

**Amendment to the Agreement
Between
KMC Telecom Holdings, Inc.
and
BellSouth Telecommunications, Inc.
Dated October 6, 2000**

Pursuant to this Amendment, (the "Amendment"), KMC Telecom Holdings, Inc. (KMC Telecom) on behalf of itself and its certified operating affiliates identified in Attachment A hereto, and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties," hereby agree to amend that certain Interconnection Agreement between the Parties dated October 6, 2000("Agreement") to be effective thirty (30) calendar days after the date of the last signature executing the Amendment.

WHEREAS, BellSouth and KMC Telecom entered into the Agreement on October 6, 2000, and;

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

1. The parties agree to add the following provision to Attachment 2, Section 9.1 and the associated rates as set forth in Exhibit 1 of this Amendment, attached hereto and incorporated herein by this reference.

9.1.1 Where KMC Telecom utilizes portions of the BellSouth network in originating or terminating traffic, the Tandem Switching rates are applied in call scenarios where the Tandem Switching Network Element has been utilized. Because switch recordings cannot accurately indicate on a per call basis when the Tandem Switching Network Element has been utilized for an interoffice call originating from a UNE port and terminating to a BellSouth, Independent Company or Facility-Based CLEC office, BellSouth has developed, based upon call studies, a melded rate that takes into account the average percentage of calls that utilize Tandem Switching in these scenarios. BellSouth shall apply the melded Tandem Switching rate for every call in these scenarios. BellSouth shall utilize the melded Tandem Switching Rate until BellSouth has the capability to measure actual Tandem Switch usage in each call scenario specifically mentioned above, at which point the rate for the actual Tandem Switch usage shall apply. The UNE Call Flows applicable to UNE-P set forth on BellSouth's website at <http://interconnection.bellsouth.com/guides/unedocs/2wireVGrdULPSComb.pdf>. illustrate when the full or melded Tandem Switching rates apply for specific scenarios.

2. All of the other provisions of the Agreement, dated October 6, 2000, shall remain in full force and effect.
3. Either or both of the Parties are authorized to submit this Amendment to the respective state regulatory authorities for approval subject to Section 252(e) of the Federal Telecommunications Act of 1996.

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

BellSouth Telecommunications, Inc.

By: 

Name: KRISTEN E. ROWE

Title: DIRECTOR

Date: 8/26/04

KMC Telecom Holdings, Inc.

By:  RCP 8/26/04

Name: MAURA BROWN JOHNSON

Title: Vice President & Senior Counsel

Date: 8/26/04

EXHIBIT A

SCHEDULE OF KMC HOLDINGS, INC (KMC TELECOM) OPERATING AFFILIATES

KMC Telecom, Inc., KMC Telecom III, Inc., KMC Telecom V, Inc. (AL, LA)

KMC Telecom, Inc., KMC Telecom II, Inc., KMC Telecom III, Inc., KMC Telecom V, Inc. (FL)

KMC Telecom, Inc., KMC Telecom V, Inc. (GA)

KMC Telecom IV, Inc., KMC Telecom V, Inc. (KY)

KMC Telecom III, Inc., KMC Telecom V, Inc. (MS, SC, TN)

KMC Telecom II, Inc., KMC Telecom III, Inc., KMC Telecom V, Inc. (NC)

UNBUNDLED NETWORK ELEMENTS - Alabama													Attachment: 2		Exhibit: C	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES (\$)	Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l				
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates (\$)					
							First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	
UNBUNDLED LOCAL SWITCHING, PORT USAGE																
	Tandem Switching (Port Usage) (Local or Access Tandem)															
		Tandem Switching Function Per MOU (Melded)				0.000040993										
		Tandem Trunk Port - Shared, Per MOU (Melded)				0.000086947										
		Melded Factor: 43.15% of the Tandem Rate														

UNBUNDLED NETWORK ELEMENTS - Florida													Attachment: 2		Exhibit: C	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES (\$)	Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l				
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates (\$)					
							First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	
UNBUNDLED LOCAL SWITCHING, PORT USAGE																
	Tandem Switching (Port Usage) (Local or Access Tandem)															
		Tandem Switching Function Per MOU (Melded)				0.000027185										
		Tandem Trunk Port - Shared, Per MOU (Melded)				0.000048434										
		Melded Factor: 20.61% of the Tandem Rate														

UNBUNDLED NETWORK ELEMENTS - Georgia											Attachment: 2		Exhibit: C		
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES (\$)				Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates (\$)				
							First	Add'l	First	Add'l	SOMEC	SOMAN	SOMAN	SOMAN	SOMAN
UNBUNDLED LOCAL SWITCHING, PORT USAGE															
	Tandem Switching (Port Usage) (Local or Access Tandem)														
		Tandem Switching Function Per MOU (Melded)				0.000017904									
		Tandem Trunk Port - Shared, Per MOU (Melded)				0.00002868									
		Melded Factor: 18.42% of the Tandem Rate													

UNBUNDLED NETWORK ELEMENTS - Kentucky													Attachment: 2		Exhibit: C	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES (\$)	Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l				
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates (\$)					
							First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	
UNBUNDLED LOCAL SWITCHING, PORT USAGE																
	Tandem Switching (Port Usage) (Local or Access Tandem)															
		Tandem Switching Function Per MOU (Melded)				0.000094381										
		Tandem Trunk Port - Shared, Per MOU (Melded)				0.000117538										
		Melded Factor: 48.65% of the Tandem Rate														

UNBUNDLED NETWORK ELEMENTS - Louisiana													Attachment: 2		Exhibit: C	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES (\$)	Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l				
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates (\$)					
							First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	
UNBUNDLED LOCAL SWITCHING, PORT USAGE																
	Tandem Switching (Port Usage) (Local or Access Tandem)															
		Tandem Switching Function Per MOU (Melded)				0.000035296										
		Tandem Trunk Port - Shared, Per MOU (Melded)				0.000073438										
		Melded Factor: 33.08% of the Tandem Rate														

UNBUNDLED NETWORK ELEMENTS - Mississippi													Attachment: 2		Exhibit: C	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES (\$)	Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l				
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates (\$)					
							First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	
UNBUNDLED LOCAL SWITCHING, PORT USAGE																
	Tandem Switching (Port Usage) (Local or Access Tandem)															
	Tandem Switching Function Per MOU (Melded)					0.000063441										
	Tandem Trunk Port - Shared, Per MOU (Melded)					0.000067307										
	Melded Factor: 36.82% of the Tandem Rate															

UNBUNDLED NETWORK ELEMENTS - North Carolina													Attachment: 2		Exhibit: C	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES (\$)	Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l				
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates (\$)					
							First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	
UNBUNDLED LOCAL SWITCHING, PORT USAGE																
	Tandem Switching (Port Usage) (Local or Access Tandem)															
		Tandem Switching Function Per MOU (Melded)				0.00024618										
		Tandem Trunk Port - Shared, Per MOU (Melded)				0.00012309										
		Melded Factor: 41.03% of the Tandem Rate														

UNBUNDLED NETWORK ELEMENTS - South Carolina													Attachment: 2		Exhibit: C	
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES (\$)	Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l				
						Rec	Nonrecurring		Nonrecurring Disconnect		OSS Rates (\$)					
							First	Add'l	First	Add'l	SOME C	SOMAN	SOMAN	SOMAN	SOMAN	
UNBUNDLED LOCAL SWITCHING, PORT USAGE																
	Tandem Switching (Port Usage) (Local or Access Tandem)															
		Tandem Switching Function Per MOU (Melded)				0.00004951										
		Tandem Trunk Port - Shared, Per MOU (Melded)				0.000086749										
		Melded Factor: 30.30% of the Tandem Rate														

UNBUNDLED NETWORK ELEMENTS - Tennessee											Attachment: 2		Exhibit: C						
CATEGORY	RATE ELEMENTS	Interim	Zone	BCS	USOC	RATES (\$)	Svc Order Submitted Elec per LSR	Svc Order Submitted Manually per LSR	Incremental Charge - Manual Svc Order vs. Electronic-1st	Incremental Charge - Manual Svc Order vs. Electronic-Add'l	Incremental Charge - Manual Svc Order vs. Electronic-Disc 1st	Incremental Charge - Manual Svc Order vs. Electronic-Disc Add'l							
						Rec	Nonrecurring First	Add'l	Nonrecurring Disconnect First	Add'l	OSS Rates (\$)		SOME C	SOMAN	SOMAN	SOMAN	SOMAN	SOMAN	
UNBUNDLED LOCAL SWITCHING, PORT USAGE																			
	Tandem Switching (Port Usage) (Local or Access Tandem)																		
	Tandem Switching Function Per MOU (Melded)					0.000380364													
	Melded Factor: 38.90% of the Tandem Rate																		