed date of termination either ALEC or HTC has requested negotiation of a new interconnection agreement, unless this Agreement is cancelled or terminated earlier in accordance with the terms hereof (including, but not limited to, pursuant to Section 13), this Agreement shall remain in effect until the earlier of: (a) the effective date of a new interconnection agreement between ALEC and HTC; or, (b) the date one hundred and sixty (160) days after the proposed date of termination or any agreed upon extension thereof; except that, if either Party has filed a petition for arbitration of a new agreement with the Commission in accordance with Section 252, the terms and conditions of this Agreement shall continue in effect until such time the arbitration is concluded and there is approval of a new agreement by the Commission.

- 3.5 If either ALEC or HTC provides notice of termination pursuant to Section 3.3 and by 11:59 PM Eastern Time on the proposed date of termination neither ALEC nor HTC has requested negotiation of a new interconnection agreement, (a) this Agreement will terminate at 11:59 PM Eastern Time on the proposed date of termination, and (b) the Services being provided under this Agreement at the time of termination will be terminated in accordance with requirements of the Commission and Applicable Law, if any, except to the extent that the Purchasing Party has requested that such Services continue to be provided pursuant to an applicable Tariff or Statement of Generally Available Terms.

4. Glossary and Attachments

The Glossary and the following Attachments are a part of this Agreement:

Additional Services Attachment

Interconnection Attachment

Pricing Attachment

5. Applicable Law

- 5.1 The construction, interpretation and performance of this Agreement shall be governed by (a) the laws of the United States of America, including but not limited to the Act, the rules, regulations and orders of the FCC and Commission and any orders or decisions of a court of competent jurisdiction, and (b) the laws of the Commonwealth of Kentucky, without regard to its conflicts of laws rules. All disputes relating to this Agreement shall be resolved through the application of such laws pursuant to the process(es) described in the Dispute Resolution Section of this Agreement.
- 5.2 Each Party shall remain in compliance with Applicable Law in the course of performing this Agreement.
- 5.3 Each Party shall promptly notify the other Party in writing of any governmental action that limits, suspends, cancels, withdraws, or otherwise materially affects, the notifying Party's ability to perform its obligations under this Agreement.
- 5.4 If any provision of this Agreement shall be invalid or unenforceable under Applicable Law, such invalidity or unenforceability shall not invalidate or render unenforceable any other provision of this Agreement, and this Agreement shall be construed as if it did not contain such invalid or unenforceable provision; provided, that if the invalid or unenforceable provision is a material provision of this Agreement, or the invalidity or unenforceability materially affects the rights or obligations of a Party hereunder or the ability of a Party to perform any material provision of

this Agreement, the Parties shall promptly renegotiate in good faith and amend in writing this Agreement in order to make such mutually acceptable revisions to this Agreement as may be required in order to conform the Agreement to Applicable Law and to achieve the same economic benefits as contemplated under this Agreement.

- 5.5 If any final and unstayed legislative, regulatory, judicial or other governmental decision, order, determination or action, or any change in Applicable Law, materially affects any material provision of this Agreement, the rights or obligations of a Party hereunder, or the ability of a Party to perform any material provision of this Agreement, the Parties shall promptly renegotiate in good faith and amend in writing this Agreement in order to make such mutually acceptable revisions to this Agreement as may be required in order to conform the Agreement to Applicable Law. If the Parties can't reach a voluntary agreement any dispute shall be resolved pursuant to Section 15, Dispute Resolution.
- 5.6 Notwithstanding anything in this Agreement to the contrary, if, as a result of any legislative, judicial, regulatory or other governmental decision, order, determination or action, or any change in Applicable Law, a Party is not required by Applicable Law to provide any Service, payment or benefit, otherwise required to be provided hereunder, then the providing Party may discontinue the provision of any such Service, payment or benefit. The providing Party will provide thirty (30) days prior written notice to the other Party of any such discontinuance of a Service, payment or benefit, unless a different notice period or different conditions are specified in this Agreement (including, but not limited to, in an applicable Tariff) or Applicable Law for termination of such Service in which event such specified period and/or conditions shall apply. If the other Party disputes the providing Party's interpretation of what may be required under Applicable Law under the relevant facts, the Parties will resolve the disagreement pursuant to the processes set forth in Section 15 ("Dispute Resolution"), or either Party may, without delay and without participating in the dispute resolution process pursuant to Section 15, immediately pursue any available legal or regulatory remedy to resolve any question regarding what the providing Party is required to provide under Applicable Law.

6. Assignment

Neither Party may assign this Agreement or any right or interest under this Agreement, nor delegate any obligation under this Agreement, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed. Any attempted assignment or delegation in violation of this Section 6 shall be void and ineffective and constitute default of this Agreement.

7. Assurance of Payment

- 7.1 Upon request by HTC, ALEC shall provide to HTC adequate assurance of payment of amounts due (or to become due) to HTC hereunder. Assurance of payment of charges may be required by HTC if ALEC (a) in HTC's reasonable judgment, at the Effective Date or at any time thereafter, is unable to demonstrate that it is creditworthy, (b) fails to timely pay a bill rendered to ALEC by HTC, or (c) admits its inability to pay its debts as such debts become due, has commenced a voluntary case (or has had a case commenced against it which is not withdrawn within thirty (30) days) under the U.S. Bankruptcy Code or any other law relating to bankruptcy, insolvency, reorganization, winding-up, composition or adjustment of debts or the like, has made an assignment for the benefit of creditors or is subject to a receivership or similar proceeding.
- 7.2 Unless otherwise agreed by the Parties, the assurance of payment shall, at HTC's option, consist of (a) a cash security deposit in U.S. dollars held by HTC or (b) an unconditional, irrevocable standby letter of credit naming HTC as the beneficiary thereof and otherwise in form and substance reasonably satisfactory to HTC from a financial institution acceptable to HTC. The cash security deposit or letter of credit shall be in an amount equal to two (2) months anticipated charges (including, but not limited to, both recurring and non-recurring charges), as reasonably determined by HTC, for the Services to be provided by HTC to ALEC in connection with this Agreement.
- 7.3 To the extent that HTC elects to require a cash deposit, the Parties intend that the provision of such deposit shall constitute the grant of a security interest in the deposit pursuant to Article 9 of the Uniform Commercial Code as in effect in any relevant jurisdiction.
- 7.4 Interest will be paid on all sums held on deposit at the rate calculated annually by the Commission pursuant to KRS 278.460. The interest will be applied as a credit to ALEC's bill or will be paid to ALEC on an annual basis. If the deposit is refunded or credited to ALEC's bill prior to the deposit anniversary date, interest will be paid or credited to ALEC's bill on a pro-rated basis. If interest is not credited to ALEC's bill or paid to ALEC annually, interest will be computed by a method which will result in an amount no less than that obtained by using a middle course method between simple and compound interest in compliance with Commission Order dated October 31, 1989 in Case No. 89-057. Interest on deposits computed in this manner will accrue until credited to ALEC's bill or paid to the customer.
- 7.5 HTC may (but is not obligated to) draw on the letter of credit or cash deposit, as applicable, upon notice to ALEC in respect of any amounts to

be paid by ALEC hereunder that are not paid within thirty (30) days of the date that payment of such amounts is required by this Agreement.

- 7.6 If HTC draws on the letter of credit or cash deposit, upon request by HTC, ALEC shall provide a replacement or supplemental letter of credit or cash deposit conforming to the requirements of Section 7.2.
- 7.7 Notwithstanding anything else set forth in this Agreement, if HTC makes a request for assurance of payment in accordance with the terms of this Section, and ALEC has failed to comply with such request within thirty calendar days following such request, then HTC shall have no obligation thereafter to perform under this Agreement until such time as ALEC has provided HTC with such assurance of payment.
- 7.8 The fact that a deposit or a letter of credit is requested by HTC hereunder shall in no way relieve ALEC from compliance with the requirements of this Agreement as to advance payments and payment for Services, nor constitute a waiver or modification of the terms herein pertaining to the discontinuance of Services for nonpayment of any amounts payment of which is required by this Agreement.

8. Audits

- 8.1 Except as may be otherwise specifically provided in this Agreement, either Party (“Auditing Party”) may audit the other Party’s (“Audited Party”) books, records, documents, facilities and systems for the purpose of evaluating the accuracy of billing between the Parties. Such audits may be performed once in each Calendar Year; provided, however, that audits may be conducted more frequently (but no more frequently than once in each Calendar Quarter) if the immediately preceding audit found previously uncorrected net inaccuracies in billing in favor of the Audited Party having an aggregate value of at least \$50,000.
- 8.2 The audit shall be performed by an independent third party selected and paid by the Auditing Party. The third party auditor shall be reasonably acceptable to the Audited Party. Prior to commencing the audit, the auditors shall execute an agreement with the Audited Party in a form reasonably acceptable to the Audited Party that protects the confidentiality of the information disclosed by the Audited Party to the auditors. The audit shall take place at a time and place agreed upon by the Parties; provided, that the Auditing Party may require that the audit commence no later than sixty (60) days after the Auditing Party has given notice of the audit to the Audited Party.
- 8.3 Each Party shall cooperate fully in any such audit, providing reasonable access to any and all documents and records, reasonably necessary to assess the accuracy of the Audited Party’s bills.

- 8.4 Audits shall be performed at the Auditing Party's expense, provided that there shall be no charge for reasonable access to the Audited Party's records necessary to assess the accuracy of the Audited Party's bills in the format in which such records are stored by the Audited Party. In the event the auditors discover previously uncorrected net inaccuracies in billing in favor of the Auditing Party and those previously uncorrected net inaccuracies have an aggregate value of at least \$50,000 for any consecutive 12 month period, the Audited Party shall reimburse the Auditing Party for the cost of the audit and any out-of-pocket expenses associated with the audit.
- 8.5 In the absence of documentation reasonably required to complete an Audit under this Section 8, the Audited Party shall provide reasonable assistance to the Auditing Party to address those items undocumented but identified by the Auditing Party as being necessary for Audit completion.

9. Authorization

- 9.1 HTC represents and warrants that it is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Kentucky and has full power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement.
- 9.2 ALEC represents and warrants that it is a Limited Liability Company organized in the State of Delaware and validly existing and in good standing under the laws of the Commonwealth of Kentucky and has full power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement.
- 9.3 ALEC Certification. Notwithstanding any other provision of this Agreement, HTC shall have no obligation to perform under this Agreement until such time as ALEC has obtained such FCC and Commission authorization as may be required by Applicable Law for conducting business in Kentucky. ALEC shall not place any orders under this Agreement until it has obtained such authorization. HTC reserves the right to validate authorization prior to providing service to ALEC.

10. Billing and Payment; Disputed Amounts

- 10.1 Except as otherwise provided in this Agreement, each Party shall submit to the other Party on a monthly basis in an itemized form and on approximately the same day of the month, statement(s) of charges incurred by the other Party under this Agreement. The Parties shall also exchange billing information to process claims and adjustments as between themselves and on behalf of their Customers.

- 10.2 Except as otherwise provided in this Agreement, payment of amounts billed for Services provided under this Agreement, whether billed on a monthly basis or as otherwise provided in this Agreement, shall be due, in immediately available U.S. funds, on the later of the following dates (the “Due Date”): (a) the due date specified on the billing Party’s statement; or, (b) thirty (30) days after the date the statement is received by the billed Party. Payments shall be transmitted by electronic funds transfer or check.
- 10.3 If any portion of an amount billed by a Party under this Agreement is subject to good faith dispute between the Parties, the billed Party shall give 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. A Party may also dispute prospectively with a single notice a class of charges that it disputes. Notice of a dispute may be given by a Party at any time, either before or after an amount is paid, and a Party’s payment of an amount shall not constitute a waiver of such Party’s right to subsequently dispute its obligation to pay such amount or to seek a refund of any amount paid. The billed Party shall pay by the Due Date all undisputed amounts. Billing disputes shall be subject to the terms of Section 15, Dispute Resolution.
- 10.4 Undisputed charges due to the billing Party that are not paid by the Due Date shall be subject to a late payment charge. The late payment charge shall be in an amount specified by the billing Party that shall not exceed a rate of one-and-one-half percent (1.5%) of the overdue amount (including any unpaid previously billed late payment charges) per month.
- 10.5 Disputed charges withheld from payment that are found to be valid will be subject to a late payment fee in an amount specified by the billing Party that shall not exceed a rate of one-and-one-half percent (1.5%) of the overdue amount (including any unpaid previously billed late payment charges) per month.
- 10.6 Although it is the intent of both Parties to submit timely statements of charges, failure by either Party to present statements to the other Party in a timely manner shall not constitute a breach or default, or a waiver of the right to payment of the incurred charges, by the billing Party under this Agreement, and, except for assertion of a provision of Applicable Law that limits the period in which a suit or other proceeding can be brought before a court or other governmental entity of appropriate jurisdiction to collect amounts due, the billed Party shall not be entitled to dispute the billing Party’s statement(s) based on the billing Party’s failure to submit them in a timely fashion.
- 10.7 All usage data and invoices to be provided pursuant to this Agreement shall be sent to the following addresses:

For ALEC:

Mark I. Hayes
250 W. Main Street Suite 1920
Lexington, KY 40507
Main Tel: (859-254-9667 x 4224
Direct Tel: (859) 721-4224
mhayes@alec.net

For HTC:

David C. Crawford
Highland Telephone Cooperative
P.O. Box 119
Sunbright, TN 37872
Tel: (423) 628-2750 x 280 I Fax: (423) 628-5498
Dave@highlandtel.net

11. Confidentiality

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

either: 1) made publicly available by the owner of the Proprietary Information or lawfully disclosed by a non-party to this Agreement; 2) lawfully obtained from any source other than the owner of the Proprietary Information; 3) publicly known through no wrongful act of the receiving Party; 4) previously known to the receiving Party without an obligation to keep it confidential; 5) required to be disclosed by any governmental authority or applicable law (provided that (A) the receiving Party immediately after notice of such action notifies disclosing Party of such action to give disclosing Party the opportunity to seek any other legal remedies to maintain the confidentiality of such Proprietary Information, if permitted by law, and (B) receiving Party discloses such Proprietary Information with the highest level of confidentiality designation available under any protective or like order associated with the administrative or judicial action); or 6) approved for release by written authorization of the disclosing Party.

11.3 Upon termination of this Agreement, the Parties shall destroy all Proprietary Information of the other party that remains in its possession within thirty (30) calendar days.

11.4 Each Party's obligations under this Section 11 shall survive the expiration or termination of this Agreement for a period of three (3) years.

12. Counterparts

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

13. Default

Subject to Section 10.3, if either Party ("Defaulting Party") fails to make a payment required by this Agreement (including, but not limited to, any payment required by Section 10.3 of undisputed amounts to the billing Party) or materially breaches any other material provision of this Agreement, and such failure or breach continues for thirty (30) days after written notice thereof from the other Party, the other Party may, by five (5) business days advance written notice to the Defaulting Party, (a) suspend the provision of any or all Services hereunder, or (b) cancel this Agreement and terminate the provision of all Services hereunder.

14. Discontinuance of Service by ALEC

If ALEC proposes to discontinue, or actually discontinues, its provision of service to all or substantially all of its Customers, whether voluntarily, as a result of bankruptcy, or for any other reason, ALEC shall send written notice of such discontinuance to HTC. ALEC shall send such notice at least thirty (30) days

prior to its discontinuance of service or as required by law, whichever is greater. To the extent any Customers are to be transitioned to HTC as a result of ALEC's discontinuance of service, the Parties will work cooperatively in an effort to minimize customer disruption. Disagree with strike out.

15. Dispute Resolution

- 15.1 Except as otherwise provided in this Agreement, any dispute between the Parties regarding the interpretation or enforcement of this Agreement or any of its terms shall be addressed by good faith negotiation between the Parties. To initiate such negotiation, a Party must provide to the other Party written notice of the dispute that includes both a detailed description of the dispute or alleged nonperformance and the name of an individual who will serve as the initiating Party's representative in the negotiation. The other Party shall have ten (10) Business Days to designate its own representative in the negotiation. The Parties' representatives shall confer at least once within 45 days after the date of the initiating Party's written notice in an attempt to reach a good faith resolution of the dispute. Nothing herein shall prevent either Party from seeking relief through a temporary restraining order or an injunction related to the purposes of this Agreement, or suit to compel compliance with a dispute resolution process.
- 15.2 Any time after the initial forty-five (45)-day period Parties are unable to reach resolution of the dispute, either Party may request that both Parties escalate the resolution to their designated next level contact. Upon such request, each Party will notify the other within 10 days of their designated contact for such discussions. Parties will continue good faith negotiation at the next level of escalation for no less than 15 days before seeking alternative resolution.
- 15.3 After such time either Party, upon written notice, may pursue any remedies available to it under this Agreement, at law, in equity, or otherwise, including, but not limited to, instituting an appropriate proceeding before the Commission, the FCC, or a court of competent jurisdiction.
- 15.4 Nothing in this Section shall prohibit Parties from seeking third Party resolution or assistance in resolution of disputes upon mutual agreement.

16. Force Majeure

- 16.1 Neither Party shall be responsible for any delay or failure in performance that results from causes beyond its reasonable control ("Force Majeure Events"), whether or not foreseeable by such Party. Such Force Majeure Events include, but are not limited to, adverse weather conditions, fiber cuts, flood, fire, explosion, earthquake, volcanic action, power or

equipment failures, embargo, boycott, war, revolution, civil commotion, act of public enemies, labor unrest (including, but not limited to, strikes, work stoppages, slowdowns, picketing or boycotts), government codes, ordinances, laws, rules regulations or restrictions, inability to obtain equipment, parts, software or repairs thereof, acts or omissions of the other Party, and acts of God.

- 16.2 If a Force Majeure Event occurs, the non-performing Party shall give prompt notification of its inability to perform to the other Party. During the period that the non-performing Party is unable to perform, the other Party shall also be excused from performance of its obligations to the extent such obligations are reciprocal to, or depend upon, the performance of the non-performing Party that has been prevented by the Force Majeure Event. The non-performing Party shall use commercially reasonable efforts to avoid or remove the cause(s) of its non-performance and both Parties shall proceed to perform once the cause(s) are removed or cease.
- 16.3 Notwithstanding the provisions of Sections 16.1 and 16.2, in no case shall a Force Majeure Event excuse either Party from an obligation to pay money as required by this Agreement.
- 16.4 Nothing in this Agreement shall require the non-performing Party to settle any labor dispute except as the non-performing Party, in its sole discretion, determines appropriate.
- 16.5 Neither Party shall be liable for any delay or failure in performance caused or required by Applicable Law, or acts or failures to act of any governmental entity or official (to the extent such acts or failures to act were not caused or solicited by either Party).

17. Forecasts

In addition to any other forecasts required by this Agreement, upon request by HTC, ALEC shall provide to HTC forecasts regarding the Services that ALEC expects to purchase from HTC, including, but not limited to, forecasts regarding the types and volumes of Services that ALEC expects to purchase and the locations where such Services will be purchased. Such forecasts shall be considered proprietary and confidential under the terms of this Agreement, and distribution of the forecasts or information based on such forecasts shall be treated as such, with access limited to those persons associated with the Providing Party who need to know such information in order to adequately provision the types and volumes of Services that the Purchasing Party expects to purchase at the locations where such Services will be purchased. The Providing Party shall exercise commercially reasonable best efforts to adequately provision the types and volumes of Services forecast by the Purchasing Party.

18. Fraud

Each Party assumes responsibility for all fraud associated with its Customers and accounts. A Party shall bear no responsibility for, nor is it required to investigate or make adjustments to the other Party's account(s) in cases of, fraud by the other Party's Customers or other third parties. Provided, however, both Parties shall cooperate to discover and prevent fraud by each Party's Customers or other third parties.

19. Good Faith Performance

The Parties shall act in good faith in their performance of this Agreement. Except as otherwise expressly stated in this Agreement (including, but not limited to, where consent, approval, agreement or a similar action is stated to be within a Party's sole discretion), where consent, approval, mutual agreement or a similar action is required by any provision of this Agreement, such action shall not be unreasonably withheld, conditioned or delayed.

20. Headings

The headings used in the Principal Document are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning of the Principal Document.

21. Indemnification

21.1 For the Services provided under this Agreement, each Party ("Indemnifying Party") shall indemnify, defend and hold harmless the other Party ("Indemnified Party"), the Indemnified Party's Affiliates, and the directors, officers and employees of the Indemnified Party and the Indemnified Party's Affiliates, from and against any and all claims that arise out of bodily injury to or death of any person, or damage to, or destruction or loss of, tangible real and/or personal property ("Third Party Claim") of any person, to the extent such injury, death, damage, destruction or loss, was proximately caused by the grossly negligent or intentionally wrongful acts or omissions of the Indemnifying Party, the Indemnifying Party's Affiliates, or the directors, officers, employees, agents or contractors of the Indemnifying Party or the Indemnifying Party's Affiliates, in connection with this Agreement.

21.2 Indemnification Process:

21.2.1 As used in this Section 21, "Indemnified Person" means a person whom an Indemnifying Party is obligated to indemnify, defend and/or hold harmless under Section 21.1.

21.2.2 An Indemnifying Party's obligations under Section 21.1 shall be conditioned upon the following:

- 21.2.3 The Indemnified Person: (a) shall give the Indemnifying Party notice of the Claim promptly after becoming aware thereof (including a statement of facts known to the Indemnified Person related to the Claim and an estimate of the amount thereof); (b) prior to taking any material action with respect to a Third Party Claim, shall consult with the Indemnifying Party as to the procedure to be followed in defending, settling, or compromising the Claim; (c) shall not consent to any settlement or compromise of a Third Party Claim without the written consent of the Indemnifying Party; (d) shall permit the Indemnifying Party to assume the defense of a Third Party Claim (including, except as provided below, the compromise or settlement thereof) at the Indemnifying Party's own cost and expense, provided, however, that the Indemnified Person shall have the right to approve the Indemnifying Party's choice of legal counsel.
- 21.2.4 If the Indemnified Person fails to comply with Section 21.2.3 with respect to a Claim, to the extent such failure shall have a material adverse effect upon the Indemnifying Party, the Indemnifying Party shall be relieved of its obligation to indemnify, defend and hold harmless the Indemnified Person with respect to such Claim under this Agreement.
- 21.2.5 Subject to 21.2.6 and 21.2.7, below, the Indemnifying Party shall have the authority to defend and settle any Third Party Claim.
- 21.2.6 With respect to any Third Party Claim, the Indemnified Person shall be entitled to participate with the Indemnifying Party in the defense of the Claim if the Claim requests equitable relief or other relief that could affect the rights of the Indemnified Person. In so participating, the Indemnified Person shall be entitled to employ separate counsel for the defense at the Indemnified Person's expense. The Indemnified Person shall also be entitled to participate, at its own expense, in the defense of any Claim, as to any portion of the Claim as to which it is not entitled to be indemnified, defended and held harmless by the Indemnifying Party.
- 21.2.7 In no event shall the Indemnifying Party settle a Third Party Claim or consent to any judgment with regard to a Third Party Claim without the prior written consent of the Indemnified Party, which shall not be unreasonably withheld, conditioned or delayed. In the event the settlement or judgment requires a contribution from or affects the rights of an Indemnified Person, the Indemnified Person shall have the right to refuse such settlement or judgment with respect to itself and, at its own cost and expense, take over the defense against the Third Party Claim, provided that in such event

the Indemnifying Party shall not be responsible for, nor shall it be obligated to indemnify or hold harmless the Indemnified Person against, the Third Party Claim for any amount in excess of such refused settlement or judgment.

21.2.8 The Indemnified Person shall, in all cases, assert any and all provisions in applicable Tariffs and Customer contracts that limit liability to third persons as a bar to, or limitation on, any recovery by a third-person claimant.

21.2.9 The Indemnifying Party and the Indemnified Person shall offer each other all reasonable cooperation and assistance in the defense of any Third Party Claim.

21.3 Except as otherwise provided above, each Party agrees that it will not implead or bring any action against the other Party, the other Party's Affiliates, or any of the directors, officers or employees of the other Party or the other Party's Affiliates, based on any claim by any person for personal injury or death that occurs in the course or scope of employment of such person by the other Party or the other Party's Affiliate and that arises out of performance of this Agreement

21.4 Each Party's obligations under this Section 21 shall survive expiration, cancellation or termination of this Agreement.

22. Insurance

Each Party warrants to the other Party that it has and will maintain insurance in compliance with applicable state and federal law. In the event that ALEC requests additional services not provided for in this Agreement, Parties agree that any amendment negotiated for such service may require additional insurance obligations.

23. Intellectual Property

23.1 This Agreement shall not be construed as granting a license with respect to any patent, copyright, trade name, trademark, service mark, trade secret or any other intellectual property, now or hereafter owned, controlled or licensable by either Party. Except as expressly stated in this Agreement, neither Party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right, of the other Party except in accordance with the terms of a separate license agreement between the Parties granting such rights.

23.2 Except as stated in Section 23.4, neither Party shall have any obligation to defend, indemnify or hold harmless, or acquire any license or right for the benefit of, or owe any other obligation or have any liability to, the other Party or its Affiliates or Customers based on or arising from any Third

Party Claim alleging or asserting that the provision or use of any service, facility, arrangement, or software by either Party under this Agreement, or the performance of any service or method, either alone or in combination with the other Party, constitutes direct, vicarious or contributory infringement or inducement to infringe, or misuse or misappropriation of any patent, copyright, trademark, trade secret, or any other proprietary or intellectual property right of any Party or third person. Each Party, however, shall offer to the other reasonable cooperation and assistance in the defense of any such claim.

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

23.4 ALEC agrees that the Services provided by HTC hereunder shall be subject to the terms, conditions and restrictions contained in any applicable agreements (including, but not limited to software or other intellectual property license agreements) between HTC and HTC's vendors. HTC agrees to advise ALEC, directly or through a third party, of any such terms, conditions or restrictions that may limit any ALEC use of a Service provided by HTC that is otherwise permitted by this Agreement when HTC has knowledge of any such limitations. At ALEC's written request, to the extent required by Applicable Law, HTC will use HTC's best efforts, as commercially practicable, to obtain intellectual property rights from HTC's vendor to allow ALEC to use the Service in the same manner as HTC that are coextensive with HTC's intellectual property rights, on terms and conditions that are equal in quality to the terms and conditions under which HTC has obtained HTC's intellectual property rights. ALEC shall reimburse HTC for the cost of obtaining such rights.

24. Joint Work Product

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

25. Law Enforcement

25.1 Each Party may cooperate with law enforcement authorities and national security authorities to the full extent required or permitted by Applicable Law in matters related to Services provided by it under this Agreement, including, but not limited to, the production of records, the establishment

of new lines or the installation of new services on an existing line in order to support law enforcement and/or national security operations, and, the installation of wiretaps, trap-and-trace facilities and equipment, and dialed number recording facilities and equipment.

- 25.2 A Party shall not have the obligation to inform the other Party or the Customers of the other Party of actions taken in cooperating with law enforcement or national security authorities, except to the extent required by Applicable Law.
- 25.3 Where a law enforcement or national security request relates to the establishment of lines (including, but not limited to, lines established to support interception of communications on other lines), or the installation of other services, facilities or arrangements, a Party may act to prevent the other Party from obtaining access to information concerning such lines, services, facilities and arrangements, through operations support system interfaces.

26. Liability

- 26.1 As used in this Section 26, “Service Failure” means a failure to comply with a direction to install, restore or terminate Services under this Agreement, a failure to provide Services under this Agreement, and failures, mistakes, omissions, interruptions, delays, errors, defects or the like, occurring in the course of the provision of any Services under this Agreement.
- 26.2 Except as otherwise stated in Section 26.5, the liability, if any, of a Party, a Party’s Affiliates, and the directors, officers and employees of a Party and a Party’s Affiliates, to the other Party, the other Party’s Customers, and to any other person, for Claims arising out of a Service Failure shall not exceed an amount equal to the pro rata applicable monthly charge for the Services that are subject to the Service Failure for the period in which such Service Failure occurs.
- 26.3 Except as otherwise stated in Section 26.5, a Party, a Party’s Affiliates, and the directors, officers and employees of a Party and a Party’s Affiliates, shall not be liable to the other Party, the other Party’s Customers, or to any other person, in connection with this Agreement (including, but not limited to, in connection with a Service Failure or any breach, delay or failure in performance, of this Agreement) for special, indirect, incidental, consequential, reliance, exemplary, punitive, or like damages, including, but not limited to, damages for lost revenues, profits or savings, or other commercial or economic loss, even if the person whose liability is excluded by this Section has been advised of the possibility of such damages.

- 26.4 The limitations and exclusions of liability stated in Sections 26.1 through 26.3 shall apply regardless of the form of a claim or action, whether statutory, in contract, warranty, strict liability, tort (including, but not limited to, negligence of a Party), or otherwise.
- 26.5 Nothing contained in Sections 26.1 through 26.4 shall exclude or limit liability:
- 26.5.1 under Sections 21 (Indemnification) or 40 (Taxes);
 - 26.5.2 for any obligation to indemnify, defend and/or hold harmless that a Party may have under this Agreement;
 - 26.5.3 for a claim for infringement of any patent, copyright, trade name, trade mark, service mark, or other intellectual property interest;
 - 26.5.4 under any order or requirement of the FCC or Commission; or
 - 26.5.5 under the financial incentive or remedy provisions of any service quality plan required by the FCC or the Commission.
- 26.6 In the event that the liability of a Party, a Party's Affiliate, or a director, officer or employee of a Party or a Party's Affiliate, is limited and/or excluded under both this Section 26 and a provision of an applicable Tariff, the liability of the Party or other person shall be limited to the smaller of the amounts for which such Party or other person would be liable under this Section or the Tariff provision.

27. Network Management

- 27.1 Cooperation. The Parties will work cooperatively in a commercially reasonable manner to install and maintain a reliable network. ALEC and HTC will exchange appropriate information (*e.g.*, network information, maintenance contact numbers, escalation procedures, and information required to comply with requirements of law enforcement and national security agencies) to achieve this desired reliability. In addition, the Parties will work cooperatively in a commercially reasonable manner to apply sound network management principles to alleviate or to prevent traffic congestion and to minimize fraud associated with third number billed calls, calling card calls, and other services related to this Agreement.
- 27.2 Responsibility for Following Standards. Each Party recognizes a responsibility to follow the standards that may be agreed to between the Parties and to employ characteristics and methods of operation that will not interfere with or impair the service, network or facilities of the other Party or any third parties connected with or involved directly in the network or facilities of the other.

27.3 Interference or Impairment. If a Party (“Impaired Party”) reasonably determines that the services, network, facilities, or methods of operation, of the other Party (“Interfering Party”) is or is likely to interfere with or impair the Impaired Party’s provision of services or the operation of the Impaired Party’s network or facilities, the Impaired Party shall promptly notify the Interfering Party of the nature and location of the problem and that, unless promptly rectified, a temporary discontinuance of the use of any circuit, facility or equipment may be imposed by the Impaired Party, subject to the following:

27.3.1 The Interfering Party and the Impaired Party agree to work together to attempt to promptly resolve the Impairment of Service.

27.3.2 Except in emergency situations (e.g., situations involving a risk of bodily injury to persons or damage to tangible property, or an interruption in Customer service) or as otherwise provided in this Agreement, if the Interfering Party is unable to remedy the Impairment, then the Impaired Party may temporarily discontinue the use of or disconnect the affected circuit, facility or equipment with at least ten (10) days’ prior written notice to the Interfering Party of the need to correct the condition within said time period or other timeframe as the Parties may mutually agree; provided however, that the Impaired Party takes such action in a nondiscriminatory manner across all Impairing Parties.

27.3.3 Upon correction of the interference or impairment, the Impaired Party will promptly restore the interrupted or suspended Service. The Impaired Party shall not be obligated to provide an out-of-service credit allowance or other compensation to the Interfering Party in connection with the suspended Service.

27.4 Outage Repair Standard. In the event of an outage or trouble in any Service being provided by a Party hereunder, the Providing Party will follow its standard procedures for isolating and clearing the outage or trouble.

28. Non-Exclusive Remedies

Except as otherwise expressly provided in this Agreement, each of the remedies provided under this Agreement is cumulative and is in addition to any other remedies that may be available under this Agreement or at law or in equity.

29. Notice of Network Changes

If a Party makes a change in the information necessary for the transmission and routing of services using that Party’s facilities or network, or any other change in its facilities or network that will materially affect the interoperability of its

facilities or network with the other Party's facilities or network, the Party making the change shall publish notice of the change at least ninety (90) days in advance of such change, and shall use reasonable efforts, as commercially practicable, to publish such notice at least one hundred eighty (180) days in advance of the change; provided, however, that if an earlier publication of notice of a change is required by Applicable Law, notice shall be given at the time required by Applicable Law.

30. Notices

30.1 Except as otherwise provided in this Agreement, notices given by one Party to the other Party under this Agreement:

30.1.1 shall be in writing;

30.1.2 shall be delivered (a) personally, (b) by express delivery service with next Business Day delivery, (c) by certified or registered U.S. mail, postage prepaid, (d) by facsimile telecopy, with a copy delivered in accordance with (a), (b) or (c), preceding, or, (e) by electronic mail, with a copy delivered in accordance with (a), (b) or (c), preceding; and

30.1.3 shall be delivered to the following addresses of the Parties:

For ALEC:

Mark I. Hayes
250 W. Main Street Suite 1920
Lexington, KY 40507
Main Tel: (859-254-9667 x 4224
Direct Tel: (859) 721-4224
mhayes@alec.net

With a copy to:

Michael Sloan, Esq.
Davis Wright Tremaine LLP
191 9 Pennsylvania Avenue NW, Suite 200
Washington, DC 20006
Tel: (202) 973-4227 1 Fax: (202) 973-4499

For HTC:

G. Mark Patterson, General Manager
Highland Telephone Cooperative
P.O. Box 119
Sunbright, TN 37872
Tel: (423) 628-2121 I Fax: (423) 628-2409

With a copy to:

David C. Crawford
Highland Telephone Cooperative
P.O. Box 119
Sunbright, TN 37872
Tel: (423) 628-2750 x 280 I Fax: (423) 628-5356

or to such other address as either Party shall designate by proper notice.

Notices will be deemed given as of the earlier of (a) where there is personal delivery of the notice, the date of actual receipt, (b) where the notice is sent via express delivery service for next Business Day delivery, the next Business Day after the notice is sent, and (c) where notice is sent via certified or registered U.S. mail, the date of receipt shown on the Postal Service receipt.

31. Point of Contact for ALEC and HTC Customers

- 31.1 Each Party shall establish telephone numbers and mailing addresses at which each Party's Customers may communicate with the Party and shall advise its Customers of these telephone numbers and mailing addresses.
- 31.2 The Parties will employ the following procedures for handling any misdirected calls (e.g., Business office, repair service, etc):
 - 31.2.1 To the extent the correct provider can be determined, each Party will refer misdirected calls to the proper provider of local exchange service. When referring such calls, both Parties agree to do so in a courteous manner at no charge.
 - 31.2.2 For misdirected repair calls, the Parties will provide their respective repair bureau contact number to each other on a reciprocal basis and provide the End User the correct contact number.
 - 31.2.3 In responding to misdirected calls, neither Party shall make disparaging remarks about each other, nor shall they use these calls as a basis for internal referrals or to solicit End Users or market services.

32. Predecessor Agreements

Unless otherwise agreed in writing by the Parties any prior interconnection / EAS agreement between the Parties for the Commonwealth of Kentucky in effect immediately prior to the Effective Date is hereby terminated, as of the Effective Date of this Agreement, by mutual agreement.

33. Publicity and Use of Trademarks or Service Marks

- 33.1 A Party, its Affiliates, and their respective contractors and Agents, shall not use the other Party's trademarks, service marks, logos or other proprietary trade dress, in connection with the sale of products or services, or in any advertising, press releases, publicity matters or other promotional materials, unless the other Party has given its written consent for such use, which consent the other Party may grant or withhold in its sole discretion.
- 33.2 Neither Party may imply any direct or indirect affiliation with or sponsorship or endorsement of it or its services or products by the other Party.
- 33.3 Any violation of this Section 33 shall be considered a material breach of this Agreement.

34. References

- 34.1 All references to Sections, Appendices and Exhibits shall be deemed to be references to Sections, Appendices and Exhibits of this Agreement unless the context shall otherwise require.
- 34.2 Unless the context shall otherwise require, any reference to a Tariff, agreement, document, or provision of Applicable Law, is to such Tariff, agreement, document, or provision of Applicable Law, as amended and supplemented from time to time (and, in the case of a Tariff or provision of Applicable Law, to any successor Tariff or provision).

35. Relationship of the Parties

- 35.1 The relationship of the Parties under this Agreement shall be that of independent contractors and nothing herein shall be construed as creating any other relationship between the Parties.
- 35.2 Nothing contained in this Agreement shall make either Party the employee of the other, create a partnership, joint venture, or other similar relationship between the Parties, or grant to either Party a franchise, distributorship or similar interest.
- 35.3 Except for provisions herein expressly authorizing a Party to act for another Party, 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 or on behalf of the other Party unless otherwise expressly permitted by such other Party in writing, which permission may be granted or withheld by the other Party in its sole discretion.

- 35.4 Each Party shall have sole authority and responsibility to hire, fire, compensate, supervise, and otherwise control its employees, Agents and contractors. Each Party shall be solely responsible for payment of any Social Security or other taxes that it is required by Applicable Law to pay in conjunction with its employees, Agents and contractors, and for withholding and remitting to the applicable taxing authorities any taxes that it is required by Applicable Law to collect from its employees.
- 35.5 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.
- 35.6 The relationship of the Parties under this Agreement is a non-exclusive relationship.

36. Reservation of Rights

- 36.1 Notwithstanding anything to the contrary in this Agreement, neither Party waives, and each Party hereby expressly reserves, its rights: (a) to appeal or otherwise seek the reversal of and changes in any arbitration decision associated with this Agreement; (b) to seek changes in this Agreement (including, but not limited to, changes in rates, charges and the Services that must be offered) through changes in Applicable Law; and, (c) to challenge the lawfulness and propriety of, and to seek to change, any Applicable Law, including, but not limited to any rule, regulation, order or decision of the Commission, the FCC, or a court of applicable jurisdiction. Nothing in this Agreement shall be deemed to limit or prejudice any position a Party has taken or may take before the Commission, the FCC, any other state or federal regulatory or legislative bodies, courts of applicable jurisdiction, or industry forum. The provisions of this Section shall survive the expiration, cancellation or termination of this Agreement.
- 36.2 The Parties recognize that HTC is a rural telephone company and is entitled to all rights afforded rural telephone companies under the Act including, but not limited to, exemptions, suspensions, and modifications under 47 USC § 251(f). This Agreement does not affect, and HTC does not waive, any rights including, but not limited to, the rights afforded HTC under 47 USC § 251(f).

37. Subcontractors

A Party may use a contractor of the Party (including, but not limited to, an Affiliate of the Party) to perform the Party's obligations under this Agreement; provided, that a Party's use of a contractor shall not release the Party from any duty or liability to fulfill the Party's obligations under this Agreement.

38. Successors and Assigns

This Agreement shall be binding on and inure to the benefit of the Parties and their respective legal successors and permitted assigns.

39. Survival

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

40. Taxes

40.1 In General. With respect to any purchase hereunder of Services, if any federal, state or local tax, fee, surcharge or other tax-like charge (a "Tax") is required or permitted by Applicable Law or a Tariff to be collected from the purchasing Party by the providing Party, then (a) the providing Party shall properly bill the purchasing Party for such Tax, (b) the purchasing Party shall timely remit such Tax to the providing Party and (c) the providing Party shall timely remit such collected Tax to the applicable taxing authority.

40.2 Taxes Imposed on the Providing Party. With respect to any purchase hereunder of Services, if any federal, state or local Tax is imposed by Applicable Law on the receipts of the providing Party, and such Applicable Law permits the providing Party to exclude certain receipts received from sales for resale to a public utility, distributor, telephone company, local exchange carrier, telecommunications company or other communications company ("Telecommunications Company"), such exclusion being based solely on the fact that the purchasing Party is also subject to a tax based upon receipts ("Receipts Tax"), then the purchasing Party shall timely pay the Receipts Tax to the applicable tax authority. Purchasing Party is wholly responsible for KY Gross Receipts Tax billed to Providing Party for services provided to purchasing Party at statutory level.

40.3 Taxes Imposed on Customers. With respect to any purchase hereunder of Services that are resold to a third party, if any federal, state or local Tax is imposed by Applicable Law on the subscriber, end-user, Customer or ultimate consumer ("Subscriber") in connection with any such purchase, which a Telecommunications Company is required to impose and/or collect from a Subscriber, then the purchasing Party (a) shall be required to impose and/or collect such Tax from the Subscriber and (b) shall timely remit such Tax to the applicable taxing authority.

40.4 Liability for Uncollected Tax, Interest and Penalty. If the providing Party has not received an exemption certificate and fails to collect any Tax as required by Section 40.1, then, as between the providing Party and the

purchasing Party, (a) the purchasing Party shall remain liable for such uncollected Tax and (b) the providing Party shall be liable for any interest assessed thereon and any penalty assessed with respect to such uncollected Tax by such authority. If the providing Party properly bills the purchasing Party for any Tax but the purchasing Party fails to remit such Tax to the providing Party as required by Section 40.1, then, as between the providing Party and the purchasing Party, the purchasing Party shall be liable for such uncollected Tax and any interest assessed thereon, as well as any penalty assessed with respect to such uncollected Tax by the applicable taxing authority. If the providing Party does not collect any Tax as required by Section 40.1 because the purchasing Party has provided such providing Party with an exemption certificate that is later found to be inadequate by a taxing authority, then, as between the providing Party and the purchasing Party, the purchasing Party shall be liable for such uncollected Tax and any interest assessed thereon, as well as any penalty assessed with respect to such uncollected Tax by the applicable taxing authority. If the purchasing Party fails to pay the Receipts Tax as required by Section 40.2, then, as between the providing Party and the purchasing Party, (x) the providing Party shall be liable for any Tax imposed on its receipts and (y) the purchasing Party shall be liable for any interest assessed thereon and any penalty assessed upon the providing Party with respect to such Tax by such authority. If the purchasing Party fails to impose and/or collect any Tax from Subscribers as required by Section 40.3, then, as between the providing Party and the purchasing Party, the purchasing Party shall remain liable for such uncollected Tax and any interest assessed thereon, as well as any penalty assessed with respect to such uncollected Tax by the applicable taxing authority. With respect to any Tax that the purchasing Party has agreed to pay, or is required to impose on and/or collect from Subscribers, the purchasing Party agrees to indemnify and hold the providing Party harmless on an after-tax basis for any costs incurred by the providing Party as a result of actions taken by the applicable taxing authority to recover the Tax from the providing Party due to the failure of the purchasing Party to timely pay, or collect and timely remit, such Tax to such authority. In the event either Party is audited by a taxing authority, the other Party agrees to cooperate fully with the Party being audited in order to respond to any audit inquiries in a proper and timely manner so that the audit and/or any resulting controversy may be resolved expeditiously.

- 40.5 Tax exemptions and Exemption Certificates. If Applicable Law clearly exempts a purchase hereunder from a Tax, and if such Applicable Law also provides an exemption procedure, such as an exemption-certificate requirement, then, if the purchasing Party complies with such procedure, the providing Party shall not collect such Tax during the effective period of such exemption. Such exemption shall be effective upon receipt of the exemption certificate or affidavit in accordance with the terms set forth in Section 40.6. If Applicable Law clearly exempts a purchase hereunder

from a Tax, but does not also provide an exemption procedure, then the providing Party shall not collect such Tax if the purchasing Party (a) furnishes the providing Party with a letter signed by an officer requesting such an exemption and citing the provision in the Applicable Law which clearly allows such exemption and (b) supplies the providing Party with an indemnification agreement, reasonably acceptable to the providing Party (e.g., an agreement commonly used in the industry), which holds the providing Party harmless on an after-tax basis with respect to its forbearing to collect such Tax.

- 40.6 All notices, affidavits, exemption-certificates or other communications required or permitted to be given by either Party to the other, for purposes of this Section 40, shall be made in writing and shall be delivered in person or sent by certified mail, return receipt requested, or registered mail, or a courier service providing proof of service, and sent to the addressees set forth in Section 30.

Either Party may from time to time designate another address or other addressees by giving notice in accordance with the terms of this Section. Any notice or other communication shall be deemed to be given when received.

41. Technology Upgrades

- 41.1 Each Party (the “Providing Party”) shall provide, maintain, repair or replace its facilities and Services, including those facilities and Services used by the other Party pursuant to this Agreement, at a level of quality that is equal to that which the Providing Party provides to itself, its Affiliates, and any third parties in accordance with the requirements of the Act. At a minimum, the Providing Party shall provide, maintain, repair or replace its facilities and Services in accordance with the same technical criteria and service standards that are used within its own network on terms and conditions that are just, reasonable and nondiscriminatory in accordance with the terms and conditions of this Agreement and Applicable Law.
- 41.2 Each Party shall have the right to deploy, upgrade, migrate and maintain its network to the extent permitted by Applicable Law. Nothing in this Agreement shall limit either Party’s ability to modify its network through the incorporation of new equipment or software or otherwise.

42. Third Party Beneficiaries

Except as expressly set forth in this Agreement, this Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein shall create or be construed to provide any third-persons (including, but not limited to, Customers or contractors of a Party) with any remedy, claim, liability,

reimbursement, claim of action, or other rights in excess of those by reference in this Agreement. Except as expressly set forth in this Agreement, a Party shall have no liability under this Agreement to the Customers of the other Party or to any other third person.

43. Use of Service

Each Party shall make commercially reasonable efforts to ensure that its Customers comply with the provisions of this Agreement (including, but not limited to the provisions of applicable Tariffs) applicable to the use of Services purchased by it under this Agreement.

44. Waiver

A failure or delay of either Party to enforce any of the provisions of this Agreement, or any right or remedy available under this Agreement or at law or in equity, or to require performance of any of the provisions of this Agreement, or to exercise any option which is provided under this Agreement, shall in no way be construed to be a waiver of such provisions, rights, remedies or options.

45. Voluntary Agreement

This Agreement is the result of voluntary negotiations and shall be construed as an Agreement reached through voluntary negotiation. No rate, term or condition contained in this Agreement may be construed or otherwise interpreted by anyone as a reflection of either Parties' legal opinion or position regarding either Parties' obligation or rights under Section 251 or 252 of the Act or other Applicable Law. Neither Party will assert in any regulatory, judicial or legislative proceeding that anything in this Agreement constitutes a precedent as to the subject matter addressed in this Agreement.

46. Warranties

EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, NEITHER PARTY MAKES OR RECEIVES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES PROVIDED, OR TO BE PROVIDED, UNDER THIS AGREEMENT AND THE PARTIES DISCLAIM ANY OTHER WARRANTIES, INCLUDING BUT NOT LIMITED TO, WARRANTIES OF MERCHANTABILITY, WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE WARRANTIES AGAINST INFRINGEMENT, AND WARRANTIES ARISING BY TRADE CUSTOM, TRADE USAGE, COURSE OF DEALING OR PERFORMANCE, OR OTHERWISE.

47. Intentionally Left Blank

48. Entire Agreement

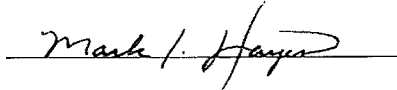
This Agreement and any Attachments, Appendices, or Tariffs which are incorporated herein by reference, sets forth the entire understanding and supersedes prior agreements between the Parties relating to the subject matter contained herein and merges all prior discussions between them, and neither Party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

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

By: Highland Telephone Cooperative

By: ALEC, LLC

By: 

By: 

G. Mark Patterson
General Manager

Mark I. Hayes
Vice President CLEC Operations

Date: MARCH 5 2013

Date: February 28 2013

GLOSSARY

1. General Rule

- 1.1 The provisions of Sections 1.1 through 1.4 apply with regard to the Principal Document. Terms used in a Tariff shall have the meanings stated in the Tariff.
- 1.2 Unless the context clearly indicates otherwise, when used in the Principal Document the terms listed in this Glossary shall have the meanings stated in this Glossary. A defined term intended to convey the meaning stated in this Glossary is capitalized when used. Other terms that are capitalized, and not defined in this Glossary or elsewhere in the Principal Document, shall have the meaning stated in the Act. Additional definitions that are specific to the matters covered in a particular provision of the Principal Document may appear in that provision. To the extent that there may be any conflict between a definition set forth on this Glossary and any definition in a specific provision, the definition set forth in the specific provision shall control with respect to that provision.
- 1.3 Unless the context clearly indicates otherwise, any term defined in this Glossary that is defined or used in the singular shall include the plural, and any term defined in this Glossary which is defined or used in the plural shall include the singular.
- 1.4 The words “shall” and “will” are used interchangeably throughout the Principal Document and the use of either indicates a mandatory requirement. The use of one or the other shall not confer a different degree of right or obligation for either Party.

2. Definitions

- 2.1 Access Service Request (ASR). An industry standard form, which contains data elements and usage rules used by the Parties to add, establish, change or disconnect services or trunks for the purposes of interconnection.
- 2.2 Act. The Communications Act of 1934 (47 U.S.C. §151 et. seq.), as from time to time amended (including, without limitation by the Telecommunications Act of 1996, Public Law 104-104 of the 104th United States Congress effective February 8, 1996), and as further interpreted in the duly authorized and effective rules and regulations of the FCC or the Commission.
- 2.3 Affiliate. Shall have the meaning set forth in the Act.
- 2.4 Agent. An agent or servant.

- 2.5 Agreement. This Agreement, as defined in Section 1 of the General Terms and Conditions.
- 2.6 Left blank.
- 2.7 Applicable Law. All effective laws, government rules and regulations and court orders, rulings and decisions from courts of competent jurisdiction, applicable to each Party's performance of its obligations under this agreement.
- 2.8 Business Day. Monday through Friday, except for holidays on which the U.S. mail is not delivered.
- 2.9 Calendar Quarter. January through March, April through June, July through September, or October through December.
- 2.10 Calendar Year. January through December.
- 2.11 Calling Party Number (CPN). A CCS parameter that identifies the calling party's telephone number.
- 2.12 Central Office. A local switching system for connecting lines to lines, lines to trunks, or trunks to trunks for the purpose of originating/terminating calls over the public switched telephone network. A single Central Office may handle several Central Office codes ("NXX"). Sometimes this term is used to refer to a telephone company building in which switching systems and telephone equipment are installed.
- 2.13 Central Office Switch. A switch used to provide Telecommunications Services including but not limited to an End Office Switch or a Tandem Switch. A Central Office Switch may also be employed as combination End Office/Tandem Office Switch.
- 2.14 Claims. Any and all claims, demands, suits, actions, settlements, judgments, fines, penalties, liabilities, injuries, damages, losses, costs (including, but not limited to, court costs), and expenses (including, but not limited to, reasonable attorney's fees).
- 2.15 Common Language Location Identifier (CLLI). A code developed by Telcordia Technologies as a method of identifying physical locations and equipment such as buildings, Central Offices, poles and antennas. There are three (3) basic formats for CLLI Codes: network entity, network support site, and customer site.
- 2.16 Commission. Kentucky Public Service Commission

- 2.17 Common Channel Signaling (CCS). A method of transmitting call set-up and network control data over a digital signaling network separate from the public switched telephone network facilities that carry the actual voice or data content of the call.
- 2.18 Competitive Local Exchange Carrier (CLEC). Any corporation or other person legally able to provide Local Exchange Service in competition with an ILEC.
- 2.19 Customer. A third party subscriber to Telephone Exchange Services provided by either of the Parties.
- 2.20 Customer Proprietary Network Information (CPNI). Shall have the meaning set forth in Section 222 of the Act, 47 U.S.C. § 222.
- 2.21 End Office Switch or End Office. A switching entity that is used to terminate Customer lines for the purpose of interconnection to each other and to trunks.
- 2.22 End User. A third-party residence or business that is the ultimate subscriber to service(s) provisioned by a Party to this Agreement.
- 2.23 Exchange Access. Shall have the meaning set forth in the Act.
- 2.24 Extended Area Service (EAS). EAS is a service arrangement whereby End Users that obtain local exchange service in a specific Local Service Exchange Area, and are physically located in that Local Service Exchange Area, are provided the ability to place interexchange calls to End Users that obtain local exchange service in another mutually exclusive specific Local Service Exchange Area in which they are physically located on the basis of terms, conditions and charges that are distinct from the terms applicable to message toll service and exchange service. EAS is separate and distinct from exchange service that permits end users that obtain local exchange service in a specific Local Service Exchange Area to place calls to end users that obtain local exchange service in the same Local Service Exchange Area. EAS is separate and distinct from toll services that permit end users to place interexchange calls according to interexchange toll rates based on usage and/or distance-based charges. EAS calling is established to meet the public interest demand of end users that reside and obtain local exchange service in specific communities to place calls to end users that reside and obtain local exchange service in other specific communities without incurring specific telephone message toll charges. For purposes of this Agreement, EAS includes traffic between the specific Local Service Exchange Areas, and is consistent with the service area within which HTC's end user customers may make landline-to-landline calls without incurring a toll charge, as established by HTC's General Subscriber Service Tariff.

- 2.25 EAS Service Area. The geographic area, as established in HTC's then current General Subscriber Service Tariff, within which an HTC Customer may make landline-to-landline calls without incurring a toll charge.
- 2.26 EAS Traffic. Two-way traffic that falls within the definition of "EAS" that is exchanged between the Parties.
- 2.27 FCC. The Federal Communications Commission.
- 2.28 Incumbent Local Exchange Carrier (ILEC). Shall have the meaning stated in the Act.
- 2.29 Information Service. Shall have the meaning set forth in the Act
- 2.30 Internet or ISP-Bound Traffic. Defined as calls to an information service provider or Internet Service Provider ("ISP") that are dialed using a local dialing pattern by a calling party in one exchange to an ISP's server or modem in either the same exchange or in another exchange in the same Local Calling Area as the originating exchange as defined and specified in HTC's tariff. ISP-Bound Traffic does not include Internet Protocol-enabled, real time, multi-directional voice calls. ISP-Bound Traffic is not Subject Traffic as defined in this Agreement.
- 2.31 Interexchange Carrier (IXC). A Telecommunications Carrier that provides, directly or indirectly, InterLATA or intraLATA Telephone Toll Services.
- 2.32 InterLATA Service. Shall have the meaning set forth in the Act.
- 2.33 IntraLATA. Telecommunications services that originate and terminate at a point within the same LATA.
- 2.34 Line Information Data Base (LIDB). One or all, as the context may require, of the Line Information databases owned individually by HTC and other entities which provide, among other things, calling card validation functionality for telephone line number cards issued by HTC and other entities. A LIDB also contains validation data for collect and third number-billed calls; i.e., Billed Number Screening.
- 2.35 Local Access and Transport Area (LATA). Shall have the meaning set forth in the Act.
- 2.36 Local Exchange Carrier (LEC). Shall have the meaning set forth in the Act.
- 2.37 Local Exchange Routing Guide (LERG). The Telcordia Technologies reference customarily used to identify NPANXX routing and homing information, as well as network element and equipment designation.

- 2.38 Local Service Exchange Area. A specific geographic service area encompassing an exchange area served by a Party as defined by the HTC's General Subscriber Service Tariff.
- 2.39 Local Service Request (LSR). Means an industry standard or similar form used by the Parties to add, change or disconnect local service pursuant to this Agreement.
- 2.40 North American Numbering Plan (NANPA). The system of telephone numbering employed in the United States, Canada, Bermuda, Puerto Rico and certain Caribbean islands. The NANP format is a 10-digit number that consist of a 3-digit NPA Code (commonly referred to as area code), followed by a 3-digit NXX code and 4-digit line number.
- 2.41 Numbering Plan Area (NPA). Also sometimes referred to as an area code, is the first three-digit indicator of each 10-digit telephone number within the NANP. Each NPA contains 800 possible NXX Codes. There are two general categories of NPA, "Geographic NPAs" and "Non-Geographic NPAs". A Geographic NPA is associated with a defined geographic area, and all telephone numbers bearing such NPA are associated with services provided within that geographic area. A Non-Geographic NPA, also known as a "Service Access Code" or "SAC Code" is typically associated with a specialized Telecommunications Service that may be provided across multiple geographic NPA areas. 500, 700, 800, 888 and 900 are examples of Non-Geographic NPAs.
- 2.42 NXX, NXX Code, Central Office Code or CO Code. The second three digits (NXX) of a ten-digit telephone number in the form NXX NXX- XXXX, where N represents any one of the numbers 2 through 9 and X represents any one of the numbers 0 through 9.
- 2.43 Point of Interconnection (POI). The physical location where the originating Party's facilities physically interconnect with the terminating Party's facilities for the purpose of exchanging traffic. The POI will also serve as the demarcation point at which a Party who receives Subject Traffic originating on the network of the other Party assesses Reciprocal Compensation charges for the further transport and termination of that Subject Traffic in the receiving Party's network.
- 2.44 Providing Party. A Party offering or providing a Service to the other Party under this Agreement.
- 2.45 Purchasing Party. A Party requesting or receiving a Service from the other Party under this Agreement.
- 2.46 Rate Center Area or Exchange Area. The geographic area that has been identified by a given LEC as being associated with a particular NPA-NXX code assigned to the LEC for its provision of Telephone Exchange

Services. The Rate Center Area is the exclusive geographic area that the LEC has identified as the area within which it will provide Telephone Exchange Services bearing the particular NPA-NXX designation associated with the specific Rate Center Area.

- 2.47 Reciprocal Compensation. The mutual compensation arrangement for the transport and termination of Subject Traffic originating on one Party's network and terminating on the other Party's network.
- 2.48 Service. Any Interconnection arrangement, Telecommunications Service, or other service, facility or arrangement, offered for sale by a Party under this Agreement.
- 2.49 Signaling System 7 (SS7). The common channel out-of-band signaling protocol developed by the Consultative Committee for International Telephone and Telegraph (CCITT) and the American National Standards Institute (ANSI). HTC and ALEC currently utilize this out-of-band signaling protocol.
- 2.50 Subject Traffic. Traffic (*excluding* Commercial Mobile Radio Services traffic, e.g., paging, cellular, PCS) that is originated by a End User of one Party on that Party's network and terminates to an End User of the other Party on that Party's network where both End Users are physically located within HTC's local service exchange area or mandatory EAS service area as defined in HTC's effective Local Exchange Tariff. Subject Traffic does not include optional local calling scope traffic, i.e. optional rate packages that permit the End User to choose a local calling scope beyond their basic exchange serving area for an additional fee, referred to hereafter as "optional EAS", or ISP-Bound Traffic. All other traffic, except traffic associated with Internet Traffic, will be defined as non-Subject Traffic and subject to the terminating Party's applicable access tariff rates regardless of the technology used to deliver the traffic. For the avoidance of doubt, Subject Traffic includes VoIP-originated or VoIP-terminated traffic exchanged by the Parties over local interconnection facilities.
- 2.51 Subsidiary. A corporation or other legal entity that is controlled by a Party.
- 2.52 Switched Exchange Access Service. Transmission and switching services provided for the purpose of the origination or termination of Toll Traffic. Switched Exchange Access Services may include: Feature Group A, Feature Group B, Feature Group D, 700 access, 800 access, 888 access and 900 access.
- 2.53 Tandem Switches. A switching entity that has billing and recording capabilities and is used to connect and switch trunk circuits between and among End Office Switches and between and among End Office Switches

and carriers' aggregation points, points of termination, or point of presence, and to provide Switched Exchange Access Services.

- 2.54 Tariff. A filing made at the state or federal level or a published price list for the provision of a Telecommunications Service by a Telecommunications Carrier that provides for the terms, conditions and pricing of that service. Such filing or price list may be required or voluntary and may or may not be specifically approved by the Commission or FCC.
- 2.55 Telcordia Technologies. The organization that conducts research and development projects for its owners, including development of new Telecommunications Services. Telcordia Technologies also provides generic requirements for the telecommunications industry for products, services and technologies. Reference to Telcordia Technologies will encompass its designated successors.
- 2.56 Telecommunications Carrier. Shall have the meaning set forth in the Act.
- 2.57 Telecommunications Services. Shall have the meaning set forth in the Act.
- 2.58 Telephone Exchange Service. Shall have the meaning set forth in 47 U.S.C. § 153(47).
- 2.59 Toll Traffic. Traffic that is originated by a Customer of one Party on that Party's network and delivered to a Customer of the other Party on that Party's network and is not Subject Traffic (as defined by HTC's filed and approved local exchange tariff). Toll Traffic may be either "IntraLATA Toll Traffic" or "InterLATA Toll Traffic," depending on whether the originating and terminating points are within the same LATA.
- 2.60 Transit Service. A switching and transport function which allows one Party to send Transit Traffic to a third-party network through the other Party's Tandem and/or transport facilities.
- 2.61 Transit Traffic. Traffic between a Party's End User and a third-party Telecommunications Carrier's end user (*e.g.*, third-party CLECs, ILECs, CMRS Carriers) that is routed utilizing the other Party's Tandem Switch. Transit Traffic does not include any traffic delivered to, from, or carried by an Interexchange Carrier (IXC) at any time during the call.
- 2.62 Virtual NXX or VNXX. A service whereby a Customer is assigned an NPA-NXX telephone number associated with a local calling area, including mandatory local calling scope arrangements established and defined by the Commission, that is different from the local calling area in which the Customer is physically located. For purposes of this

Agreement, “VNXX Traffic” is defined only as traffic delivered to a VNXX Service.

ADDITIONAL SERVICES ATTACHMENT

1. Directory Listing and Directory Distribution

To the extent required by Applicable Law, HTC will provide directory services to ALEC. Such services will be provided in accordance with the terms set forth herein.

1.1 Listing Information.

As used herein, “Listing Information” means an ALEC End User’s primary name, address (including city, state and zip code), telephone number(s), the delivery address and any other information HTC deems necessary for the publication and delivery of directories.

1.2 Listing Information Supply

1.2.1 ALEC may provide to HTC or HTC’s directory publisher, as specified by HTC, the subscriber list information (including additions, changes and deletions) for its End Users, located within HTC’s operating areas. It is the responsibility of ALEC to submit directory listings in the prescribed manner to HTC or HTC’s directory publisher prior to the directory listing publication cut-off date, which will be provided by HTC or HTC’s directory publisher to ALEC.

1.2.2 HTC (or HTC’s publisher) will include ALEC’s End Users primary listings (residence and business) in its White Pages Directory, its electronic or online directory, if any, and if applicable in its Yellow Pages Directory under the appropriate heading classification as determined by directory publisher. Listings of ALEC’s End Users will be interfiled with listings of HTC’s customers and the customers of other LECs, in the local section of HTC’s directories.

1.2.3 At the current time HTC does not maintain the listing database. If at such time as HTC maintains the listing database on behalf of ALEC, ALEC may identify End Users that have elected not to have their number published. To the extent ALEC does not wish to have its End User’s listing Listed, Non-Listed, or Non-Published, ALEC may remove such listing from HTC’s database via a directory service request or other process agreed to by the Parties. Tariff charges apply for End Users identified by ALEC to HTC as “nonpublished” or “unlisted”.

1.2.4 HTC will provide ALEC’s End Users a primary listing in the

telephone directories at no charge. All other directory listings will be billed to ALEC at HTC's tariffed charges using directory listing information provided to HTC by its directory publisher. No other charges will apply.

1.2.5 If HTC uses a third party to publish and provide directories, HTC will provide the contact information for the directory provider. HTC will cooperate with ALEC and the directory provider to ensure that ALEC's End-User's listings are included in the directory consistent with HTC's End-User's listings and that directories are distributed to ALEC's End Users in the same manner that directories are distributed to HTC's End Users pursuant to charges contained in Attachment A of this Agreement.

1.2.6 Except for directory publication in 1.3, below, nothing contained herein authorizes either Party to incur costs on behalf of the other. Any such costs will be directly attributable to the Party responsible for incurring the cost.

1.3 Directory Distribution

ALEC will provide directory delivery address information to HTC or its publisher in a format required by HTC's directory publisher to enable HTC to perform its directory distribution responsibilities. Such list will include only those ALEC End Users whose service address falls within HTC's rate center and ALEC has designated to receive a printed directory. Directory distribution will be provided to such ALEC End Users in the same manner it provides initial distribution of such directories to its own End Users. HTC may, but is not required to, distribute telephone directories to ALEC End Users for whom HTC lacks delivery information due to omission of customer information from HTC databases or if requested delivery information is not timely received by HTC's directory publisher. HTC will bill ALEC for directories delivered to ALEC subscribers using the directory delivery list received by HTC from its directory publisher.

1.4 Confidentiality of Listing Information.

HTC shall accord ALEC Listing Information the same level of confidentiality that HTC accords its own listing information, and shall use such Listing Information solely for the purpose of providing directory-related services; provided, however, that should HTC elect to do so, it may use or license ALEC Listing Information for directory publishing by other third party directory publishers to whom HTC provides its own listing information, so long as ALEC End Users are not separately identified as such. HTC shall treat the listing information of customers designating non-published or unlisted as it does the listings of its own customers

requesting such designation. HTC shall not be obligated to compensate ALEC for HTC's use or licensing of ALEC Listing Information.

1.5 Accuracy

Both Parties shall use commercially reasonable efforts to ensure the accurate publication of ALEC End User listings. At ALEC's request, HTC shall provide ALEC with a report of all ALEC End User listings normally no more than ninety (90) days and no less than thirty (30) days prior to the service order close date for the applicable directory. HTC shall correct HTC's errors as identified by ALEC with respect to its listings, provided such corrections are received from ALEC prior to the close date of the particular directory. Any other modifications will be processed pursuant to a DSR.

1.6 Indemnification

ALEC shall adhere to all practices, standards, and ethical requirements established by HTC with regard to listings. By providing HTC with Listing Information, ALEC warrants to HTC that ALEC has the right to provide such Listing Information to HTC on behalf of its Customers. ALEC shall make commercially reasonable efforts to ensure that any business or person to be listed is authorized and has the right (a) to provide the product or service offered, and (b) to use any personal or corporate name, trade name, trademark, service mark or language used in the listing. ALEC agrees to release, defend, hold harmless and indemnify HTC from and against any and all claims, losses, damages, suits, or other actions, or any liability whatsoever, suffered, made, instituted, or asserted by any person arising out of HTC's publication or dissemination of the Listing Information as provided by ALEC hereunder.

1.7 Liability

HTC's liability to ALEC in the event of a HTC error in or omission of a listing shall not exceed the lesser of the amount of charges actually paid by ALEC for such listing or the amount by which HTC would be liable to its own customer for such error or omission.

1.8 Directory Publication

Nothing in this Agreement shall require HTC to publish a directory where it would not otherwise do so.

1.9 Miscellaneous Terms

ALEC acknowledges that if ALEC desires directory services in addition to those described herein, such additional services must be obtained under separate agreement with HTC and / or its directory publishing company.

ALEC will provide HTC a designated contact for handling any directory issues that may be referred to HTC at any time.

INTERCONNECTION ATTACHMENT

1. General

Each Party ("Providing Party") shall provide to the other Party, in accordance with this Agreement and Applicable Law, interconnection with the Providing Party's network for the transmission and routing of Subject Traffic and Internet Traffic.

2. Methods of Interconnection; Points of Interconnection (POI) and Trunk Types

2.1 Point(s) of Interconnection ("POI").

2.1.1 Parties shall provide interconnection of their networks at any technically feasible point on the HTC network as specified in this Agreement or as otherwise agreed to in writing by the Parties. Parties agree that each Party is financially and operationally responsible for facilities on its side of the POI. Each Party is responsible for delivering its originating traffic to the POI for delivery to the terminating Party.

2.1.2 ALEC agrees to establish at least one POI per LATA in which it seeks to exchange Subject Traffic and Internet Traffic with HTC.

2.1.3 Parties agree that the POI will be located at any of the following locations.

2.1.3.1 An HTC switch;

2.1.3.2 Any other location agreed to by the Parties at which HTC has facilities available for such interconnection.

2.1.4 ALEC may lease facilities from HTC, lease facilities from a third party or self-provision facilities to reach the POI(s).

2.2 Trunk Types.

2.2.1 In interconnecting their networks pursuant to this Attachment, the Parties' will use, as appropriate, the following separate and distinct trunk groups:

2.2.1.1 Local Interconnection Trunks for the transmission and routing of Subject Traffic and Internet Traffic between their respective Telephone Exchange Service Customers, all in accordance with Section 6.1 of this Attachment;

2.2.1.2 Miscellaneous Trunk Groups for the exchange of default

routed traffic or other traffic as mutually agreed to by the Parties.

2.3 Interconnection Trunks

- 2.3.1 The Parties agree to provision Local Interconnection Trunks on a two way basis. Prior to provisioning any initial or additional Local Interconnection Trunks, the Parties shall meet (telephonically or in person) to conduct a joint planning meeting ("Joint Planning Meeting"). At that Joint Planning Meeting, each Party shall provide to the other Party originating CCS (Hundred Call Second) information, and the Parties shall mutually agree on the appropriate number of initial or additional Local Interconnection Trunks and the interface specifications at the Point of Interconnection (POI).
- 2.3.2 On an annual basis or when ALEC determines that actual utilization necessitates the submission of revised forecasts, ALEC shall submit a good faith forecast to HTC of the number of Local Interconnection Trunks that ALEC anticipates that HTC will need to provide during the ensuing two (2) year period. ALEC's trunk forecasts shall conform to the HTC ALEC trunk forecasting guidelines that may be in effect at that time and made available upon request by ALEC.
- 2.3.3 The Parties shall meet (telephonically or in person) from time to time, as requested by either Party, to review data on Interconnection Trunks to determine the need for new trunk groups and to plan any necessary changes in the number of Local Interconnection Trunks.
- 2.3.4 Local Interconnection Trunks shall have SS7 Common Channel Signaling. The Parties agree to utilize B8ZS and Extended Super Frame (ESF) facilities, with a DS1, DS3 or higher interface as justified by the traffic volume exchanged between the Parties and where technically feasible and commercially available.
- 2.3.5 With respect to Local Interconnection Trunks, both Parties shall engineer to P.01 grade of service.
- 2.3.6 ALEC shall determine and provision the number of Local Interconnection Trunks that are required to meet the applicable design blocking objective for all traffic carried on each Local Interconnection Trunk group. ALEC shall provision Local Interconnection Trunks by submitting ASRs to HTC setting forth the number of Local Interconnection Trunks to be installed and the requested installation dates within HTC's effective standard intervals or negotiated intervals, as appropriate. ALEC shall

complete ASRs in accordance with Ordering and Billing Forum Guidelines as in effect from time to time. HTC may monitor Local Interconnection Groups using service results for the applicable design blocking objective. If HTC observes blocking in excess of the applicable design objective on any final Local Interconnection Trunk group and ALEC has not notified HTC that it has corrected such blocking, HTC may submit to ALEC a Trunk Group Service Request directing ALEC to remedy the blocking. Upon receipt of a Trunk Group Service Request, ALEC will complete an ASR to augment the Local Interconnection Group with excessive blocking and submit the ASR to HTC within ten (10) business days, unless otherwise agreed by the Parties where an augment of the facility may be required.

2.3.7 ALEC is solely responsible for the ordering of adequate Local Interconnection Trunks to carry traffic under this agreement, provided however that HTC shall provision Local Interconnection Trunks ordered by ALEC within HTC's standard provisioning intervals for similarly situated carriers.

2.3.8 Each Party will bear all recurring and non-recurring charges associated with Local Interconnection Trunk groups on its side of the POI established pursuant to this Agreement. Neither Party shall have any obligation to bear any charges, expenses or other costs assessed in connection with transporting, transiting or switching traffic on the other Party's side of the POI.

3. Alternative Interconnection Arrangements

3.1 In addition to the foregoing methods of Interconnection, as described in Section 2 above, and subject to mutual agreement of the Parties, the Parties may agree to establish a Mid-Span Fiber Meet arrangement.

3.2 The establishment of any Mid-Span Fiber Meet arrangement is expressly conditioned upon the Parties' reaching prior written agreement on routing, appropriate sizing and forecasting, equipment, ordering, provisioning, maintenance, repair, testing, augment, and compensation, procedures and arrangements, reasonable distance limitations, and on any other arrangements necessary to implement the Mid-Span Fiber Meet arrangement on a commercially reasonable basis

3.3 Except as otherwise agreed by the Parties, Mid-Span Fiber Meet arrangements shall be used only for the termination of Subject Traffic, Internet Traffic, and IntraLATA Toll Traffic.

4. Initiating Interconnection

- 4.1 If ALEC determines to offer Telephone Exchange Services and to interconnect with HTC in any LATA in which HTC also offers Telephone Exchange Services and in which the Parties are not already interconnected pursuant to this Agreement, ALEC shall provide written notice to HTC of the need to establish Interconnection in such LATA pursuant to this Agreement.
- 4.2 The notice provided in Section 4.1 shall include (a) the initial Rate Center(s) to be served; (b) the applicable POI(s) to be established in the relevant LATA in accordance with this Agreement; (c) ALEC's intended Interconnection activation date; and (d) a forecast of ALEC's trunking requirements conforming to Section 9.3; and (e) such other information as the Parties agree is required in order to facilitate Interconnection.
- 4.3 The interconnection activation date in the new LATA shall be mutually agreed to by the Parties after receipt by HTC of all necessary information as indicated above. Within ten (10) Business Days of HTC's receipt of ALEC's notice provided for in Section 4.1, HTC and ALEC shall confirm the POI(s) and the mutually agreed upon Interconnection activation date for the new LATA.

5. Transmission and Routing of Subject Traffic and Internet Traffic

5.1 Scope of Traffic.

Section 5 prescribes parameters for Local Interconnection Trunks used for Interconnection.

5.2 Trunk Group Connections and Ordering.

5.2.1 Both Parties shall use a DS-1 interface at the POI unless otherwise agreed to by the Parties. Upon mutual agreement the Parties may use other types of interfaces, such as DS3 or STS-1, at the POI, where technically feasible and available. When Local Interconnection Trunks are provisioned using a DS-3 interface facility, ALEC shall order the multiplexed DS-3 facilities to the HTC Central Office that is designated in the NECA 4 Tariff as tandem location, unless otherwise agreed to in writing by HTC. Local Interconnection Trunks shall be in the appropriate Tandem subtending area based on the LERG.

5.2.2 ALEC will identify its Carrier Identification Code, a three or four digit numeric code obtained from Telcordia, to HTC when ordering a trunk group.

5.2.3 Unless mutually agreed to by both Parties, each Party will out

pulse ten (10) digits to the other Party.

- 5.2.4 Each Party will use commercially reasonable efforts to monitor trunk groups under its control and to augment those groups using generally accepted trunk-engineering standards so as to not exceed blocking objectives.
- 5.2.5 Switching System Hierarchy and Trunking Requirements. For purposes of routing ALEC traffic to HTC, the subtending arrangements between HTC Tandem Switches and HTC End Office Switches shall be the same as the Tandem/End Office subtending arrangements HTC maintains for the routing of its own or other carriers' traffic. For purposes of routing HTC traffic to ALEC, the subtending arrangements between ALEC Tandem Switches and ALEC End Office Switches shall be the same as the Tandem/End Office subtending arrangements that ALEC maintains for the routing of its own or other carriers' traffic.
- 5.2.6 Grades of Service. The Parties shall initially engineer and shall monitor and augment all trunk groups consistent with the Joint Process as set forth in Section 9.1.

6. Trunk Groups and Compensation for Exchange of Traffic

6.1 Local Trunk Group for the Exchange of Subject Traffic and Internet Traffic

- 6.1.1 Parties agree that Local Trunk groups described herein will carry only Subject Traffic and Internet Traffic.
- 6.1.2 Parties expressly agree that traffic not provided in Section 6.1.1 including but not limited to third Party traffic (including CMRS) and toll traffic is not permitted to be carried on Local Trunk Group(s).
- 6.1.3 In the event either Party believes that traffic terminated to it via a Local Trunk Group(s) contains non-Subject and non-Internet Traffic ("Misrouted Traffic"), the terminating Party will notify the originating Party of the contaminated group(s) and provide results of its analysis in a written notice. The originating Party will have 10 days from receipt of such notice to reroute the Misrouted Traffic to a toll group to maintain treatment of traffic on the Local Trunk Group(s) as local.
- 6.1.4 Should the originating Party in Section 6.1.3 above fail to correct the traffic contamination within 10 days pursuant to Section 6.1.3 above, the terminating Party will treat that portion of Misrouted

Traffic terminated over the Local Trunk Group(s) as Interexchange Access and will bill at rates contained in its interstate and intrastate access tariffs regardless of the technology used for the delivery of such traffic. Parties agree that the terminating Party may bill Misrouted Traffic by deriving a Misrouted Traffic Factor and applying that factor to all traffic delivered by the originating Party. The terminating party may also pursue remedies available to it under this Agreement, at law, in equity, or otherwise, including, but not limited to, instituting an appropriate proceeding before the Commission, the FCC, or a court of competent jurisdiction, without having to comply with the Dispute Resolution provisions of Section 15.

- 6.1.5 Upon written notice from the originating Party that such contamination has been corrected, the terminating Party will have 10 days to provide a written response to the correction notice. Should the terminating Party confirm the correction or not respond to the correction notice within 10 days, compensation starting from the date of correction will be based on the exchange of Subject Traffic and Internet Traffic; otherwise the terminating Party shall continue to treat the traffic pursuant to Section 6.1.4.
- 6.1.6 Nothing herein shall prevent either Party from seeking Dispute Resolution pursuant to Section 15 of the general terms and conditions of this Agreement.
- 6.1.7 Repeated contamination of Local Trunk groups as provided in this Section 6.1 will be considered a breach of this Agreement pursuant to Section 13 of the general terms and conditions of the Agreement.

6.2 Calling Party Number

- 6.2.1 For billing purposes, each Party shall pass accurate Calling Party Number ("CPN") information on at least ninety-five percent (95%) of calls carried over the Trunks established pursuant to this Agreement.
- 6.2.2 If the originating Party passes accurate CPN on ninety-five percent (95%) or more of its calls, the receiving Party shall use the traffic carrying CPN to bill the originating Party for traffic applicable to each relevant minute of traffic, as provided in the Pricing Attachment and applicable Tariffs, for which CPN is passed. For any remaining (up to 5%) calls without CPN information, the receiving Party shall bill the originating Party for such traffic at applicable compensation rates for each relevant

minute of traffic, as provided in Pricing Attachment and applicable Tariffs, in direct proportion to the minutes of use of calls passed with CPN information.

- 6.2.3 Where accurate CPN is not available on a trunk group for greater than five percent (5%) of the traffic, the Party receiving the traffic will bill for each relevant minute of use that fails to carry CPN at the higher of its tariffed interstate or intrastate access rate.

- 6.3 Reciprocal Compensation. The Parties shall reciprocally compensate each other for the transport and termination of Subject Traffic delivered to the terminating Party in accordance at the rates stated in the Pricing Attachment. These rates are to be applied from the POI for termination onto either Party's network. Except as expressly specified in this Agreement, no additional charges shall apply for the termination from the POI to the Customer of Subject Traffic delivered to the POI. The designation of traffic as Subject Traffic for purposes of Reciprocal Compensation shall be based on the actual originating and terminating points of the complete end-to-end communication with no regard to the technology used to deliver the traffic.

- 6.4 Transport and termination of the following types of traffic shall not be subject to the Reciprocal Compensation arrangements set forth in Section 6.3 above, but instead shall be treated as described or referenced below:

- 6.4.1 Tandem Transit Traffic shall be treated as specified in Section 7 below of this Attachment.

- 6.4.2 Non-Subject and non-Internet Traffic will be treated as access and compensated pursuant to Section 6.1.4.

- 6.4.3 ISP Traffic Provisions

- 6.4.3.1 The Parties acknowledge that under current network and service arrangements, some ISP Traffic may be switched and transported as if this ISP Traffic is EAS Traffic. The Parties will treat ISP Traffic under the following conditions until such time as a regulatory authority, court, or legislative body addresses the proper treatment of this traffic: the parties shall assume that they are exchanging with one another an equal amount of ISP traffic at an agreed upon termination rate; and the parties will utilize the Local Interconnection facilities to exchange the ISP traffic. The switching and transport of ISP traffic over Local Interconnection facilities by either Party, however, will not be deemed or construed by

either party as either agreement or acknowledgment by the Parties that this arrangement is proper or required. In the event that the manner in which ISP Traffic is or may be treated is determined with finality by an appropriate regulatory or legal body, or in the event that any action or decision of an appropriate regulatory or legal body results in a determination that the interim treatment of ISP Traffic pursuant to this Subsection is unlawful or improper, the Parties will negotiate in good faith immediate modification and/or replacement language to this Agreement to effect new terms and conditions consistent with any such lawful action or determination. Any new or modified terms will be effective with the effective date of any such lawful action or determination regarding the treatment of ISP Traffic between the Parties.

6.4.3.2 As a result of the agreement set forth in Section 6.4.3.1 above, neither Party will owe a net due amount to the other Party for terminating ISP traffic including, but not limited to, compensation for switching, transport or termination of ISP traffic.

6.4.3.3 The Parties will cooperate fully in identifying ISP traffic exchanged between the Parties. In the event of a dispute regarding such traffic, Parties agree to that each Party will provide to the other Party a listing of all known ISPs and associated NPA-NXXs to which ISP traffic is switched.

6.4.3.4 If the amount of traffic (excluding intraLATA Toll Traffic) that one Party terminates exceeds three times the amount of traffic that such Party originates as Subject Traffic ("3:1 ratio"), then the amount of traffic that it terminates in excess of such 3:1 ratio shall be presumed to be Internet Traffic and shall not be subject to Reciprocal Compensation.

6.4.4 No Reciprocal Compensation shall apply to special access, private line, or any other traffic that is not switched by the terminating Party.

6.5 Each Party reserves the right to audit all Traffic, up to a maximum of one audit per calendar year, to ensure that rates are being applied appropriately; provided, however, that either Party shall have the right to conduct additional audit(s) if the preceding audit disclosed material errors or discrepancies. Each Party agrees to provide the necessary Traffic data

in conjunction with any such audit in a timely manner. Nothing herein shall limit either Party from enforcing the terms of this Agreement as described in Section 6.1.

7. Tandem Transit Traffic

Notwithstanding any other terms of this Agreement, at the time of the Effective Date of this Agreement, HTC does not offer Transit Service, as herein defined in Section 2.60 of the Glossary Attachment of this Agreement, to ALEC or any other connecting carriers. In the event that HTC subsequently offers Transit Service to any third party connecting carrier, HTC will promptly notify ALEC of the availability of Transit Service. Upon such notice, the Parties agree to negotiate in good faith terms for the completion and compensation of Transit Traffic and amend this Agreement accordingly. If, within thirty (30) days of the notice of availability of Transit Service, the Parties have been unable to negotiate terms for completion and compensation of Transit Traffic, the Parties shall resolve it pursuant to the Dispute Resolution terms of the Agreement. During the pendency of the dispute, if requested by ALEC, HTC shall provide Transit Service to ALEC via the Local Trunk Group, subject to true-up of compensation upon resolution of the dispute.

8. Number Resources and Rate Centers

- 8.1 Nothing in this Agreement shall be construed to limit or otherwise adversely affect in any manner either Party's right to employ or to request and be assigned any Central Office Codes ("NXX") pursuant to the Central Office Code Assignment Guidelines and any relevant FCC or Commission orders, as may be amended from time to time, or to establish, by Tariff or otherwise, Rate Centers corresponding to such NXX codes.
- 8.2 Except as otherwise provided herein, the Parties agree that CO codes/blocks allocated to either Party are to be utilized to provide service to an End User's premise physically located in the same rate center that the CO codes/blocks are assigned. Foreign Exchange (FX) service traffic and VNXX Traffic is non-Subject Traffic under this Agreement
- 8.3 It shall be the responsibility of each Party to program and update its own switches and network systems pursuant to information provided on ASRs as well as the LERG.
- 8.4 For purposes of intercarrier compensation during the term of this Agreement, ALEC shall adopt the Rate Center Area that the Commission has approved for HTC within the LATA and Tandem serving area, in all areas where HTC and ALEC service areas overlap.
- 8.5 Notwithstanding anything to the contrary contained herein, nothing in this Agreement is intended, and nothing in this Agreement shall be construed,

to in any way constrain ALEC's choices regarding the size of the local calling area(s) that ALEC may establish for its Customers, which local calling areas may be larger than, smaller than, or identical to HTC's local calling areas.

9. Joint Network Deployment and Maintenance Activities

9.1 Joint Network Implementation and Grooming Process.

Upon request of either Party, the Parties shall jointly develop an implementation and grooming process (the "Joint Grooming Process" or "Joint Process") that may define and detail, inter alia, the following:

- 9.1.1 standards to ensure that Local Interconnection Trunks experience a grade of service, availability and quality which is comparable to that achieved on interoffice trunks within HTC's network and in accord with all appropriate relevant industry-accepted quality, reliability and availability standards. Except as otherwise stated in this Agreement, trunks provided by either Party for Interconnection services will be engineered using a design-blocking objective of B.01;
- 9.1.2 the respective duties and responsibilities of the Parties with respect to the administration and maintenance of the trunk groups, including, but not limited to, standards and procedures for notification and discoveries of trunk disconnects;
- 9.1.3 disaster recovery provision escalations; and
- 9.1.4 such other matters as the Parties may agree, including, e.g., End Office to End Office high usage trunks as good engineering practices may dictate.

9.2 Installation, Maintenance, Testing and Repair

Unless otherwise agreed in writing by the Parties, to the extent required by Applicable Law, Interconnection provided by a Party shall be equal in quality to that provided by such Party to itself, any subsidiary, affiliates or third party. If either Party is unable to fulfill its obligations under this Section 9.2, it shall notify the other Party of its inability to do so and will negotiate alternative intervals in good faith. The Parties agree that to the extent required by Applicable Law, the standards to be used by a Party for isolating and clearing any disconnections and/or other outages or troubles shall be at parity with standards used by such Party with respect to itself, any subsidiary, affiliate or third party.

9.3 Forecasting Requirements for Trunk Provisioning

Within ninety (90) days of executing this Agreement, ALEC shall provide HTC a two (2) year traffic forecast. This initial forecast will provide the amount of traffic to be delivered to and from HTC over each of the Local Interconnection Trunk groups over the next eight (8) quarters. The forecast shall be updated and provided to HTC on an as-needed basis but no less frequently than annually. All forecasts shall comply with the HTC ALEC Interconnection Trunking Forecast Guide and shall include, at a minimum, Access Carrier Terminal Location (“ACTL”), traffic type (Subject Traffic, Internet Traffic, etc.), code (identifies trunk group), A location/Z location (CLLI codes for POIs), interface type (e.g., DS1), and trunks in service each year (cumulative).

9.4 Initial Forecasts/Trunking Requirements

HTC will configure trunks pursuant to ALEC forecasts. If, within 90 days of installation, trunks are underutilized (define as less than 60%) HTC may notify ALEC of its intent to disconnect such trunks. ALEC may choose to either confirm disconnect of the trunks or pay HTC for the underutilized trunks at the lesser of established contractual rates or applicable interstate or intrastate tariffs until such time as the trunks cease to be under-utilized.

9.4.1 HTC will accept ALEC forecasts provided however that ALEC uses reasonable engineering criteria, there are no capacity constraints, and ALEC’s previous forecasts have proven to be reliable and accurate.

9.4.1.1 Monitoring and Adjusting Forecasts. HTC may, for ninety (90) days, monitor traffic on each trunk group that it establishes at ALEC’s suggestion or request pursuant to the procedures identified in Section 9.4. At the end of such ninety-(90) day period, with thirty (30) days written notice to ALEC, HTC may disconnect trunks that based on reasonable engineering criteria and capacity constraints are not warranted by the actual traffic volume experienced. If, after such initial ninety (90) day period for a trunk group, HTC determines that any trunks in the trunk group in excess of two (2) DS-1s are not warranted by actual traffic volumes (considering engineering criteria for busy hour CCS and blocking percentages), then HTC may hold ALEC financially responsible for the excess facilities at the HTC intrastate access tariff rate for the services ordered by ALEC.

9.4.1.2 In subsequent periods, HTC may also monitor traffic for

ninety (90) days on additional trunk groups that ALEC suggests or requests HTC to establish. If, after any such (90) day period, HTC determines that any trunks in the trunk group are not warranted by actual traffic volumes (considering engineering criteria for busy hour CCS and blocking percentages), then HTC may hold ALEC financially responsible for the excess facilities. At any time during the relevant ninety (90) day period, ALEC may request that HTC disconnect trunks to meet a revised forecast. In such instances, HTC may hold ALEC financially responsible for the disconnected trunks retroactive to the start of the ninety (90) day period through the date such trunks are disconnected at the HTC intrastate access tariff rate for the services ordered by ALEC.

10. Number Portability

10.1 Scope.

The Parties shall provide Number Portability (“NP”) in accordance with rules and regulations as from time to time prescribed by the FCC.

10.2 Procedures for Providing LNP (“Local Number Portability”).

The Parties will follow the LNP provisioning process recommended by the North American Numbering Council (NANC) and adopted by the FCC. The Parties shall provide LNP on a reciprocal basis.

10.2.1 A Customer of one Party (“Party A”) elects to become a Customer of the other Party (“Party B”). The Customer elects to utilize the original telephone number(s) corresponding to the Telephone Exchange Service(s) it currently receives from Party A, in conjunction with the Telephone Exchange Service(s) it will now receive from Party B. After Party B sends an LSR to Party A and Party A has verified the validity of received LSR, Parties A and B will work together to port the customer’s telephone number(s) from Party A’s network to Party B’s network. It is Party B’s responsibility to comply with applicable law concerning the change of local service provider including LOA, if applicable. When a telephone number is ported out of Party A’s network, Party A will remove any information including non-proprietary line based calling card(s) and blocks (etc.) associated with the ported number(s) from its Line Information Database (“LIDB”). Establishment of any LIDB services or blocks (etc.) rests solely with Party B.

- 10.2.2 When a customer of Party A ports their telephone numbers to Party B and the customer has previously secured a reservation of line numbers from Party A for possible activation at a future point, these reserved but inactive numbers may be ported along with the active numbers to be ported provided the numbers have been reserved for the customer. Party B may request that Party A port all reserved numbers assigned to the customer or that Party A port only those numbers listed by Party B. As long as Party B maintains reserved but inactive numbers ported for the customer, Party A shall not reassign those numbers. Party B shall not reassign the reserved numbers to another end user customer.
- 10.2.3 When a customer of Party A ports their telephone numbers to Party B, in the process of porting the customer's telephone numbers, Party A shall implement the ten-digit trigger feature. When Party A receives the porting request, the unconditional trigger shall be applied to the customer's line before the due date of the porting activity.
- 10.2.4 The Parties shall furnish each other with the Jurisdiction Information Parameter (JIP) in the Initial Address Message (IAM), containing a Local Exchange Routing Guide (LERG)-assigned NPA-NXX (6 digits) identifying the originating switch on calls originating from LNP capable switches.
- 10.2.5 Where LNP is commercially available, the NXXs in the office shall be defined as portable, except as noted in Section 10.2.6 and translations will be changed in the Parties' switches to open those NXXs for database queries in all applicable LNP capable offices within the LATA of the given switch(es). On a prospective basis, all newly deployed switches will be equipped with LNP capability and so noted in the LERG.
- 10.2.6 All NXXs assigned to LNP capable switches are to be designated as portable unless a NXX(s) has otherwise been designated as non-portable. Non-portable NXXs include NXX codes assigned to paging, codes assigned for internal testing and official use and any other NXX codes required to be designated as non-portable by the rules and regulations of the FCC. NXX codes assigned to mass calling on a choked network may not be ported using LNP technology but are portable using methods established by the NANC and adopted by the FCC. On a prospective basis, newly assigned codes in switches capable of porting shall become commercially available for porting.

PRICING ATTACHMENT

1 General

- 1.1 As used in this Attachment, the term “Charges” means the rates, fees, charges and prices for a Service provided by the Parties to each other pursuant to this Agreement.
- 1.2 Charges for Services shall be as stated in this Section 1.
- 1.3 Except as provided in the Agreement for Services pursuant to Tariff, the Charges shall be as stated in Appendix A of this Pricing Attachment.
- 1.4 If Charges for a Service are provided for in this Agreement, such Charges shall apply.
- 1.5 In the absence of Charges for a Service established pursuant to this Pricing Attachment, the Charges for the Service shall be mutually agreed to by the Parties in writing.

Pricing Attachment – Appendix A

Rates and Charges for Transportation and Termination of Traffic

1. The Reciprocal Compensation termination rate element that applies to Subject Traffic on a minute of use basis for traffic that is delivered to an End Office is *Note 1*
2. The Reciprocal Compensation termination rate element that applies to Subject Traffic on a minute of use basis for traffic that is delivered to Tandem Switch is *Note 1*
3. Entrance / Transport Facility Charges: Pursuant to Duo County Telephone Cooperative Corporation Inc. PSC KY No. 2A as amended or its successor Tariff.

Local Service Order Request Pricing

1. Basic Initial LSR Order Processing Charge \$25.00
per each initial request by the Requesting Party to the other Party
2. Basic Subsequent LSR Service Order Processing Charge \$12.50
per each subsequent revision to a pending LSR submitted by the Requesting Party
3. SOA Release / Concurrence: \$ 25.00 per order (if requested for an expedite)

Miscellaneous Charges

1. Standalone Directory Order: \$ 11.00 per order
(new or modification of existing listing)
2. Non-Primary Directory Listing: Pursuant to HTC Tariff No. 3

White Pages Directory Publication and Delivery

ALEC will provide list of ALEC End Users for HTC to deliver white page directory:
Cost plus 12%

Note 1: Parties agree at this time that Subject Traffic is presumed to be in balance and as such neither Party will bill the other Party (“Bill and Keep”). At such time as either Party determines Subject Traffic to be out of balance, Parties agree to promptly and in good faith negotiate reciprocal compensation rates. The Parties agree that for purposes of out of balance, one Party is terminating 60% or more of Subject Traffic; provided however, the Parties may mutually agree to continue the Bill and Keep arrangement.