

**INTERCONNECTION AGREEMENT
UNDER SECTIONS 251 AND 252
OF THE
TELECOMMUNICATIONS ACT OF 1996**

This Interconnection Agreement is being entered into by and between Illinois Bell Telephone Company¹ d/b/a AT&T Illinois ("AT&T Illinois"), and IDT America, Corp. ("CLEC" or "Requesting Carrier"), (each a "Party" and, collectively, the "Parties"), pursuant to Sections 251 and 252 of the Telecommunications Act of 1996 ("the Act").

RECITALS

WHEREAS, pursuant to Section 252(i) of the Act, CLEC has requested to adopt that certain Interconnection Agreement by and between AT&T Illinois and New Edge Network, Inc. d/b/a New Edge Networks for the State of Illinois, which was approved by the Illinois Commerce Commission ("the Commission") under Section 252(e) of the Act on August 9, 2000 in docket number 00-0450, including any Commission approved amendments to such agreement (collectively the "Adopted Agreement"), which is incorporated herein by reference; and

WHEREAS, AT&T Illinois has agreed to make available to CLEC the Adopted Agreement for adoption in exchange for CLEC's agreement, in conjunction with its adoption of the Adopted Agreement, to amend such agreement to conform it to governing law; and

WHEREAS, the amendment(s) the Parties have agreed to on a negotiated basis to conform the Adopted Agreement to governing law, along with any other voluntarily negotiated provisions which are also set forth in this Interconnection Agreement (collectively "the MFN Agreement"), are all incorporated herein by this reference and are attached hereto and will be submitted to the Commission for approval; 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, CLEC and AT&T Illinois hereby agree as follows:

1.0 Incorporation of Recitals and Adopted Agreement by Reference

- 1.1 The foregoing Recitals are hereby incorporated into and made a part of the MFN Agreement.
- 1.2 Except as expressly stated herein, the Adopted Agreement (including any and all applicable Appendices, Schedules, Exhibits, Attachments and Commission-approved Amendments thereto) is incorporated herein by this reference and forms an integral part of the MFN Agreement.

2.0 Modifications to Adopted Agreement

- 2.1 References in the Adopted Agreement to "New Edge Network, Inc. d/b/a New Edge Networks" or "CLEC" or to "Other" shall for purposes of the MFN Agreement be deemed to refer to CLEC as defined herein.
- 2.2 References in the Adopted Agreement to the "Effective Date", the date of effectiveness thereof and like provisions shall for purposes of the MFN Agreement be deemed to refer to the date which is ten (10) days following Commission approval of the MFN Agreement or, absent Commission approval, the date the MFN Agreement is deemed approved under Section 252(e)(4) of the Act. In addition, the MFN Agreement shall expire on January 14, 2011.
- 2.3 The Notices Section in the Adopted Agreement is hereby revised to reflect that Notices should be sent to CLEC under the MFN Agreement at the following address:

¹ Illinois Bell Telephone Company (previously referred to as "Illinois Bell" or "SBC Illinois") now operates under the name "AT&T Illinois" pursuant to an assumed name filing with the State of Illinois.

NOTICE CONTACT	CLEC CONTACT
NAME/TITLE	Carl Billek Senior Regulatory Counsel
STREET ADDRESS	520 Broad Street 5 th Floor
CITY, STATE, ZIP CODE	Newark, NJ 07102
FACSIMILE NUMBER	973-438-1455

- 2.4 The Notices Section in the Adopted Agreement is hereby revised to reflect that Notices should be sent to AT&T Illinois under the MFN Agreement at the following address:

NOTICE CONTACT	<u>AT&T-13STATE CONTACT</u>
NAME/TITLE	Contract Management ATTN: Notices Manager
STREET ADDRESS	311 S. Akard, 9 th Floor Four AT&T Plaza
CITY, STATE, ZIP CODE	Dallas, TX 75202-5398
FACSIMILE NUMBER	214-464-2006

3.0 Clarifications

- 3.1 In entering into this MFN Agreement, the Parties acknowledge and agree that neither Party waives, and each Party expressly reserves, any of its rights, remedies or arguments it may have at law or under the intervening law or regulatory change provisions in this MFN Agreement (including intervening law rights asserted by either Party via written notice as to the Adopted Agreement), with respect to any orders, decisions, legislation or proceedings and any remands by the FCC, state utility commission, court, legislature or other governmental body including, without limitation, any such orders, decisions, legislation, proceedings, and remands which were issued, released or became effective prior to the Effective Date of this MFN Agreement, or which the Parties have not yet fully incorporated into this Agreement or which may be the subject of further government review.
- 3.2 It is AT&T Illinois' position that the MFN Agreement, and every interconnection, service and network element provided hereunder, is subject to all rates, terms and conditions contained in the MFN Agreement, and that all of such provisions are integrally related and non-severable.

IDT America, Corp.

By: *Abilio Pereira*

Printed: Abilio Pereira

Title: CFO, IDT America
(Print or Type)

Date: 04/1/10

Illinois Bell Telephone Company d/b/a AT&T Illinois by
AT&T Operations, Inc., its authorized agent

By: *Eddie A. Reed, Jr.*

Printed: Eddie A. Reed, Jr.

Title: Director-Interconnection Agreements

Date: 5.4.10

REVIEWED
5
LEGAL DEPT.
Date: 4/15/10 Initial: CB

INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE
TELECOMMUNICATIONS ACT OF 1996

**ILLINOIS BELL TELEPHONE COMPANY,
INDIANA BELL TELEPHONE COMPANY INCORPORATED,
MICHIGAN BELL TELEPHONE COMPANY,
NEVADA BELL TELEPHONE COMPANY,
THE OHIO BELL TELEPHONE COMPANY,
PACIFIC BELL TELEPHONE COMPANY,
THE SOUTHERN NEW ENGLAND TELEPHONE COMPANY,
SOUTHWESTERN BELL TELEPHONE COMPANY AND/OR
WISCONSIN BELL, INC. D/B/A AMERITECH WISCONSIN
SUBJECT INDEX**

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Collocation	COLLOCATION-13STATE
Digital Subscriber Line	DSL-13STATE
Direct	DIRECT-13STATE
Directory Assistance	DA-13STATE
Directory Assistance Listing	DAL-13STATE
Emergency Services	911-13STATE
FCC Merger Conditions	FCC MERGER CONDITIONS-13STATE
Feature Group A	FGA-13STATE
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Interconnection Trunking Requirements	ITR-13STATE
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Operator Support Services – Resale and UNE	OSS-13STATE
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Reciprocal Compensation.....	RECIPROCAL COMPENSATION-13STATE
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White Pages	WP-13STATE
Billing, Collection, and Remittance.....	BCR-12STATE
Clearinghouse	CH-12STATE
Hosting.....	HOSTING-12STATE
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Line Information Service	LINE INFORMATION SERVICES-12STATE
Rights-of-Way.....	ROW-5STATE (AMERITECH)
Wireless.....	WIRELESS-4STATE (OKAT)
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Arkansas Poles, Ducts, Conduits, and Rights-of-Way	POLES-AR
Arkansas Pricing	PRICING-AR
Arkansas Pricing Merger Promotion Template	PRICING MERGER-AR
California Ancillary Equipment.....	ANCILLARY EQUIPMENT-CA
California Pricing.....	PRICING-CA
California Pricing Non-Recurring	PRICING NON-RECURRING-CA
California Pricing Recurring.....	PRICING RECURRING-CA
California Pricing Merger Promotion Template.....	PRICING MERGER-CA
California Rights of Way, Conduits, and Poles	ROW-CA
Connecticut Emergency Services Exhibit 1.....	911-CT
Connecticut Meet-Point Billing.....	MPB-CT
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Connecticut Pricing.....	PRICING-CT
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Indiana Pricing	PRICING-IN
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Wisconsin Pricing Merger Promotion Template	PRICING MERGER – WI

**INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252
OF THE TELECOMMUNICATIONS ACT OF 1996**

by and among

**Illinois Bell Telephone Company,
Indiana Bell Telephone Company Incorporated,
Michigan Bell Telephone Company,
The Ohio Bell Telephone Company
Nevada Bell Telephone Company,
Pacific Bell Telephone Company,
The Southern New England Telephone Company,
Southwestern Bell Telephone Company,
Wisconsin Bell, Inc. d/b/a Ameritech
Wisconsin**

and

**New Edge Network, Inc.
d/b/a New Edge Networks**

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**INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE
TELECOMMUNICATIONS ACT OF 1996**

This Interconnection Agreement under Sections 251 and 252 of the Telecommunications Act of 1996 (**the Agreement**), is dated as of March 15, 2000 by and among SBC Communications Inc. covering **Illinois Bell Telephone, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, The Ohio Bell Telephone Company, Nevada Bell Telephone Company (a Nevada corporation), Pacific Bell Telephone Company (a California corporation), The Southern New England Telephone Company (a Connecticut corporation) and Southwestern Bell Telephone Company (a Missouri corporation), Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin,** and, New Edge Network, Inc. d/b/a New Edge Networks (CLEC), (a Delaware corporation), shall apply to the state(s) of Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Ohio, Oklahoma, Nevada and Wisconsin.

WHEREAS, CLEC represents that it is, or intends to become, a provider of Telephone Exchange Service to residential and business End Users offered exclusively over its own Telephone Exchange Service facilities or predominantly over its own Telephone Exchange Service facilities in combination with the use of unbundled Network Elements purchased from other entity(ies) and the resale of Telecommunications Services of other carriers.

WHEREAS, the Parties want to Interconnect their networks at mutually agreed upon points of interconnection to provide, directly or indirectly, Telephone Exchange Services and Exchange Access to residential and business End Users over their respective Telephone Exchange Service facilities in the states which are subject to this Agreement; and

WHEREAS, the Parties are entering into this Agreement to set forth the respective obligations of the Parties and the terms and conditions under which the Parties will Interconnect their networks and facilities and provide to each other services as required by the Telecommunications Act of 1996 as specifically set forth herein; and

WHEREAS, for purposes of this Agreement, CLEC intends to operate where **Illinois Bell Telephone, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, The Ohio Bell Telephone Company, Nevada Bell Telephone Company (a Nevada corporation), Pacific Bell Telephone Company (a California corporation), The Southern New England Telephone Company (a Connecticut corporation) and Southwestern Bell Telephone Company (a Missouri corporation), Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin** are the incumbent Local Exchange Carrier(s) and CLEC, a competitive Local Exchange Carrier, has or, prior to the provisioning of any Interconnection, access to unbundled Network Elements, Telecommunications Services or any other functions, facilities, products or services hereunder, will have been granted authority to provide certain local Telephone Exchange Services in the foregoing ILEC Service areas by the appropriate State Commission(s);

NOW, THEREFORE, the Parties hereby agree as follows:

This Agreement is composed of General Terms and Conditions, which are set forth below, together with certain Appendices, Schedules, Exhibits and Addenda which immediately follow this Agreement, all of which are hereby incorporated in this Agreement by this reference and constitute a part of this Agreement.

GENERAL TERMS AND CONDITIONS

1. DEFINITIONS

[1] Capitalized Terms used in this Agreement shall have the respective meanings specified below in, Section 1.x of each Appendix attached hereto, and/or as defined elsewhere in this Agreement.

1.1 GENERAL DEFINITIONS

- 1.1.1 **“800 Series”** is a Telecommunications Service for business or residence that allows calls to be made to a specific location at no charge to the calling party. Use of the “800” Service Access Code (e.g., 800, 888) denotes calls that are to be billed to the receiving party. A computer database in the provider’s network translates the 800 series number into a conventional 7 or 10 digit phone number for network switching and routing.
- 1.1.2 **“A-link”** means a diverse pair of facilities connecting local end office switching centers with S ignaling Transfer Points.
- 1.1.3 **“Act”** means the Communications Act of 1934 [47 U.S.C. 153(R)], as amended by the Telecommunications Act of 1996, Public Law 104-104, 110 Stat. 56 (1996) codified throughout 47 U.S.C.
- 1.1.4 **“Access Compensation”** is the compensation paid by one Party to the other Party for the origination/termination of intraLATA toll calls to/from its End User. Access compensation is in accordance with the LEC’s tariffed access rates.
- 1.1.5 **“Access Service Request” (ASR)** is an industry standard form used by the Parties to add, establish, change or disconnect trunks for the purposes of Interconnection.
- 1.1.6 **“Accessible Letters”** are correspondence used to communicate pertinent information regarding **SBC-8STATE** to the client/End User community.

- 1.1.7 **“Advanced Services”** means intrastate or interstate wireline Telecommunications Services, such as ADSL, IDSL, xDSL, Frame Relay, Cell Relay and VPOP-Dial Access Service (an SBC Frame Relay-based service) that rely on packetized technology and have the capability of supporting transmissions speeds of at least 56 kilobits per second in both directions. This definition of Advanced Services does not include:
- 1.1.7.1 Data services that are not primarily based on packetized technology, such as ISDN,
 - 1.1.7.2 x.25-based and x.75-based packet technologies, or
 - 1.1.7.3 Circuit switched services (such as circuit switched voice grade service) regardless of the technology, protocols or speeds used for the transmission of such services.
- 1.1.8 **“Affiliate”** is As Defined in the Act.
- 1.1.9 **“Alternate Billing Service (ABS)”** means a service that allows End Users to bill calls to accounts that may not be associated with the originating line. There are three types of ABS calls: calling card, collect and third number billed calls.
- 1.1.10 **AM-IL** - As used herein, **AM-IL** means the applicable SBC owned ILEC doing business in Illinois.
- 1.1.11 **AM-IN** - As used herein, **AM-IN** means the applicable SBC owned ILEC doing business in Indiana.
- 1.1.12 **AM-MI** - As used herein, **AM-MI** means the applicable SBC owned doing business in Michigan.
- 1.1.13 **AM-OH** - As used herein, **AM-OH** means the applicable SBC owned ILEC doing business in Ohio.
- 1.1.14 **AM-WI** - As used herein, **AM-WI** means the applicable SBC owned ILEC doing business in Wisconsin.
- 1.1.15 **“Applicable Law”** means all laws, statutes, common law, regulations, ordinances, codes, rules, guidelines, orders, permits, tariffs and approvals, including those relating to the environment or health and safety, of any Governmental Authority that apply to the Parties or the subject matter of this Agreement.

- 1.1.16 **“As Defined in the Act”** means as specifically defined by the Act.
- 1.1.17 **“As Described in the Act”** means as described in or required by the Act.
- 1.1.18 **“Automatic Route Selection”** or **“ARS”** means a service feature associated with a specific grouping of lines that provides for automatic selection of the least expensive or most appropriate transmission facility for each call based on criteria programmed into the system.
- 1.1.19 **“Automated Message Accounting”** (AMA) is a structure inherent in switch technology that initially records Telecommunication message information. AMA format is contained in the Automated Message Accounting document published by Telcordia (formerly known as Bellcore) as GR-1100-CORE, which defines and amends the industry standard for message recording.
- 1.1.20 **“Billed Number Screening (BNS)”** means a validation of toll billing exception (TBE) data and performance of public telephone checks; i.e., determining if a billed line is a public (including those classified as semi-public) telephone number.
- 1.1.21 **“Bona Fide Request”** (BFR) is the process described in the applicable Appendix UNE.
- 1.1.22 **“Business Day”** means Monday through Friday, excluding holidays on which the applicable SBC ILEC does not provision new retail services and products.
- 1.1.23 **“Busy Line Verification”** (BLV) means a service whereby an End User requests an operator to confirm the busy status of a line.
- 1.1.24 **“CABS”** means the Carrier Access Billing System.
- 1.1.25 **“Calling Card Service”** means a service that enables a calling End User to bill a telephone call to a calling card number with or without the help of an operator.
- 1.1.26 **“Calling Name Database”** means a Party’s database containing current Calling Name Information, including the Calling Name Information of any telecommunications company participating in that Party’s Calling Name Database. A Calling Name Database may be part of, or separate from, a LIDB.

- 1.1.27 **“Calling Name Delivery Service (CNDS)”** means a service that enables a terminating End User to identify the calling party by a displayed name before a call is answered. The calling party’s name is retrieved from a Calling Name Database and delivered to the End User’s premise between the first and second ring for display on compatible End User premises equipment.
- 1.1.28 **“Calling Name Information”** means a Telecommunications Carrier’s records of its End Users names associated with one or more assigned ten-digit telephone numbers.
- 1.1.29 **“Calling Number Delivery”** means a feature that enables an End User to view the directory number of the calling party on a display unit.
- 1.1.30 **“Calling Party Number” (CPN)** means a Signaling System 7 “SS7” parameter whereby the ten (10) digit number of the calling Party is forwarded from the End Office.
- 1.1.31 **“Centralized AMA” (CAMA)** is an arrangement where the AMA equipment is centralized in, for example, a Tandem and is used by offices that do not have LAMA (Local AMA). The End Office Switch must send ANI digits to the CAMA office for billing a calling subscriber.
- 1.1.32 **“Centralized Message Distribution System” (CMDS)** means the transport system that LECs use to exchange outcollect and Carrier Access Billing System “CABS” access messages among each other and other Parties connected to CMDS.
- 1.1.33 **“Central office switch” (Central Office)** is a switching entity within the public switched telecommunications network, including but not limited to:
- 1.1.33.1 **“End Office Switch” or “End Office”** is a switching machine that directly terminates traffic to and receives traffic from purchasers of local exchange services. An End Office Switch does not include a PBX.
- 1.1.33.2 **“Tandem Office Switch” or “Tandem(s)”** are used to connect and switch trunk circuits between and among other Central Office Switches. A Tandem Switch does not include a PBX.
- 1.1.34 **“Charge Number”** is a CCS signaling parameter that refers to the number transmitted through the network identifying the billing number of the calling party.

- 1.1.35 **“CNAM Query”** means a LIDB Service Application that allows CLEC to query a Calling Name Database for Calling Name Information in order to deliver that information to CLEC’s local CNDS subscribers.
- 1.1.36 **“CNAM Query Rate”** means a rate that applies to each CNAM Query received at the SCP where the Calling Name Database resides.
- 1.1.37 **“Collocation”** is As Described in the Act. Terms related to collocation are defined in the applicable Appendix Collocation or applicable collocation tariff, as appropriate.
- 1.1.38 **“Commercial Mobile Radio Services” (CMRS)** means Commercial Mobile Radio Service, As Defined in the Act and FCC rules.
- 1.1.39 **“Commission”** means the applicable State agency with regulatory authority over Telecommunications. Unless the context otherwise requires, use of the term **"Commissions"** means all of the thirteen agencies listed in this Section. The following is a list of the appropriate State agencies:
- 1.1.39.1 **the Arkansas Public Service Commission (AR-PSC);**
 - 1.1.39.2 **the Public Utilities Commission of the State of California (CA-PUC);**
 - 1.1.39.3 **the Connecticut Department of Public Utility Control (CT-DPUC);**
 - 1.1.39.4 **the Illinois Commerce Commission (IL-CC);**
 - 1.1.39.5 **the Indiana Utilities Regulatory Commission (IN-URC);**
 - 1.1.39.6 **the Kansas Corporation Commission (KS-CC);**
 - 1.1.39.7 **the Michigan Public Service Commission (MI-PSC);**
 - 1.1.39.8 **the Missouri Public Service Commission (MO-PSC);**
 - 1.1.39.9 **the Public Utilities Commission of Nevada (NV-PUC);**
 - 1.1.39.10 **the Public Utilities Commission of Ohio (PUC-OH);**
 - 1.1.39.11 **the Oklahoma Corporation Commission (OK-CC);**

- 1.1.39.12 **the Public Utility Commission of Texas (PUC-TX); and**
1.1.39.13 **the Public Service Commission of Wisconsin (PSC-WI)**
- 1.1.40 **“Common Channel Signaling” (CCS)** means an out-of-band, packet-switched, signaling network used to transport supervision signals, control signals, and data messages. It is a special network, fully separate from the transmission path of the public switched network. Unless otherwise agreed by the Parties, the CCS protocol used by the Parties shall be SS7.
- 1.1.41 **“Common Language Location Identifier” (CLLI)** codes provide a unique 11-character representation of a network interconnection point. The first 8 characters identify the city, state and building location, while the last 3 characters identify the network component.
- 1.1.42 **“ConnNET”** is a CT packet switching network used for data communication to and from hosts and databases.
- 1.1.43 **“Consequential Damages”** means Losses claimed to have resulted from any indirect, incidental, reliance, special, consequential, punitive, exemplary, multiple or any other Loss, including damages claimed to have resulted from harm to business, loss of anticipated revenues, savings, or profits, or other economic Loss claimed to have been suffered not measured by the prevailing Party's actual damages, and regardless of whether the Parties knew or had been advised of the possibility that such damages could result in connection with or arising from anything said, omitted, or done hereunder or related hereto, including willful acts or omissions.
- 1.1.44 **“Control Office”** means the Central Office providing Tandem Switching Capability for E-9-1-1 calls. The Control Office controls switching of ANI information to the PSAP and also provides the Selective Routing feature, standard speed calling features, call transfer capability and certain maintenance functions for each PSAP.
- 1.1.45 **“Customer Usage Data”** means the Telecommunications Services usage data of a CLEC End User measured in minutes, sub-minute increments, message units, or otherwise, that is recorded by **SBC-ILEC** and forwarded to CLEC.
- 1.1.46 **“Custom Local Area Signaling Service Features” (CLASS Features)** means certain Common Channel Signaling based features available to End Users, including: Automatic Call Back; Call Trace; Distinctive Ringing/Call Waiting; Selective Call Forward; and Selective Call Rejection.

- 1.1.47 **“Customer Name and Address Information” (CNA)** means the name, service address and telephone numbers of a Party’s End Users for a particular Exchange Area. CNA includes nonpublished listings, coin telephone information and published listings.
- 1.1.48 **“Data Base Administration Center” (DBAC)** means an SBC-ILEC location where facility and administrative personnel are located for administering LIDB and/or Sleuth.
- 1.1.49 **“Database Administrative Service LIDB Operating Guidelines” (Operating Guidelines)** means the document developed by SNET that provides detailed instructions as to the working parameters of SNET’s provision of the LIDB Administrative System to CLEC, as may be updated by SNET from time to time. SNET shall provide such Operating Guidelines to CLEC upon execution of this Agreement.
- 1.1.50 **“Data Interexchange Carrier” (DIXC)** is a process designed to facilitate the reciprocal exchange of voice traffic load data between the SBC-7STATE and CLECs interconnecting with its network. This reciprocal exchange of data enables SBC-7STATE and each CLEC to have a complete view of traffic loads on both ends of two-way trunk groups. The knowledge of call attempt and overflow data counts on both ends of a two-way trunk group enables each company to more accurately estimate the offered, and thereby better estimate, the required quantities of trunks.
- 1.1.51 **“Designated Central Office Document” (Document DCO)** is a document that is referenced in SBC-12STATE Appendix NIM. The purpose of the DCO is to document the physical architectural plan for interconnection and specifies the CLEC Central Offices, CLEC Routing Points, Activation Dates, the POI(s) and the applicable SBC-12STATE Central Offices.
- 1.1.52 **“Delaying Event”** means (a) any failure of a Party to perform any of its obligations set forth in this Agreement, caused in whole or in part by:
- 1.1.52.1 the failure of the other Party to perform any of its obligations set forth in this Agreement, including but not limited to a Party’s failure to provide the other Party with accurate and complete Service Orders;
 - 1.1.52.2 any delay, act or failure to act by the other Party or its End User, agent or subcontractor; or
 - 1.1.52.3 any Force Majeure Event.

- 1.1.53 **“Dialing Parity”** is As Defined in the Act. As used in this Agreement, Dialing Parity refers to both Local Dialing Parity and Toll Dialing Parity
- 1.1.54 **“Digital Cross Connect Panel” (DSX Panel)** means a cross-connect bay or panel used for the termination of equipment and facilities operating at digital rates.
- 1.1.55 **“Digital Signal Level”** is one of several transmission rates in the time-division multiplex hierarchy.
- 1.1.55.1 **“Digital Signal Level 0” (DS-0)** is the 64 Kbps zero-level signal in the time-division multiplex hierarchy.
- 1.1.55.2 **“Digital Signal Level 1” (DS-1)** is the 1.544 Mbps first-level signal in the time-division multiplex hierarchy.
- 1.1.55.3 **“Digital Signal Level 3” (DS-3)** is the 44.736 Mbps third-level signal in the time-division multiplex hierarchy.
- 1.1.56 **“Digital Subscriber Line” (DSL)** is as defined in the applicable Appendix DSL and/or the applicable tariff, as appropriate.
- 1.1.57 **“Electronic File Transfer”** is any system or process that utilizes an electronic format and protocol to send or receive data files.
- 1.1.58 **“End Users”** means a third-party residence or business that subscribes to Telecommunications Services provided by any of the Parties at retail. As used herein, the term "End Users" does not include any of the Parties to this Agreement with respect to any item or service obtained under this Agreement.
- 1.1.59 **“Enhanced LECLink”** is a customer access service to the national distribution of billing records via Telcordia’s Centralized Message Distribution System (CMDS).
- 1.1.60 **“Enhanced Service Provider” (ESP)** is a provider of enhanced services as those services are defined in 47 CFR Section 64.702.
- 1.1.61 **“Exchange Access”** is As Defined in the Act.
- 1.1.62 **“Exchange Area”** means an area, defined by the Commission, for which a distinct local rate schedule is in effect.

- 1.1.63 **“Exchange Message Interface” (EMI)** (formerly Exchange Message Record - EMR) is the standard used for exchange of Telecommunications message information among Telecommunications Carriers for billable, non-billable, sample, settlement and study data. EMI format is contained in Telcordia Practice BR-010-200-010, CRIS Exchange Message Record.
- 1.1.64 **“Exchange Service”** means Telephone Exchange Service, As Defined in the Act.
- 1.1.65 **“Feature Group A” (FGA)** means calls either originated by, or delivered to, an End User who has purchased switched access FGA service from the interstate or intrastate tariffs of either Party. FGA also includes, but is not limited to, FGA-like services provided by either Party, where calls are originated from and/or delivered to numbers which are assigned to a Rate Center within one LATA but where the Party receiving the call is physically located in a LATA different than the LATA of the Party originating the call. The intercarrier compensation mechanism as well as additional definitions for FGA are specified in the appropriate Appendix FGA.
- 1.1.66 **“Feature Group D” (FG-D)** is access available to all customers, providing trunk side access to a Party’s End Office Switches with an associated uniform 101XXXX access code for customer’s use in originating and terminating communications.
- 1.1.67 **“FCC”** means the Federal Communications Commission.
- 1.1.68 **“Fiber Meet”** means an Interconnection architecture method whereby the Parties physically interconnect their networks via an optical fiber interface (as opposed to an electrical interface) at a mutually agreed upon location, at which one Party’s responsibility or service begins and the other Party’s responsibility ends.
- 1.1.69 **“Foreign Exchange” (FX)** means a service whereby calls either originated by or delivered to a customer who has purchased FX service from the state or interstate tariffs of either Party. FX also includes, but is not limited to, FX-like services provided by either Party where calls are originated from and/or delivered to numbers which are assigned to a Rate Center within one local calling area but where the Party receiving the call is physically located outside of that local calling area. FX service can be either interLATA or intraLATA. InterLATA FX, where the originating and receiving parties are physically located in different LATAs, is considered equivalent to FGA and the intercarrier compensation mechanism is the same as FGA. IntraLATA FX, when

provided by two or more local exchange carriers “LECs”, is considered a jointly provided service and meet-point billed by those providing it utilizing a mutually agreed to meet-point billing, or meet-point billing like procedure.

- 1.1.70 **“Governmental Authority”** means any federal, state, local, foreign, or international court, government, department, commission, board, bureau, agency, official, or other regulatory, administrative, legislative, or judicial authority with jurisdiction over the subject matter at issue.
- 1.1.71 **“Group Record”** means information in LIDB and/or the LIDB administrative system that is common to all telephone numbers in an NPA-NXX or all Special Billing Numbers in an NPA-0/1XX.
- 1.1.72 **“Incumbent Local Exchange Carrier” (ILEC)** is As Defined in the Act.
- 1.1.73 **“Initial Billing Company” (IBC)** refers to the LEC that provides Feature Group B or D services at an End Office.
- 1.1.74 **“Intellectual Property”** means copyrights, patents, trademarks, trade secrets, mask works and all other intellectual property rights.
- 1.1.75 **“Integrated Digital Loop Carrier”** means a subscriber loop carrier system that is twenty-four (24) local Loop transmission paths combined into a 1.544 Mbps digital signal which integrates within the switch at a DS1 level.
- 1.1.76 **“Integrated Services Digital Network” (ISDN)** means a switched network service that provides end-to-end digital connectivity for the simultaneous transmission of voice and data. Basic Rate Interface-ISDN (BRI-ISDN) provides for a digital transmission of two 64 Kbps bearer channels and one 16 Kbps data channel (2B+D).
- 1.1.77 **“Interconnection”** is As Defined in the Act.
- 1.1.78 **“Interconnection Activation Date”** is the date that the construction of the joint facility Interconnection arrangement has been completed, trunk groups have been established, joint trunk testing is completed and trunks have been mutually accepted by the Parties.
- 1.1.79 **“Interexchange Carrier” (IXC)** means a carrier that provides, directly or indirectly, interLATA or intraLATA Telephone Toll Services.
- 1.1.80 **“InterLATA”** is As Defined in the Act.

- 1.1.81 **“Intermediate Distribution Frame” (IDF)** is a second frame that augments an existing Main Distribution Frame. Lines or outside cables do not terminate on the IDF.
- 1.1.82 **“Internet Service Provider” (ISP)** is an Enhanced Service Provider that provides Internet Services, and is defined in paragraph 341 of the FCC’s First Report and Order in CC Docket No. 97-158.
- 1.1.83 **“Inter-wire Center Transport”** means the transmission facilities between serving wire centers.
- 1.1.84 **“IntraLATA Toll Traffic”** means the IntraLATA traffic between two locations within one LATA where one of the locations lies outside of the normal local calling area as defined by the applicable Commission.
- 1.1.85 **“Jurisdictional Identification Parameter” (JIP)** is an existing six (6) digit (NPA-NXX) field in the SS7 message. This field designates the first point of switching. (JIP is applicable to **SBC-SWBT** only)
- 1.1.86 **“LIDB/AS”** means the LIDB administrative system for **SNET**.
- 1.1.87 **“LIDB Editor”** means an SCP tool that bypasses the LIDB administrative system and provides emergency access to LIDB for data administration.
- 1.1.88 **“Line Information Data Base” (LIDB)** means a transaction-oriented database system that functions as a centralized repository for data storage and retrieval. LIDB is accessible through CCS networks. LIDB contains records associated with End User line numbers and special billing numbers. LIDB accepts queries from other network elements and provides return result, return error, and return reject responses as appropriate. Examples of information that Data Owners might store in LIDB and in their Line Records are: ABS Validation Data, Originating Line Number Screening (OLNS) data, ZIP Code data, and Calling Name Information.
- 1.1.89 **“LIDB Service Applications”** means the query types accepted for access to LIDB information.
- 1.1.90 **“Line Record”** means information in LIDB and/or the LIDB administrative system that is specific to a single telephone number or Special Billing Number.

- 1.1.91 **“Line Side”** refers to End Office switch connections that have been programmed to treat the circuit as a local line connected to a terminating station (e.g., an ordinary subscriber’s telephone station set, a PBX, answering machine, facsimile machine or computer). Line Side connections offer only those transmission and signal features appropriate for a connection between an End Office and such terminating station.
- 1.1.92 **“Line Validation Administration System” (LVAS)** means the LIDB administrative system for **SBC-SWBT**.
- 1.1.93 **“Local Access Transport Area” (LATA)** is As Defined in the Act.
- 1.1.94 **“Local Exchange Carrier” (LEC)** is As Defined in the Act.
- 1.1.95 **“Local Exchange Routing Guide” (LERG)** is a Telcordia Reference document used by Telecommunications Carriers to identify NPA-NXX routing and homing information as well as Network element and equipment designations.
- 1.1.96 **“Local Calls”**, for purposes of intercarrier compensation, is traffic where all calls are within the same common local and common mandatory local calling area, i.e., within the same or different SBC Exchange(s) that participate in the same common local mandatory local calling area approved by the applicable state Commission. Local Calls must actually originate and actually terminate to parties physically located within the same common local or common mandatory local calling area.
- 1.1.97 **“Local Interconnection Trunk/Trunk Groups”** are used for the termination of Local Exchange Traffic, pursuant to Telcordia Technical Reference GR-317-CORE “GR-317.”
- 1.1.98 **“Local Loop Transmission”, “Unbundled Local Loop”, “Loop”** means the transmission path which extends from the Network Interface Device or demarcation point at an End User’s premise to the Main Distribution Frame or other designated frame or panel in the **SBC-AMERITECH** Serving Wire Center.
- 1.1.99 **“Local Number Portability”** means the ability of users of Telecommunications Services to retain, at the same location, the presence of a previously existing telephone number(s).
- 1.1.100 **“Location Routing Number” (LRN)** is a ten (10) digit number that is assigned to the network switching elements (Central Office – Host and Remotes as required) for the routing of calls in the network. The first

six (6) digits of the LRN will be one of the assigned NPA NXX of the switching element. The purpose and functionality of the last four (4) digits of the LRN have not yet been defined but are passed across the network to the terminating switch.

- 1.1.101 **“Local Service Provider” (LSP)** is the LEC that provides retail local Exchange Service to an End User. The LSP may or may not provide any physical network components to support the provision of that End User’s service.
- 1.1.102 **“Loop”** is a transmission path between the Minimum Point of Presence/Entry (MPOP/E) at any End User location and the Main Distribution Frame (MDF) or Digital Crossconnect Bay (DSX-1) of the **SNET** designated serving wire centers.
- 1.1.103 **“Loss”** or **“Losses”** means any and all losses, costs (including court costs), claims, damages (including fines, penalties, and criminal or civil judgments and settlements), injuries, liabilities and expenses (including attorneys’ fees).
- 1.1.104 **“Main Distribution Frame” (MDF)** is a termination frame for outside facility and inter-exchange office equipment at the central office for DS-0 and DSL services.
- 1.1.105 **“MECAB”** refers to the Multiple Exchange Carrier Access Billing document prepared by the Billing Committee of the Ordering and Billing Forum “OBF”, which functions under the auspices of the Carrier Liaison Committee “CLC of the Alliance for Telecommunications Industry Solutions “ATIS”. The MECAB document, published by ATIS as ATIS/OBF- MECAB- Issue 6, February 1998, contains the recommended guidelines for the billing of access services provided to an IXC by two or more LECs, or by one LEC in two or more states within a single LATA.
- 1.1.106 **“MECOD”** refers to the Multiple Exchange Carriers Ordering and Design Guidelines for Access Services - Industry Support Interface, a document developed by the Ordering/Provisioning Committee of the OBF, which functions under the auspices of the CLC of ATIS. The MECOD document, published by ATIS as ATIS/OBF- MECAB- Issue 3, February 1993, establishes methods for processing orders for access service which is to be provided to an IXC by two or more telecommunications providers.
- 1.1.107 **“Meet-Point Billing” (MPB)** refers to the billing associated with interconnection of facilities between two or more LECs for the routing

of traffic to and from an IXC with which one of the LECs does not have a direct connection. In a multi-bill environment, each Party bills the appropriate tariffed rate for its portion of a jointly provided Switched Exchange Access Service.

- 1.1.108 **“Meet-Point Trunks/Trunk Groups” (MPTGs)** are used for the joint provision of Switched Access services, pursuant to Telcordia Technical References GR-394-CORE “GR-394” and GR-317-CORE “GR-317”. MPTGs are those between a local End Office and an Access Tandem as described in FSD 20-24-0000 and 20-24-0300.
- 1.1.109 **“Mid-Point Meet”** is as defined in the appropriate Appendix NIM. The facility hand off point may differ from the billing point of interconnection.
- 1.1.110 **“Mid-Span Meet”** is an interconnection between two LECs whereby each provides its own cable and equipment up to the meet point of the cable facilities. The meet point is the demarcation establishing ownership of and responsibility for each LEC’s portion of the transmission facility.
- 1.1.111 **“Multiple Bill/Single Tariff”** is the meet-point billing method where each LEC prepares and renders its own meet point bill to the IXC in accordance with its own tariff for that portion of the jointly provided Switched Access Service which that LEC provides. The MECAB documents refer to this method as Multiple Bill/reflecting a single tariff (MM).
- 1.1.112 **“Mutual Compensation”** is the compensation agreed upon by the Parties for those “Local Calls” that originate on one network and terminate on the other network.
- 1.1.113 **“Network Data Mover” (NDM)** is an industry standard protocol for transferring information electrically.
- 1.1.114 **“Network Element”** is As Defined in the Act.
- 1.1.115 **“North American Numbering Plan” (NANP)** A numbering architecture in which every station in the NANP Area is identified by a unique ten-digit address consisting of a three-digit NPA code, a three digit central office code of the form NXX, and a four-digit line number of the form XXXX.
- 1.1.116 **“Numbering Plan Area” (NPA)** also called area code. An NPA is the 3-digit code that occupies the A, B, C positions in the 10-digit NANP

format that applies throughout the NANP Area. NPAs are of the form NXX, where N represents the digits 2-9 and X represents any digit 0-9. In the NANP, NPAs are classified as either geographic or non-geographic. a) Geographic NPAs are NPAs which correspond to discrete geographic areas within the NANP Area. b) Non-geographic NPAs are NPAs that do not correspond to discrete geographic areas, but which are instead assigned for services with attributes, functionalities, or requirements that transcend specific geographic boundaries. The common examples are NPAs in the N00 format, e.g., 800.

- 1.1.117 **“Number Portability”** is As Defined in the Act.
- 1.1.118 **“NXX” or “Central Office Code”** is the three-digit switch entity indicator that is defined by the fourth through sixth digits of a 10-digit telephone number within the NANP. Each NXX Code contains 10,000 station numbers.
- 1.1.119 **“Ordering and Billing Forum” (OBF)** is a forum comprised of local telephone companies and inter-exchange carriers whose responsibility is to create and document Telecommunication industry guidelines and standards.
- 1.1.120 **“Originating Line Information” (OLI)** is an SS7 Feature Group D signaling parameter which refers to the number transmitted through the network identifying the billing number of the calling Party. (OLI is applicable to **SBC-SWBT** only).
- 1.1.121 **“Originating Point Code” (OPC)** means a code assigned to identify CLEC’s system(s) that originate SS7 messages, including LIDB Service Queries.
- 1.1.122 **“Party”** means either CLEC or **SBC** use of the term. “Party” includes each of the ILECs that is a party to this Agreement. **“Parties”** means both CLEC and **SBC**; use of the term “Parties” includes each of the ILECs that is a party to this Agreement.
- 1.1.123 **“Permanent Number Portability” (PNP)** is a long-term method of providing LNP using LRN.
- 1.1.124 **“Physical Collocation”** is as defined in applicable Appendix Collocation or applicable tariff, where applicable.
- 1.1.125 **“Plain Old Telephone Service” (POTS)** means telephone service for the transmission of human speech.

- 1.1.126 **“Point of Interconnection” (POI)** is a physical location at which the Parties’ networks meet for the purpose of establishing Interconnection. POIs include a number of different technologies and technical interfaces based on the Parties’ mutual agreement.
- 1.1.127 **“Port”** is the point of interface/access connection to the **SNET** public switched network. This may be a switch line side interface or switch trunk side interface.
- 1.1.128 **“Rate Center Area”** means the specific geographic point that has been designated by a given LEC as being associated with a particular NPA-NXX code that has been assigned to the LEC for its provision of Telephone Exchange Service. The Rate Center is the finite geographic point identified by a specific V&H coordinate, which is used by that LEC to measure, for billing purposes, distance sensitive transmission services associated with the specific Rate Center.
- 1.1.129 **“Rating Point”** means the V&H coordinates associated with a particular telephone number for rating purposes.
- 1.1.130 **“Reference of Calls”** refers to a process by which calls are routed to an announcement that states the new telephone number of an End User.
- 1.1.131 **“Routing Point”** is a location which a LEC has designated on its own network as the homing or routing point for traffic inbound to Exchange Service provided by the LEC which bears a certain NPA-NXX designation. The Routing Point is employed to calculate mileage measurements for the distance-sensitive transport element charges of Switched Access services. The Routing Point need not be the same as the Rating Point, nor must it be located within the Rate Center area, but must be in the same LATA as the NPA-NXX.
- 1.1.132 **SBC Communications Inc. (SBC)** means the holding company which owns the following ILECs: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, Nevada Bell Telephone Company, The Ohio Bell Telephone Company, Pacific Bell Telephone Company, The Southern New England Telephone Company, Southwestern Bell Telephone Company, and/or Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin.
- 1.1.133 **SBC-AMERITECH** - As used herein, **SBC-AMERITECH** means the applicable SBC owned ILEC(s) doing business in Illinois, Indiana, Michigan, Ohio, and Wisconsin.

- 1.1.134 **SBC-7STATE** - As used herein, **SBC-7STATE** means the applicable SBC owned ILEC(s) doing business in Arkansas, California, Kansas, Missouri, Nevada, Oklahoma, and Texas.
- 1.1.135 **SBC-8STATE** - As used herein, **SBC-8STATE** means the applicable SBC owned ILEC(s) doing business in Arkansas, California, Connecticut, Kansas, Missouri, Nevada, Oklahoma, and Texas.
- 1.1.136 **SBC-10STATE** - As used herein, **SBC-10STATE** means an the applicable SBC owned ILEC(s) doing business in Arkansas, Illinois, Indiana, Kansas, Michigan, Missouri, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.1.137 **SBC-12STATE** - As used herein, **SBC-12STATE** means the applicable SBC owned ILEC(s) doing business in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.1.138 **SBC-ILEC** - As used herein, **SBC-ILEC** means the applicable SBC owned ILEC(s) doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.1.139 **“Service Control Point” (SCP)** is the node in the common channel signaling network that accepts Queries for certain Database services. The SCP is a real time database system that receives Queries from service platforms, performs subscriber or application-specific service logic, and then sends a Response back to the Query-originating platform. Such service platforms can be Service Switching Points (SSPs) or other network nodes capable of properly formatting and launching Queries.
- 1.1.140 **“Service Management System” (SMS)** means an off-line system used to access, create, modify, or update information in a Database.
- 1.1.141 **“Service Provider Number Portability” (SPNP)** is synonymous with Permanent Number Portability “PNP”.
- 1.1.142 **“Service Switching Point” (SSP)** is a telephone central office switch equipped with a Signaling System 7 (SS7) interface.
- 1.1.143 **“Serving Wire Center” (SWC)** is the location of one or ore local switching systems. A point at which End User’s loops within a defined geographic area converge. Such local loops may be served by one (1) or more Central Office Switches within such premises..

- 1.1.144 **“Signaling System 7” (SS7)** means a signaling protocol used by the CCS Network.
- 1.1.145 **“Signal Transfer Point” (STP)** performs a packet switching function that routes signaling messages among Service Switching Points (SSP), Service Control Points (SCP), Signaling Points (SP), and other STPs in order to set up calls and to query databases for Advanced Services.
- 1.1.146 **“Sleuth”** means an off-line administration system that monitors suspected occurrences of ABS-related fraud.
- 1.1.147 **“Special Billing Number” SBN** means a Line Record in LIDB that is based on an NXX-o/1XX numbering format. NXX-0/1XX numbering formats are similar to NPA-NXX formats except that the fourth digit of an SBN is either a zero (0) or a one (1).
- 1.1.148 **“State Abbreviation”** means the following:
- 1.1.148.1 “AR” means Arkansas
 - 1.1.148.2 “CA” means California
 - 1.1.148.3 “CT” means Connecticut
 - 1.1.148.4 “IL” means Illinois
 - 1.1.148.5 “IN” means Indiana
 - 1.1.148.6 “KS” means Kansas
 - 1.1.148.7 “MI” means Michigan
 - 1.1.148.8 “MO” means Missouri
 - 1.1.148.9 “NV” means Nevada
 - 1.1.148.10 “OH” means Ohio
 - 1.1.148.11 “OK” means Oklahoma
 - 1.1.148.12 “TX” means Texas
 - 1.1.148.13 “WI” means Wisconsin
- 1.1.149 **“Subsequent Billing Company”** refers to **SNET** when it provides a segment of transport or switching services in connection with Feature Group B or D switched access service. (For purposes of this Agreement, the Tandem operator is the Subsequent Billing Company.)
- 1.1.150 **SWBT-AR** - As used herein, **SWBT-AR** means the applicable SBC owned ILEC doing business in Arkansas.
- 1.1.151 **SWBT-KS** - As used herein, **SWBT-KS** means the applicable SBC owned ILEC doing business in Kansas.
- 1.1.152 **SWBT-MO** - As used herein, **SWBT-MO** means the applicable SBC owned ILEC doing business in Missouri.

- 1.1.153 **SWBT-OK** - As used herein, **SWBT-OK** means the applicable SBC owned ILEC doing business in Oklahoma.
- 1.1.154 **SWBT-TX** - As used herein, **SWBT-TX** means the applicable SBC owned ILEC doing business in Texas.
- 1.1.155 **“Switched Access Detail Usage Data”** means a category 1101xx record as defined in the EMR Telecordia Practice BR 010-200-010.
- 1.1.156 **“Switched Exchange Access Service”** means the offering of transmission or switching services to Telecommunications Carriers for the purpose of the origination or termination of telephone toll service. Switched Exchange Access Services include: Feature Group A, Feature Group B, Feature Group D, 800/888 access, and 900 access and their successors or similar Switched Exchange Access Services.
- 1.1.157 **“Synchronous Optical Network” (SONET)** is an optical interface standard that allows inter-networking of transmission products from multiple vendors. The base rate is 51.84 Mbps (“OC-1/STS-1”) and higher rates are direct multiples of the base rate, up to 13.22 Gbps.
- 1.1.158 **“Tape Load Facility”** means data entry points at the LIDB administrative system and/or the SCPs where LIDB resides.
- 1.1.159 **“Telecommunications”** is As Defined in the Act.
- 1.1.160 **“Telecommunications Carrier”** is As Defined in the Act.
- 1.1.161 **“Telecommunications Service”** is As Defined in the Act.
- 1.1.162 **“Telephone Exchange Service”** is As Defined in the Act.
- 1.1.163 **“Telephone Toll Service”** is As Defined in the Act.
- 1.1.164 **“Toll Billing Exception Service” (TBE)** means a service that allows End Users to restrict third number billing or collect calls to their lines.
- 1.1.165 **“Toll Free Service”** is service provided with any dialing sequence that invokes toll-free, 800-like, service processing, for example for illustration only, 800 or 800-like services. Toll Free Service includes but is not limited to calls placed to 800/888 NPA Service Access Codes (SAC).

- 1.1.166 **“Translation Type”** means a code in the Signaling Connection Control Part (SCCP) of the SS7 signaling message. Signal Transfer Points (STPs) use Translation Types to identify the routing table used to route a LIDB query. All LIDB queries that use the same Translation Type are routed to the same LIDB for a particular Line Record or, prior to number portability, for a particular NPA-NXX.
- 1.1.167 **“Trunk”** means a communication line between two switching systems.
- 1.1.168 **“Trunk-Side”** refers to a Central Office Switch connection that is capable of, and has been programmed to treat the circuit as connecting to another switching entity (for example another Central Office switch). Trunk-Side connections offer those transmission and signaling features appropriate for the connection of switching entities and cannot be used for the direct connection of ordinary telephone station sets.
- 1.1.169 **“Universal Digital Loop Carrier” (UDLC)** describes a DLC system that has a Central Office terminal channel bank that is connected to the CO switches on the analog side.
- 1.1.170 **“Wire Center”** is the location of one or more local switching systems. A point at which End User’s loops within a defined geographic area converge. Such local loops may be served by one (1) or more Central Office Switches within such premises.

2. INTERPRETATION, CONSTRUCTION AND SEVERABILITY

2.1 Definitions

- 2.1.1 For purposes of this Agreement, certain terms have been defined in this Agreement to encompass meanings that may differ from, or be in addition to, the normal connotation of the defined word. Unless the context clearly indicates otherwise, any term defined or used in the singular will include the plural. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation” and/or “but not limited to”. The words “will” and “shall” are used interchangeably throughout this Agreement and the use of either connotes a mandatory requirement. The use of one or the other will not mean a different degree of right or obligation for either Party. A defined word intended to convey its special meaning is capitalized when used. Other terms that are capitalized and not defined in this Agreement will have the meaning in the Act, or in the absence of their inclusion in the Act, their customary usage in the Telecommunications industry as of the Effective Date.

2.2 Headings Not Controlling

2.2.1 The headings and numbering of Sections, Parts, Appendices Schedules and Exhibits to this Agreement are for convenience only and shall not be construed to define or limit any of the terms herein or affect the meaning or interpretation of this Agreement.

2.2.2 This Agreement incorporates a number of Appendices which, together with their associated Attachments, Exhibits, Schedules and Addenda, constitute the entire Agreement between the Parties. In order to facilitate use and comprehension of the Agreement, the Appendices have been grouped under broad headings. It is understood that these groupings are for convenience of reference only, and are not intended to limit the applicability that any particular appendix, attachment, exhibit, schedule or addenda may otherwise have.

2.3 Referenced Documents

2.3.1 Unless the context shall otherwise specifically require, and subject to **Section 21**, whenever any provision of this Agreement refers to a technical reference, technical publication, CLEC Practice, **SBC-ILEC** Practice, any publication of telecommunications industry administrative or technical standards, or any other document specifically incorporated into this Agreement (collectively, a “**Referenced Instrument**”), it will be deemed to be a reference to the then-current version or edition (including any amendments, supplements, addenda, or successors) of each Referenced Instrument that is in effect, and will include the then-current version or edition (including any amendments, supplements, addenda, or successors) of any other Referenced Instrument incorporated by reference therein.

2.4 References

2.4.1 References herein to Sections, Paragraphs, Exhibits, Parts, Schedules, and Appendices shall be deemed to be references to Sections, Paragraphs and Parts of, and Exhibits, Schedules and Appendices to, this Agreement unless the context shall otherwise require.

2.5 Tariff References

2.5.1 Wherever any Commission ordered tariff provision or rate is cited or quoted herein, it is understood that said cite encompasses any revisions or modifications to said tariff.

2.5.2 Wherever any Commission ordered tariff provision or rate is incorporated, cited or quoted herein, it is understood that said incorporation or reference applies only to the entity within the state whose Commission ordered that tariff.

2.6 Conflict in Provisions

2.6.1 In the event of a conflict between the provisions of this Agreement and the Act, the provisions of the Act shall govern.

2.6.2 If any definitions, terms or conditions in any given Appendix, Attachment, Exhibit, Schedule or Addenda differ from those contained in the main body of this Agreement, those definitions, terms or conditions will supersede those contained in the main body of this Agreement, but only in regard to the services or activities listed in that particular Appendix, Attachment, Exhibit, Schedule or Addenda. In particular, if an Appendix contains a Term length that differs from the Term length in the main body of this Agreement, the Term length of that Appendix will control the length of time that services or activities are to occur under that Appendix, but will not affect the Term length of the remainder of this Agreement.

2.6.3 In **SNET** only, in the event of a conflict between any provision in this Agreement and any provision in the DPUC-ordered tariffs covering the services that are the subject of this Agreement with **SNET**, such DPUC-ordered tariffs will prevail.

2.7 Joint Work Product

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

2.8 Severability

2.8.1 If any provision of this Agreement is rejected or held to be illegal, invalid or unenforceable, each Party agrees that such provision shall be enforced to the maximum extent permissible so as to effect the intent of the Parties, and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby. If necessary to effect the intent of the Parties, the Parties shall negotiate in good faith to amend this Agreement to replace the unenforceable language with enforceable language that reflects such intent as closely as possible. The Parties negotiated the terms and conditions of this Agreement for Interconnection, services and Network Elements as a total arrangement

and it is intended to be nonseverable.

2.9 Incorporation by Reference

2.9.1 The General Terms and Conditions of this Agreement, and every Interconnection, Resale Service Network Element, function, facility, product or service provided hereunder, shall be subject to all rates, terms and conditions contained in the Appendices to this Agreement which are legitimately related to such Interconnection, Resale Service, Network Element, function, facility, product or service; and all such rates, terms and conditions are incorporated by reference herein and deemed a part of every Interconnection, Resale Service, Network Element, function, facility, product or service provided hereunder. Without limiting the general applicability of the foregoing, the following terms and conditions of the General Terms and Conditions are specifically agreed by the Parties to be legitimately related to, and to be applicable to, each Interconnection, Resale Service, Network Element, function, facility, product or service provided hereunder: definitions; interpretation, construction and severability; notice of changes; general responsibilities of the Parties; effective date, term and termination; fraud; deposits; billing and payment of charges; non-payment and procedures for disconnection; dispute resolution; audits; disclaimer of representations and warranties; limitation of liability; indemnity; remedies; intellectual property; publicity and use of trademarks and service marks; no license; confidentiality; intervening law; governing law; regulatory approval; changes in End User local exchange service provider selection; compliance and certification; law enforcement; relationship of the Parties/independent contractor; no third Party beneficiaries, disclaimer of agency; assignment; subcontracting; hazardous substances and responsibility for environmental contamination; force majeure; taxes; non-waiver; network maintenance and management; customer inquiries; expenses; conflict of interest; survival; scope of agreement; amendments and modifications; and entire agreement.

2.10 Non-Voluntary Provisions

2.10.1 This Agreement incorporates certain rates, terms and conditions that were not voluntarily negotiated by **SBC-ILEC**, but instead resulted from determinations made in arbitrations under Section 252 of the Act or from other requirements of regulatory agencies or state law (individually and collectively, a "Non-Voluntary Arrangement"). **SBC-ILEC** has identified some, but not all, of the Non-Voluntary Arrangements contained in this Agreement, by designating such provisions with asterisks. If any Non-Voluntary Arrangement is modified as a result of any order or finding by the FCC, the appropriate Commission or a court of competent jurisdiction, any Party may, by providing written notice to the other Party, require that

any affected Non-Voluntary Arrangement (and any related rates, terms and conditions) be deleted or renegotiated, as applicable, in good faith and this Agreement amended accordingly. If such modifications to this Agreement are not executed within sixty (60) days after the date of such notice, a Party may pursue its rights under Section 10.

2.10.2 The Parties acknowledge that the Non-Voluntary Arrangements contained in this Agreement shall not be available in any state other than the state that originally imposed/required such Non-Voluntary Arrangement. By way of example only, the Parties acknowledge that the PUCO's imposition in Ohio of the Minimum Telephone Service Standards (and all terms and conditions relating thereto) shall not apply in or be "portable to" any state other than Ohio.

2.11 State-Specific Rates, Terms and Conditions

2.11.1 For ease of administration, this multistate Agreement contains certain specified rates, terms and conditions which apply only in a designated state. To the extent that this Agreement contains specified rates, terms and conditions which apply only in a given state, such rates, terms and conditions shall not apply and shall have no effect in any other state(s) to which this Agreement is submitted for approval under Section 252(e) of the Act.

2.11.2 **Successor Rates.** Certain of the rates, prices and charges set forth in the applicable Appendix Pricing have been established by the appropriate Commissions in cost proceedings or dockets initiated under or pursuant to the Act. If during the Term that Commission or the FCC changes a rate, price or charge in an order or docket that applies to any of the Interconnection, Resale Services, Network Elements, functions, facilities, products and services available hereunder, the Parties agree to amend this Agreement to incorporate such new rates, prices and charges, with such rates, prices and charges to be effective as of the date specified in such order or docket (including giving effect to any retroactive application, if so ordered). If either Party refuses to execute an amendment to this Agreement within sixty (60) days after the date of such order or docket, the other Party may pursue its rights under Section 10.

2.12 Scope of Obligations

2.12.1 Notwithstanding anything to the contrary contained herein, **SBC-ILEC's** obligations under this Agreement shall apply only to:

- 2.12.1 the specific operating area(s) or portion thereof in which **SBC-ILEC** is then deemed to be the ILEC under the Act (the “**ILEC Territory**”), and
- 2.12.2 assets that **SBC-ILEC** owns or leases and which are used in connection with **SBC-ILEC**'s provision to CLEC of any Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided or contemplated under this Agreement, the Act or any tariff or ancillary agreement referenced herein (individually and collectively, the “**ILEC Assets**”).

3. NOTICE OF CHANGES -- SECTION 251(c)(5)

- 3.1 Nothing in this Agreement shall limit either Party's ability to upgrade its network through the incorporation of new equipment, new software or otherwise. Each Party agrees to comply with the Network Disclosure rules adopted by the FCC in CC Docket No. 96-98, Second Report and Order, codified at 47 C.F.R. 51.325 through 51.335, as such rules may be amended from time to time (the “**Network Disclosure Rules**”).

4. GENERAL RESPONSIBILITIES OF THE PARTIES

- 4.1 **SBC-ILEC** and CLEC shall each use their best efforts to meet the Interconnection Activation Dates.
- 4.2 Each Party is individually responsible to provide facilities within its network that are necessary for routing, transporting, measuring, and billing traffic from the other Party's network and for delivering such traffic to the other Party's network in the standard format compatible with **SBC-ILEC**'s network as referenced in Telcordia BOC Notes on LEC Networks Practice No. SR-TSV-002275, and to terminate the traffic it receives in that standard format to the proper address on its network. The Parties are each solely responsible for participation in and compliance with national network plans, including the National Network Security Plan and the Emergency Preparedness Plan.
- 4.3 The Parties shall exchange technical descriptions and forecasts of their Interconnection and traffic requirements in sufficient detail necessary to establish the Interconnections required to assure traffic completion to and from all End Users in their respective designated service areas.
- 4.4 Each Party is solely responsible for all products and services it provides to its End Users and to other Telecommunications Carriers.

- 4.5 Facilities-based carriers and UNE-based Switch Port providers are responsible for administering their End User records in a LIDB.
- 4.5.1 **NEVADA** does not have a line information database and/or Calling Name database. Line information database services can be purchased from **PACIFIC**.
- 4.6 At all times during the Term, each Party shall keep and maintain in force at each Party's expense all insurance required by Applicable Law (e.g. workers' compensation insurance) as well as general liability insurance in the amount of (at least) \$10,000,000 for personal injury or death to any one person, property damage resulting from any one incident, and automobile liability with coverage for bodily injury and for property damage. Upon request from the other Party, each Party shall provide to the other Party evidence of such insurance (which may be provided through a program of self-insurance). This Section 4.7 is a general statement of insurance requirements and shall be in addition to any specific requirement of insurance referenced elsewhere in this Agreement or a Referenced Instrument.
- 4.7 Upon CLEC signature of this Agreement, CLEC shall provide **SBC-ILEC** with CLEC's state-specific authorized and nationally recognized OCN/AECNs for facilities-based (Interconnection and/or unbundled Network Elements) and a separate and distinct OCN/AECN for Resale Services.
- 4.8 In the event that CLEC makes any corporate name change (including addition or deletion of a d/b/a), change in OCN/AECN, or makes or accepts a transfer or assignment of interconnection trunks or facilities (including leased facilities), or a change in any other CLEC identifier (collectively, a "**CLEC Change**"), CLEC shall submit written notice to **SBC-ILEC** within thirty (30) days of the first action taken to implement such CLEC Change. Within thirty (30) days following receipt of that notice, the Parties shall negotiate rates to compensate **SBC-ILEC** for the costs to be incurred by **SBC-ILEC** to make the CLEC Change to the applicable **SBC-ILEC** databases, systems, records and/or recording announcement(s) for CLEC branded/repair calls. In addition, CLEC shall compensate **SBC-ILEC** for any service order charges and/or service request charges associated with such CLEC Change. **SBC-ILEC**'s agreement to implement a CLEC Change is conditioned upon CLEC's agreement to pay all reasonable charges billed to CLEC for such CLEC Change.
- 4.9 When a End User changes its service provider from **SBC-ILEC** to CLEC or from CLEC to **SBC-ILEC** and does not retain its original telephone number, the Party formerly providing service to such End User shall furnish a referral announcement ("**Referral Announcement**") on the original telephone number that specifies the End User's new telephone number.

4.9.1 The following pertains to **AM-IL**, **AM-WI** and **PACIFIC** only:

4.9.1.1 Referral Announcements shall be provided by a Party to the other Party for the period of time and at the rates set forth in the referring Party's tariff(s); provided, however, if either Party provides Referral Announcements for a period different (either shorter or longer) than the period(s) stated in its tariff(s) when its End Users change their telephone numbers, such Party shall provide the same level of service to End Users of the other Party.

4.9.2 The following applies to **AM-IN** only:

4.9.2.1 Referral Announcements shall be provided by a Party to the other Party for the period specified in 170 IAC 7-1.1-11(I)(3)(a) and (b) and at the rates set forth in the referring Party's tariff(s). However, if either Party provides Referral Announcements for a period different than the above period(s) when its End Users change their telephone numbers, such Party shall provide the same level of service to End Users of the other Party.

4.9.3 The following applies to **AM-MI** only:

4.9.3.1 Referral Announcements shall be provided by a Party to the other Party for the period specified in Michigan Administrative Rule 484.134 and at the rates set forth in the referring Party's tariff(s). However, if either Party provides Referral Announcements for a period longer than the above period(s) when its End Users change their telephone numbers, such Party shall provide the same level of service to End Users of the other Party.

4.9.4 The following applies to **AM-OH** only:

4.9.4.1 Referral Announcements shall be provided by a Party to the other Party for the period of time specified in Rule 4901:1-5-12, Ohio Administrative Code and at the rates set forth in the referring Party's tariff(s). However, if either Party provides Referral Announcements for a period longer than the above period(s) when its End Users change their telephone numbers, such Party shall provide the same level of service to End Users of the other Party.

4.9.5 The following applies to **SNET** only:

- 4.9.5.1 When an End User changes its local service provider from **SNET** to CLEC, or from CLEC to **SNET**, and does not retain its original telephone number, the Party formerly providing service to the End User shall, on request, provide a referral announcement on the abandoned telephone number, that provides the End User's new telephone number. When this service is normally available for End Users at no charge, e.g., POTS, the reference of calls shall be provided on a reciprocal basis at no charge for a period of six months. This period may be extended on an individual case basis up to an additional six months. However, the period of reference of calls may be shortened in those cases where there is a number exhaust situation for a given location.
- 4.10 Each Party shall be responsible for labor relations with its own employees. Each Party agrees to notify the other Party as soon as practicable whenever such Party has knowledge that a labor dispute concerning its employees is delaying or threatens to delay such Party's timely performance of its obligations under this Agreement and shall endeavor to minimize impairment of service to the other Party (for example, by using its management personnel to perform work or by other means) in the event of a labor dispute to the extent permitted by Applicable Law.
- 4.11 Each Party shall act in good faith in its performance under this Agreement and, in each case in which a Party's consent or agreement is required or requested hereunder, such Party shall not unreasonably withhold or delay such consent or agreement.

5. EFFECTIVE DATE, TERM, AND TERMINATION

- 5.1 This Effective Date of this Agreement shall be ten (10) calendar days after the Commission approves this Agreement under Section 252(e) of the Act or, absent such Commission approval, the date this Agreement is deemed approved under Section 252(e)(4) of the Act.
- 5.2 The term of this Agreement shall commence upon the Effective Date of this Agreement and shall expire on May 30, 2001 (the "**Term**"). Absent the receipt by one Party of written notice from the other Party at least within 180 days prior to the expiration of the Term to the effect that such Party does not intend to extend the Term, this Agreement shall remain in full force and effect on and after the expiration of the Term until terminated by either Party pursuant to Section 5.3 or 5.4.
- 5.3 Notwithstanding any other provision of this Agreement, either Party may terminate this Agreement and the provision of any Interconnection, Resale

Services, Network Elements, functions, facilities, products or services provided pursuant to this Agreement, at the sole discretion of the terminating Party, in the event that the other Party fails to perform a material obligation or breaches a material term of this Agreement and the other Party fails to cure such nonperformance or breach within forty-five (45) calendar days after written notice thereof. Any termination of this Agreement pursuant to this Section 5.3 shall take effect immediately upon delivery of written notice to the other Party that it failed to cure such nonperformance or breach within forty-five (45) calendar days after written notice thereof.

- 5.4 If pursuant to Section 5.2, this Agreement continues in full force and effect after the expiration of the Term, either Party may terminate this Agreement after delivering written notice to the other Party of its intention to terminate this Agreement, subject to Sections 5.5 and 5.6. Neither Party shall have any liability to the other Party for termination of this Agreement pursuant to this Section 5.4 other than its obligations under Sections 5.5 and 5.6.
- 5.5 Upon termination or expiration of this Agreement in accordance with Sections 5.2, 5.3 or 5.4:
- 5.5.1 Each Party shall continue to comply with its obligations set forth in Section 42; and
- 5.5.2 Each Party shall promptly pay all amounts owed under this Agreement or place any Disputed Amounts into an escrow account that complies with Section 8.4 hereof;
- 5.5.3 Each Party's confidentiality obligations shall survive; and
- 5.5.4 Each Party 's indemnification obligations shall survive.
- 5.6 If either Party serves notice of expiration pursuant to Section 5.2 or Section 5.4, CLEC shall have ten (10) days to provide **SBC-ILEC** written confirmation if CLEC wishes to pursue a successor agreement with **SBC-ILEC** or terminate its agreement. CLEC shall identify the action to be taken on each applicable (13) state(s). If CLEC wishes to pursue a successor agreement with **SBC-ILEC**, CLEC shall attach to its written confirmation or notice of expiration/termination, as applicable, a written request to commence negotiations with **SBC-ILEC** under Sections 251/252 of the Act and identify each of the state(s) the successor agreement will cover. Upon receipt of CLEC's Section 252(a)(1) request, the Parties shall commence good faith negotiations on a successor agreement
- 5.7 The rates, terms and conditions of this Agreement shall continue in full force and effect until the earlier of (i) the effective date of its successor agreement, whether such successor agreement is established via negotiation, arbitration or pursuant to

Section 252(i) of the Act; or (ii) the date that is ten (10) months after the date on which **SBC-ILEC** received CLEC's Section 252(a)(1) request; provided, however, when a successor agreement becomes effective, the terms, rates and charges of such successor Agreement shall apply retroactively back to the date this Agreement is terminated or expires, whichever is later, and that the retro-active true-up shall be completed within 90 days following the effective date of such successor Agreement.

- 5.8 If at any time during the Section 252(a)(1) negotiation process (prior to or after the expiration date or termination date of this Agreement), CLEC withdraws its Section 252(a)(1) request, CLEC must include in its notice of withdrawal a request to adopt a successor agreement under Section 252(i) of the Act or affirmatively state that CLEC does not wish to pursue a successor agreement with **SBC-ILEC** for a given state. The rates, terms and conditions of this Agreement shall continue in full force and effect for a period of ninety (90) days after the date CLEC provides notice of withdrawal of its Section 252(a)(1) request. On the ninety-first (91) day following **SBC-ILEC**'s receipt of CLEC's notice of withdrawal of its Section 252(a)(1) request, unless CLEC provided **SBC-ILEC** notice of a Section 252(i) adoption in the interim, the Parties shall, subject to Section 5.5, have no further obligations under this Agreement.
- 5.9 If CLEC does not affirmatively state that it wishes to pursue a successor agreement with **SBC-ILEC** in its, as applicable, notice of expiration or termination or the written confirmation required after receipt of **SBC**'s notice of expiration or termination, then the rates, terms and conditions of this Agreement shall continue in full force and effect for a period of ninety (90) days after the date CLEC provided or received notice of expiration or termination. On the ninety-first (91) day following CLEC provided or received notice of expiration or termination, the Parties shall, subject to Section 5.5, have no further obligations under this Agreement.
- 5.10 In the event of termination of this Agreement pursuant to Section 5.9, **SBC-ILEC** and CLEC shall cooperate in good faith to effect an orderly transition of service under this Agreement; provided that CLEC shall be solely responsible (from a financial, operational and administrative standpoint) to ensure that its End Users have been transitioned to a new LEC by the expiration date, termination date of this Agreement.

6. FRAUD

- 6.1 **SBC-ILEC** shall not be liable to CLEC for any fraud associated with CLEC's End User's account, including 1+ IntraLATA toll, ported numbers, and Alternate Billing Service (ABS). ABS is a service that allows End Users to bill calls to account(s) that might not be associated with the originating line. There are three types of ABS calls: calling card, collect, and third number billed calls.

- 6.2 The Parties agree to cooperate with one another to investigate, minimize, and take corrective action in cases of fraud involving 1+ IntraLATA toll calls, ABS, and ported numbers. The Parties' fraud minimization procedures are to be cost-effective and implemented so as not to unduly burden or harm one Party as compared to the other.
- 6.3 In cases of suspected fraudulent activity by an End User, at a minimum, the cooperation referenced in Section 6.2 will include providing to the other Party, upon request, information concerning Customers who terminate services to that Party without paying all outstanding charges. The Party seeking such information is responsible for securing the End User's permission to obtain such information.
- 6.4 **SBC-AMERITECH, SBC-SWBT, PACIFIC, and SNET** will provide notification messages to CLEC on suspected occurrences of ABS-related fraud on CLEC accounts stored in the applicable LIDB. **PACIFIC** will provide such alert messages by e-mail. **SBC-AMERITECH, SBC-SWBT and SNET** will provide via fax.
- 6.4.1 **SBC-SWBT (on behalf of itself and SNET) and PACIFIC** will use a Sleuth system to determine suspected occurrences of ABS-related fraud for CLEC using the same criteria **SBC-ILEC** uses to monitor fraud on their respective accounts.
- 6.4.2 CLEC understands that Sleuth alerts only identify potential occurrences of fraud. CLEC understands and agrees that it will need to perform its own investigations to determine whether a fraud situation actually exists. CLEC understands and agrees that it will also need to determine what, if any, action CLEC should take as a result of a Sleuth alert.
- 6.4.3 The Parties will provide contact names and numbers to each other for the exchange of Sleuth alert notification information twenty-four (24) hours per day seven (7) days per week.
- 6.4.4 For each alert notification provided to CLEC, CLEC may request a corresponding thirty-day (30-day) historical report of ABS-related query processing. CLEC may request up to three reports per alert.
- 6.5 In **SBC-SWBT and PACIFIC** ABS-related alerts are provided to CLEC at no additional charge, except as related below.
- 6.5.1 In **PACIFIC**, 1+ IntraLATA toll fraud alerts are offered for Resale only under the product name Traffic Alert Referral Service (TARS). For TARS, CLEC agrees to pay a recurring usage rate as outlined in Appendix

Pricing.6.6 Traffic Alert Referral Service (“TARS”) 1+ Intra-LATA Toll Fraud Monitoring

6.5.2 For terms and conditions for TARS, see Appendix Resale.

6.5.3 TARS is offered in **PACIFIC** only.

7. **DEPOSITS (SBC-ILEC- EXCEPT SNET)**

7.1 The deposit requirements set forth in this Section 7 apply to the Resale Services and Network Elements furnished under this Agreement. A CLEC furnished both Resale Services and Network Elements in one (1) state under this Agreement shall make two (2) separate deposits for that state, each calculated separately as set forth below in Sections 7.2 through 7.10, inclusive.

7.2 For Deposit requirements for **SNET**, see the applicable **DPUC** ordered tariff.

7.3 If CLEC has not established a minimum of twelve (12) consecutive months good credit history with all telephone company affiliates of **SBC** (that is, **AMERITECH**, **NEVADA**, **PACIFIC**, **SNET** and **SWBT**) where CLEC is doing or has done business as a local service provider, CLEC shall remit an initial cash deposit to **SBC-ILEC-EXCEPT SNET** prior to the furnishing of Resale Services or Network Elements in each state under this Agreement. The deposit required by the previous sentence shall be determined as follows:

7.3.1 for **NEVADA**, **PACIFIC** and **SWBT** if immediately prior to the Effective Date, CLEC was not operating as a Local Service Provider in a state covered by this Agreement, the initial deposit for that state shall be in the amount of \$17,000; or

7.3.2 for **NEVADA**, **PACIFIC**, and **SWBT** if immediately prior to the Effective Date, CLEC was operating as a Local Service Provider in a state covered by this Agreement, the deposit for that state shall be in the amount calculated using the method set forth in Section 7.7 of this Agreement; or

7.3.3 for **SBC-AMERITECH**, subject to external credit check verification and/or financial statement review, **SBC-AMERITECH** may require two (2) to four (4) months of projected average monthly billings as a deposit.

7.3.4 If CLEC has established a minimum of twelve (12) consecutive months good credit history with all ILEC Affiliates of **SBC** (that is, **AMERITECH**, **NEVADA**, **PACIFIC**, **SNET** and **SWBT**) with which CLEC is doing or has done business as a Local Service Provider, **SBC-ILEC- EXCEPT SNET** shall waive the initial deposit requirement; provided, however, that the terms and conditions set forth in Section 7.1

through Section 7.10 of this Agreement shall continue to apply in each state for the Term . In determining whether CLEC has established a minimum of twelve (12) consecutive months good credit history with each ILEC Affiliate of **SBC** with which CLEC is doing or has done business, CLEC's payment record with each ILEC Affiliate of **SBC** for the most recent twelve (12) months occurring within the twenty-four (24) month period immediately prior to the Effective Date shall be considered.

- 7.4 Any cash deposit for one state shall be held by **SBC-ILEC-EXCEPT SNET** as a guarantee of payment of charges billed to CLEC, provided, however, **SBC-ILEC-EXCEPT SNET** may exercise its right to credit any cash deposit to CLEC's account upon the occurrence of any one of the following events:
- 7.4.1 when **SBC-ILEC-EXCEPT SNET** sends CLEC the second delinquency notification for that state during the most recent twelve (12) months; or
 - 7.4.2 when **SBC-ILEC-EXCEPT SNET** suspends CLEC's ability to process orders in accordance with Section 9.6.1.1; or
 - 7.4.3 when CLEC files for protection under the bankruptcy laws; or
 - 7.4.4 when an involuntary petition in bankruptcy is filed against CLEC and is not dismissed within sixty (60) days; or
 - 7.4.5 when this Agreement expires or terminates; or
 - 7.4.6 during the month following the expiration of twelve (12) months after that cash deposit was remitted, **SBC-ILEC-EXCEPT SNET** shall credit any cash deposit to CLEC's account so long as CLEC has not been sent more than one delinquency notification letter for that state during the most recent twelve (12) months.
 - 7.4.7 For the purposes of this Section 7.3, interest will be calculated as specified in Section 8.1 and shall be credited to CLEC's account at the time that the cash deposit is credited to CLEC's account.
- 7.5 So long as CLEC maintains timely compliance with its payment obligations, **SBC-ILEC-EXCEPT SNET** will not increase the deposit amount required. If CLEC fails to maintain timely compliance with its payment obligations, **SBC-ILEC-EXCEPT SNET** reserves the right to require additional deposit(s) in accordance with Section 7.1 and Section 7.5 through Section 7.10.
- 7.6 If during the first six (6) months of operations in a state under this Agreement, CLEC has been sent one delinquency notification letter by **SBC-ILEC-EXCEPT**

SNET, the deposit amount for that state shall be re-evaluated based upon CLEC's actual billing totals and shall be increased if CLEC's actual billing average:

- 7.6.1 for **NEVADA, PACIFIC, or SWBT** for a two (2) month period exceeds the deposit amount held.
- 7.6.2 for **AMERITECH** for a two (2) to four (4) month period exceeds the deposit amount held.
- 7.7 Throughout the Term, any time CLEC has been sent two (2) delinquency notification letters for any one state by **SBC-ILEC-EXCEPT SNET**, the deposit amount for that state shall be re-evaluated based upon CLEC's actual billing totals and shall be increased if CLEC's actual billing average:
- 7.7.1 or **NEVADA, PACIFIC or SWBT** for a two (2) month period exceeds the deposit amount held.
- 7.7.2 for **AMERITECH** for a two (2) to four (4) month period exceeds the deposit amount held.
- 7.8 Whenever a deposit is re-evaluated as specified in Section 7.5 or Section 7.6, such deposit shall be calculated in an amount equal to the average billing to CLEC for that state for a two (2) to four (4) month period. The most recent three (3) months billing on all of CLEC's CBAs/ESBAs/ASBS ("CBA" is utilized in **SWBT** only; "ESBA" is utilized in **PACIFIC** and **NEVADA** only; "ASBS" is utilized in **AMERITECH** only) and BANs for Resale Services or Network Elements within that state shall be used to calculate CLEC's monthly average.
- 7.8.1 In **SBC-7STATE** only, after calculating the amount equal to the average billing to CLEC for that state for a two (2) month period, add the amount of any charges that would be applicable to transfer all of CLEC's then-existing End-Users of Resale Services to **SBC-7STATE** in the event of CLEC's disconnection for non-payment of charges. The resulting sum is the amount of the deposit.
- 7.9 Whenever a deposit is re-evaluated as specified in Section 7.5 and Section 7.6, CLEC shall remit the additional deposit amount to **SBC-ILEC-EXCEPT SNET** within thirty (30) calendar days of receipt of written notification from **SBC-ILEC-EXCEPT SNET** requiring such deposit. If CLEC fails to furnish the required deposit within thirty (30) calendar days of receipt of written notice requesting such deposit, **SBC-ILEC-EXCEPT SNET** shall begin the process set forth in Section 9 of this Agreement for that state. If CLEC continues to fail to furnish the required deposit at the expiration of the fourteen (14) calendar days specified in Section 9.3 of this Agreement, then **SBC-ILEC-EXCEPT SNET**

shall begin the procedure(s) set forth in Sections 9.5 and 9.6 of this Agreement for that state.

- 7.10 This cash deposit requirement may be satisfied in whole or in part with an irrevocable bank letter of credit acceptable to **SBC-ILEC-EXCEPT SNET**. No interest shall be paid by **SBC-ILEC-EXCEPT SNET** for any portion of the deposit requirement satisfied by an irrevocable bank letter of credit. **SBC-ILEC-EXCEPT SNET** may demand payment from the issuing bank of any irrevocable bank letter of credit upon the occurrence of any of the events listed in Section 7.3.1 through 7.3.4.
- 7.11 The fact that **SBC-ILEC-EXCEPT SNET** holds either a cash deposit or irrevocable bank letter of credit does not relieve CLEC from timely compliance with its payment obligations under this Agreement.

8. BILLING AND PAYMENT OF CHARGES

- 8.1 Unless otherwise stated, each Party will render monthly bill(s) to the other for Interconnection, Resale Services, Network Elements, functions, facilities, products and services provided hereunder at the rates set forth in the applicable Appendix Pricing, as set forth in applicable tariffs or other documents specifically referenced herein and, as applicable, as agreed upon by the Parties or authorized by a Party.
- 8.1.1 Remittance in full of all bills rendered by **SBC-AMERITECH, SBC-SWBT and PACIFIC** is due within thirty (30) days of each bill date (the “**Bill Due Date**”) and shall be paid in accordance with the terms of Section 8.3 of this Agreement.
- 8.1.2 Remittance in full of all bills rendered by **NEVADA** is due in accordance with the terms set forth in the Commission C2-A Tariff, with the date on which amounts are due referred to herein as the “**Bill Due Date**”.
- 8.1.3 Remittance in full of all bills rendered by **SNET** is due in accordance with the terms set forth in the Connecticut Access Service Tariff approved by the DPUC, with the date on which amounts are due referred to herein as the “**Bill Due Date**”.
- 8.1.4 Remittance in full of all bills rendered by CLEC is due within thirty (30) days of each bill date (the “**Bill Due Date**”).
- 8.1.5 If CLEC fails to remit payment for any charges for services by the Bill Due Date, or if a payment or any portion of a payment is received from CLEC after the Bill Due Date, or if a payment or any portion of a payment is received in funds which are not immediately available to **SBC-ILEC-**

EXCEPT SNET as of the Bill Due Date (individually and collectively, “**Past Due**”), then a late payment charge shall be assessed as provided in Sections 8.1.5.1 through 8.1.5.3, as applicable.

- 8.1.5.1 If any charge incurred under this Agreement that is billed out of any **SBC-ILEC-EXCEPT SNET** billing system is Past Due, the unpaid amounts shall bear interest from the Bill Due Date until paid at the lesser of (i) the rate used to compute the Late Payment Charge in the applicable **SBC-ILEC-EXCEPT SNET** intrastate access services tariff in that state and (ii) the highest rate of interest that may be charged under Applicable Law, compounded daily from the Bill Due Date to and including the date that the payment is actually made and available.
- 8.1.5.2 If any charge incurred under this Agreement that is billed out of **SBC-SWBT**'s CRIS is Past Due, the unpaid amounts shall bear interest from the Bill Due Date until paid. The interest rate applied to **SBC-SWBT** CRIS-billed Past Due unpaid amounts shall be the lesser of (i) the rate used to compute the Late Payment Charge contained in the applicable **SBC-SWBT** intrastate retail Commission-approved tariff governing Late Payment Charges to **SBC-SWBT**'s retail End Users that are business End Users in that state and (ii) the highest rate of interest that may be charged under Applicable Law, compounded daily from the Bill Due Date to and including the date that the payment is actually made and available.
- 8.1.5.3 If any charge incurred under this Agreement that is billed out of any **SBC-AMERITECH** billing system is Past Due, the unpaid amounts shall accrue interest from the Due Date at the lesser of (i) one and one-half percent (1 ½%) per month and (ii) the highest rate of interest that may be charged under Applicable Law, compounded daily from the Bill Due Date to and including the date that the payment is actually made and available.
- 8.2 If any charge incurred by **SBC-ILEC-EXCEPT SNET** under this Agreement is Past Due, the unpaid amounts shall bear interest from the Bill Due Date until paid. The interest rate applied shall be the lesser of (i) the rate used to compute the Late Payment Charge contained in the applicable **SBC-ILEC's-EXCEPT SNET** intrastate access services tariff in that state and (ii) the highest rate of interest that may be charged under Applicable Law, compounded daily from the Bill Due Date to and including the date that the payment is actually made and available.
- 8.3 CLEC shall make all payments to **SBC-ILEC-EXCEPT SNET** via electronic funds credit transfers through the Automated Clearing House Association (ACH)

network to the financial institution designated by **SBC-ILEC-EXCEPT SNET**. Remittance information will be communicated together with the funds transfer via the ACH network. CLEC shall use the CCD+ or the CTX transaction set. CLEC and **SBC-ILEC-EXCEPT SNET** shall abide by the National Automated Clearing House Association (NACHA) Rules and Regulations. Each ACH credit transfer shall be received by **SBC-ILEC-EXCEPT SNET** no later than the Bill Due Date of each bill or Late Payment Charges will apply. **SBC-ILEC-EXCEPT SNET** shall not be liable for any delays in receipt of funds or errors in entries caused by CLEC or Third Parties, including CLEC's financial institution. CLEC is responsible for its own banking fees.

8.3.1 CLEC shall make all payments to **SNET** in “immediately available funds.” All payments to **SNET** shall be made using one of the methods set forth in the Connecticut Access Service Tariff approved by the **CT-DPUC** or via electronic funds credit transfers through the Automated Clearing House Association (ACH) network to the financial institution designated by **SNET**. If CLEC makes payment through funds transfer via the ACH network, remittance information will be communicated together with the funds transfer via the ACH network. If CLEC makes payment through funds transfer via the ACH network, CLEC shall use the CCD+ or the CTX transaction set. CLEC and **SNET** shall abide by the National Automated Clearing House Association (NACHA) Rules and Regulations. Each payment shall be received by **SNET** no later than the Bill Due Date of each bill or Late Payment Charges will apply. **SNET** shall not be liable for any delays in receipt of funds or errors in entries caused by CLEC or Third Parties, including CLEC's financial institution. CLEC is responsible for its own banking fees.

8.4 If any portion of an amount due to a Party (the “**Billing Party**”) for Resale Services or Network Elements under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the “**Non-Paying Party**”) shall, prior to the Bill Due Date, give written notice to the Billing Party of the amounts it disputes (“**Disputed Amounts**”) and include in such written notice the specific details and reasons for disputing each item listed in Section 10.4.1. The Non-Paying Party shall pay when due (i) all undisputed amounts to the Billing Party, and (ii) all Disputed Amounts into an interest bearing escrow account with a Third Party escrow agent mutually agreed upon by the Parties. To be acceptable, the Third Party escrow agent must meet all of the following criteria:

8.4.1 The financial institution proposed as the Third Party escrow agent must be located within the continental United States;

8.4.2 The financial institution proposed as the Third Party escrow agent may not be an Affiliate of either Party; and

- 8.4.3 The financial institution proposed as the Third Party escrow agent must be authorized to handle Automatic Clearing House (ACH) (credit transactions) (electronic funds) transfers.
- 8.4.4 In addition to the foregoing requirements for the Third Party escrow agent, the disputing Party and the financial institution proposed as the Third Party escrow agent must agree that the escrow account will meet all of the following criteria:
- 8.4.4.1 The escrow account must be an interest bearing account;
- 8.4.4.2 All charges associated with opening and maintaining the escrow account will be borne by the disputing Party;
- 8.4.4.3 That none of the funds deposited into the escrow account or the interest earned thereon may be subjected to the financial institution's charges for serving as the Third Party escrow agent;
- 8.4.4.4 All interest earned on deposits to the escrow account shall be disbursed to the Parties in the same proportion as the principal; and
- 8.4.4.5 Disbursements from the escrow account shall be limited to those:
- 8.4.4.5.1 authorized in writing by both the disputing Party and the Billing Party (that is, signature(s) from representative(s) of the disputing Party only are not sufficient to properly authorize any disbursement); or
- 8.4.4.5.2 made in accordance with the final, non-appealable order of the arbitrator appointed pursuant to the provisions of Section 10.7; or
- 8.4.4.5.3 made in accordance with the final, non-appealable order of the court that had jurisdiction to enter the arbitrator's award pursuant to Section 10.7.
- 8.5 Disputed Amounts in escrow shall be subject to Late Payment Charges as set forth in Section 8.1.
- 8.6 Issues related to Disputed Amounts shall be resolved in accordance with the procedures identified in the Dispute Resolution provisions set forth in Section 10.
- 8.7 If the Non-Paying Party disputes any charges for Resale Services or Network Elements and any portion of the dispute is resolved in favor of such Non-Paying

Party, the Parties shall cooperate to ensure that all of the following actions are taken:

- 8.7.1 the Billing Party shall credit the invoice of the Non-Paying Party for that portion of the Disputed Amounts resolved in favor of the Non-Paying Party, together with any Late Payment Charges assessed with respect thereto no later than the second Bill Due Date after the resolution of the Dispute;
- 8.7.2 within fifteen (15) calendar days after resolution of the Dispute, the portion of the escrowed Disputed Amounts resolved in favor of the Non-Paying Party shall be released to the Non-Paying Party, together with any accrued interest thereon;
- 8.7.3 within fifteen (15) calendar days after resolution of the Dispute, the portion of the Disputed Amounts resolved in favor of the Billing Party shall be released to the Billing Party, together with any accrued interest thereon; and
- 8.7.4 no later than the third Bill Due Date after the resolution of the dispute regarding the Disputed Amounts, the Non-Paying Party shall pay the Billing Party the difference between the amount of accrued interest such Billing Party received from the escrow disbursement and the amount of Late Payment Charges such Billing Party is entitled to receive pursuant to Section 8.1.
- 8.8 Failure by the Non-Paying Party to pay any charges determined to be owed to the Billing Party within the time specified in Section 8.6 shall be grounds for termination of this Agreement.
- 8.9 Exchange of Billing Message Information
 - 8.9.1 **SBC-ILEC** will provide CLEC a specific Daily Usage File (“**DUF**” or “**Usage Extract**”) for Resale Services and Network Element usage sensitive services provided hereunder (“**Customer Usage Data**”). Such Customer Usage Data shall be provided by **SBC-ILEC** in accordance with Exchange Message Interface (**EMI**) guidelines supported by OBF. Any exceptions to the supported formats will be noted in the DUF implementation requirements documentation for each ILEC. The DUF shall include (i) specific daily usage, including both Local Traffic (if and where applicable) and LEC-carried IntraLATA Toll Traffic, in EMI format for usage sensitive services furnished in connection with each Resale Service and Network Element to the extent that similar usage sensitive information is provided to retail End Users of **SBC-ILEC** within that state, (ii) with sufficient detail to enable CLEC to bill its End Users for usage sensitive services furnished by **SBC-ILEC** in connection with

Resale Services and Network Elements provided by **SBC-ILEC**. Procedures and processes for implementing the interfaces with **SBC-ILEC** will be included in implementation requirements documentation.

- 8.9.2 To establish file transmission for the DUF, CLEC must provide a separate written request for each state to **SBC-ILEC** no less than sixty (60) calendar days prior to the desired first transmission date for each file.
- 8.9.3 Call detail for LEC-carried calls that are alternately billed to CLEC End Users will be forwarded to CLEC as rated call detail on the DUF.
- 8.9.4 **SBC-ILEC** shall bill CLEC for DUF furnished by **SBC-ILEC** in accordance with the price(s) provided in the applicable Appendix Pricing under "Electronic Billing Information."
- 8.9.5 Interexchange call detail on Resale Services or Network Elements (ports) that is forwarded to **SBC-ILEC** for billing, which would otherwise be processed by **SBC-ILEC** for its retail End Users, will be returned to the IXC and will not be passed through to CLEC. This call detail will be returned to the IXC with a transaction code indicating that the returned call originated from a resold account. Billing for Information Services and other ancillary services traffic on Resale Services and Network Elements (ports) will be passed through when **SBC-ILEC** records the message.
- 8.9.6 Ancillary Services messages originated on or billed to a Resale Service or Network Element (port) in those seven (7) states shall be subject to the rates, terms and conditions of Appendix Message Exchange.
- 8.9.7 CLEC shall be responsible for providing all billing information to each of its End Users, regardless of the method used to provision the End User's service.

9. NONPAYMENT AND PROCEDURES FOR DISCONNECTION

- 9.1 Unless otherwise specified therein, Sections 9.1, 9.2, 9.3, 9.4 and 9.5 shall apply to all charges billed for all services Interconnection, Resale Services, Network Elements, functions, facilities, products and services furnished under this Agreement. Section 9.6 shall apply only to Resale Services and Network Elements furnished under this Agreement.
 - 9.1.1 If a Party is furnished services under the terms of this Agreement in more than one (1) state, Sections 9.1 through 9.7, inclusive, shall be applied separately for each such state.
- 9.2 Failure to pay charges may be grounds for termination of this Agreement. If a Party fails to pay by the Bill Due Date, any and all charges billed to it under this

Agreement, including any Late Payment Charges or miscellaneous charges (“**Unpaid Charges**”), and any portion of such Unpaid Charges remain unpaid after the Bill Due Date, the Billing Party shall notify the Non-Paying Party in writing that in order to avoid disruption or disconnection of the applicable Interconnection, Resale Services, Network Elements, functions, facilities, products and services furnished under this Agreement, the Non-Paying Party must remit all Unpaid Charges to the Billing Party.

9.2.1 With respect to Resale Services and Network Elements, **SBC-ILEC** will notify CLEC of any Unpaid Charges that remain unpaid fifteen (15) calendar days after the Bill Due Date and that CLEC must remit payment within fourteen (14) calendar days following receipt of **SBC-ILEC**'s notice.

9.3 If the Non-Paying Party desires to dispute any portion of the Unpaid Charges, the Non-Paying Party shall take all of the following actions not later than fourteen (14) calendar days following receipt of the Billing Party's notice of Unpaid Charges:

9.3.1 notify the Billing Party in writing which portion(s) of the Unpaid Charges it disputes, including the total amount disputed (“**Disputed Amounts**”) and the specific details listed in Section 10.4.1 of this Agreement, together with the reasons for its dispute; and

9.3.2 immediately pay to the Billing Party all undisputed Unpaid Charges; and

9.3.3 pay all Disputed Amounts relating to Resale Services and Network Elements into an interest bearing escrow account that complies with the requirements set forth in Section 8.4.

9.3.4 With respect to Resale Services and Network Elements, evidence that the Non-Paying Party has established an interest bearing escrow account that complies with all of the terms set forth in Section 8.4 and deposited a sum equal to the Disputed Amounts into that account must be furnished to the Billing Party before the Unpaid Charges will be deemed to be “disputed” under Section 10 of this Agreement.

9.4 Issues related to Disputed Amounts shall be resolved in accordance with the procedures identified in the Dispute Resolution provision set forth in Section 10.

9.5 **SBC-AMERITECH only**

9.5.1 Notwithstanding anything to the contrary herein, if the Non-Paying Party fails to (i) pay any undisputed amounts by the Bill Due Date, (ii) pay the disputed portion of a past due bill into an interest-bearing escrow account

with a Third Party escrow agent, (iii) pay any revised deposit or (iv) make a payment in accordance with the terms of any mutually agreed upon payment arrangement, the Billing Party may, in addition to exercising any other rights or remedies it may have under Applicable Law, provide written demand to the Non-Paying Party for failing to comply with the foregoing. If the Non-Paying Party does not satisfy the written demand within five (5) Business Days of receipt, the Billing Party may exercise any, or all, of the following options:

- 9.5.1.1 assess a late payment charge and where appropriate, a dishonored check charge;
- 9.5.1.2 require provision of a deposit or increase an existing deposit pursuant to a revised deposit request;
- 9.5.1.3 refuse to accept new, or complete pending, orders; and/or
- 9.5.1.4 discontinue service.

9.5.2 Notwithstanding anything to the contrary in this Agreement, the Billing Party's exercise of any of the above options:

- 9.5.2.1 shall not delay or relieve the Non-Paying Party's obligation to pay all charges on each and every invoice on or before the applicable Bill Due Date, and
- 9.5.2.2 Sections 9.5.1.3 and 9.5.1.4 shall exclude any affected order or service from any applicable performance interval or Performance Benchmark.

9.5.3 Once disconnection has occurred, additional charges may apply.

9.6 **SBC-7STATE only**

9.6.1 If any Unpaid Charges for Resale Services remain unpaid and undisputed twenty-nine (29) calendar days past the Bill Due Date of such Unpaid Charges, **SBC-7STATE** shall notify CLEC and the Commission in writing that unless all Unpaid Charges are paid within sixteen (16) calendar days following CLEC's receipt of such notice, the Resale Services furnished to CLEC under this Agreement for which Unpaid Charges are outstanding (i.e., delinquent and undisputed) shall be disconnected. This notice shall further specify that **SBC-7STATE** shall cause any of CLEC's End Users provisioned through Resale Services to be defaulted to **SBC-7STATE** local service.

- 9.6.1.1 On the same day that it sends the letter required by Section 9.6.1, **SBC-7STATE** will suspend acceptance of any new order and completion of any pending order (other than a disconnect order) from CLEC for any Resale Service or Network Element that could be furnished under this Agreement.
- 9.6.1.2 Section 9.6.1.1 shall exclude any affected order for Resale Services or Network Elements from any applicable performance interval and computation of any Performance Measurement.
- 9.6.2 If any Unpaid Charges for Resale Services remain unpaid and undisputed forty (40) calendar days past the Bill Due Date of the Unpaid Charges, CLEC shall, at its sole expense, notify its End Users and the Commission that the End Users' service may be disconnected due to CLEC's failure to pay Unpaid Charges, and that its End Users must affirmatively select a new Local Service Provider within five (5) calendar days. This notice shall also advise CLEC's End Users provisioned through Resale Services that **SBC-7STATE** will transfer provisioning of the End User's account to **SBC-7STATE** at the end of the five (5) calendar day period should the End User fail to select a new Local Service Provider in the interim.
- 9.6.3 If any Unpaid Charges for Resale Services furnished to CLEC under this Agreement remain unpaid and undisputed forty-five (45) calendar days past the Bill Due Date of such Unpaid Charges, **SBC-7STATE** shall disconnect such Resale Services.
- 9.6.3.1 On the same date that these Resale Services are disconnected, **SBC-7STATE** shall cause such End Users provisioned through Resale Services to be transferred directly to **SBC-7STATE**'s local service. To the extent available at retail from **SBC-7STATE**, the Resale End Users transferred to **SBC-7STATE**'s local service shall receive the same services provided through CLEC immediately prior to the time of transfer; provided, however, **SBC-7STATE** reserves the right to toll restrict (both interLATA and intraLATA) such transferred End Users.
- 9.6.3.2 Applicable conversion charges and service establishment charges for transferring End Users from CLEC to **SBC-7STATE** as specified in this Section 9.6 shall be billed to CLEC.
- 9.6.3.3 **SBC-7STATE** shall inform the Commission of the names of all End Users transferred through this process.

- 9.6.4 Within five (5) calendar days of the transfer, **SBC-7STATE** shall notify all transferred End Users that because of CLEC's failure to pay **SBC-7STATE**, their local service is now being provided by **SBC-7STATE**. **SBC-7STATE** shall also notify each transferred End User that the End User has thirty (30) calendar days to select a new Local Service Provider.
- 9.6.5 If any End User transferred to **SBC-7STATE**'s local service pursuant to Section 9.6.3 of this Agreement fails to select a new Local Service Provider within thirty (30) calendar days of the transfer to **SBC-7STATE**'s local service, **SBC-7STATE** shall terminate the End User's service.
- 9.6.5.1 The transferred End User shall be responsible for any and all charges incurred during the selection period.
- 9.6.5.2 **SBC-7STATE** shall notify the Commission of the names of all End Users whose service has been terminated pursuant to this Section 9.6.5.
- 9.6.6 **SBC-7STATE** may discontinue service to CLEC as provided in Section 9.6.3 and shall have no liability to CLEC or CLEC's End Users in the event of such disconnection or any transfer of End Users to **SBC-7STATE** service in connection with such disconnection.
- 9.6.7 Nothing in this Agreement shall be interpreted to obligate **SBC-7STATE** to continue to provide service to any transferred End User beyond the thirty (30) calendar day selection period. Nothing herein shall be interpreted to limit any and all disconnection rights **SBC-7STATE** has with regard to such End Users under Applicable Law; provided, however,
- 9.6.7.1 in **PACIFIC** only, following expiration of the selection period and disconnection of such End Users, where facilities permit, **PACIFIC** will furnish transferred and subsequently disconnected residential End Users with "quick dial tone."
- 9.6.8 Once the letter required by Section 9.6.1 has been sent to CLEC, **SBC-7STATE** shall not accept any order (other than a disconnect order) relating to Resale Services or Network Elements from CLEC until
- 9.6.8.1 All Unpaid Charges are paid, and
- 9.6.8.2 CLEC has furnished **SBC-7STATE** a cash deposit calculated pursuant to the terms and conditions of Section 7.

9.7 **SNET** only

9.7.1 For nonpayment and procedures for disconnection for **SNET**, see the applicable **DPUC** ordered tariff.

10. DISPUTE RESOLUTION

10.1 Finality of Disputes

10.1.1 Except as otherwise specifically provided for in this Agreement, no claim may be brought for any dispute arising from this Agreement more than twenty-four (24) months from the date the occurrence which gives rise to the dispute is discovered or reasonably should have been discovered with the exercise of due care and attention.

10.1.2 Notwithstanding anything contained in this Agreement to the contrary, a Party shall be entitled to dispute only those charges for which the Bill Due Date occurred within the twelve (12) months immediately preceding the date on which the other Party received notice of such Disputed Amounts.

10.2 Alternative to Litigation

10.2.1 The Parties desire to resolve disputes arising out of this Agreement without litigation. Accordingly, the Parties agree to use the following Dispute Resolution procedures with respect to any controversy or claim arising out of or relating to this Agreement or its breach.

10.3 Commencing Dispute Resolution

10.3.1 Dispute Resolution shall commence upon one Party's receipt of written notice of a controversy or claim arising out of or relating to this Agreement or its breach. No Party may pursue any claim unless such written notice has first been given to the other Party. There are three (3) separate Dispute Resolution methods:

10.3.1.1 Service Center or LSC

10.3.1.2 Informal Dispute Resolution; and

10.3.1.3 Formal Dispute Resolution,

each of which is described below.

10.4 LSC/Service Center Dispute Resolution - the following Dispute Resolution procedures will apply with respect to any billing dispute arising out of or relating to the Agreement.

- 10.4.1 If the written notice given pursuant to Section 10.3 discloses that a CLEC dispute relates to billing, then the procedures set forth in this Section 10.4 shall be used and the dispute shall first be referred to the appropriate **Service Center or Local Service Center (LSC)**; for resolution. In order to resolve a billing dispute, CLEC shall furnish **SBC-ILEC** written notice of (i) the date of the bill in question, (ii) CBA/ESBA/ASBS or BAN number of the bill in question, (iii) telephone number, circuit ID number or trunk number in question, (iv) any USOC information questioned, (v) amount billed and (vi) amount in question and (vii) the reason that CLEC disputes the billed amount. To be deemed a “dispute” under this Section 10.4, CLEC must provide evidence that it has established an interest bearing escrow account that complies with the requirements set forth in Section 8.4 of this Agreement and deposited all Unpaid Charges relating to Resale Services and Network Elements into that escrow account. Failure to provide the information and evidence required by this Section 10.4.1 not later than twenty-nine (29) days following the Bill Due Date shall constitute CLEC’s irrevocable and full waiver of its right to dispute the subject charges.
- 10.4.2 The Parties shall attempt to resolve Disputed Amounts appearing on **SBC-ILEC**’s current billing statements thirty (30) to sixty (60) calendar days from the Bill Due Date (provided the CLEC furnishes all requisite information and evidence under Section 10.4.1 by the Bill Due Date). If not resolved within thirty (30) calendar days, upon request, **SBC-ILEC** will notify CLEC of the status of the dispute and the expected resolution date.
- 10.4.3 The Parties shall attempt to resolve Disputed Amounts appearing on statements prior to the current billing statement within thirty (30) to ninety (90) calendar days, but resolution may take longer depending on the complexity of the dispute. If not resolved within thirty (30) calendar days from the date notice of the Disputed Amounts was received (provided that CLEC furnishes all requisite information and evidence under Section 10.4.1), **SBC-ILEC** will notify CLEC of the status of the dispute and the expected resolution date.
- 10.4.4 Any notice of Disputed Amounts given by **SBC-ILEC** to CLEC pursuant to Section 10.3 shall furnish CLEC written notice of: (i) the date of the bill in question, (ii) the account number or other identification of the bill in question, (iii) any telephone number, circuit ID number or trunk number in question, (iv) any USOC (or other descriptive information) questioned, (v) the amount billed, (vi) the amount in question, and (vii) the reason that SBC disputes the billed amount. The Parties shall attempt to resolve Disputed Amounts appearing on current billing statement(s) thirty (30) to

sixty (60) calendar days from the Bill Due Date (provided **SBC-ILEC-EXCEPT SNET** furnishes all requisite information by the Bill Due Date) and Disputed Amounts appearing on statements prior to the current billing statement within thirty (30) to ninety (90) calendar days, but resolution may take longer depending on the complexity of the dispute. If not resolved within thirty (30) calendar days, CLEC will notify **SBC-ILEC-EXCEPT SNET** of the status of the dispute and the expected resolution date.

10.4.5 If the Non-Paying Party is not satisfied by the resolution of the billing dispute under this Section 10.4, the Non-Paying Party may notify the Billing Party in writing that it wishes to invoke the Informal Resolution of Disputes afforded pursuant to Section 10.5 of this Agreement.

10.5 Informal Resolution of Disputes

10.5.1 Upon receipt by one Party of notice of a dispute by the other Party pursuant to Section 10.3 or Section 10.4.5, each Party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve any dispute arising under this Agreement. The location, form, frequency, duration, and conclusion of these discussions will be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative Dispute Resolution procedures such as mediation to assist in the negotiations. Discussions and the correspondence among the representatives for purposes of settlement are exempt from discovery and production and will not be admissible in the arbitration described below or in any lawsuit without the concurrence of both Parties. Documents identified in or provided with such communications that were not prepared for purposes of the negotiations are not so exempted, and, if otherwise admissible, may be admitted in evidence in the arbitration or lawsuit.

10.6 Formal Dispute Resolution

10.6.1 If the Parties are unable to resolve the dispute through the informal procedure described in Section 10.5, then either Party may invoke the formal Dispute Resolution procedures described in this Section 10.6. Unless agreed among all Parties, formal Dispute Resolution procedures, including arbitration or other procedures as appropriate, may be invoked not earlier than sixty (60) calendar days after receipt of the letter initiating Dispute Resolution under Section 10.3.

10.6.2 Claims Subject to Mandatory Arbitration. The following claims, if not settled through informal Dispute Resolution, will be subject to mandatory arbitration pursuant to Section 10.7 below:

10.6.2.1 Each unresolved billing dispute involving one percent (1%) or less of the amounts charged to the Disputing Party under this Agreement in the state in which the dispute arises during the twelve (12) months immediately preceding receipt of the letter initiating Dispute Resolution under Section 10.3. If the disputing Party has not been billed for a minimum of twelve (12) months immediately preceding receipt of the letter initiating Dispute Resolution under Section 10.3, the Parties will annualize the actual number of months billed.

10.6.3 Claims Subject to Elective Arbitration. Claims will be subject to elective arbitration pursuant to Section 10.7 if, and only if, the claim is not settled through informal Dispute Resolution and both Parties agree to arbitration. If both Parties do not agree to arbitration, then either Party may proceed with any remedy available to it pursuant to law, equity or agency mechanism.

10.6.4 Claims Not Subject to Arbitration. If the following claims are not resolved through informal Dispute Resolution, they will not be subject to arbitration and must be resolved through any remedy available to a Party pursuant to law, equity or agency mechanism.

10.6.4.1 Actions seeking a temporary restraining order or an injunction related to the purposes of this Agreement.

10.6.4.2 Actions to compel compliance with the Dispute Resolution process.

10.6.4.3 All claims arising under federal or state statute(s), including antitrust claims.

10.7 Arbitration

10.7.1 Disputes subject to mandatory or elective arbitration under the provisions of this Agreement will be submitted to a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association or pursuant to such other provider of arbitration services or rules as the Parties may agree. The arbitrator shall be knowledgeable of telecommunications issues. Each arbitration will be held in **Dallas, Texas (SBC-SWBT); Chicago, Illinois , (SBC-AMERITECH) San Francisco, California (PACIFIC); Reno, Nevada (NEVADA)**; as appropriate, unless the Parties agree otherwise. The arbitration hearing will be requested to commence within sixty (60) calendar days of the demand for arbitration. The arbitrator will control the scheduling so as to process the

matter expeditiously. The Parties may submit written briefs upon a schedule determined by the arbitrator. The Parties will request that the arbitrator rule on the dispute by issuing a written opinion within thirty (30) calendar days after the close of hearings. The Federal Arbitration Act, 9 U.S.C. Secs. 1-16, not state law, shall govern the arbitrability of all disputes. The arbitrator will have no authority to award punitive damages, exemplary damages, Consequential Damages, multiple damages, or any other damages not measured by the prevailing Party's actual damages, and may not, in any event, make any ruling, finding or award that does not conform to the terms and conditions of this Agreement. The times specified in this Section may be extended or shortened upon mutual agreement of the Parties or by the arbitrator upon a showing of good cause. Each Party will bear its own costs of these procedures, including attorneys' fees. The Parties will equally split the fees of the arbitration and the arbitrator. The arbitrator's award shall be final and binding and may be entered in any court having jurisdiction thereof. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

11. **AUDITS —SBC-ILEC- EXCEPT SNET**

11.1 Subject to the restrictions set forth in Section 20 and except as may be otherwise expressly provided in this Agreement, a Party (the “**Auditing Party**”) may audit the other Party’s (the “**Audited Party**”) books, records, data and other documents, as provided herein, once annually, with the audit period commencing not earlier than the date on which services were first supplied under this Agreement (“**service start date**”) for the purpose of evaluating (i) the accuracy of Audited Party’s billing and invoicing of the services provided hereunder and (ii) verification of compliance with any provision of this Agreement that affects the accuracy of Auditing Party's billing and invoicing of the services provided to Audited Party hereunder. Notwithstanding the foregoing, an Auditing Party may audit the Audited Party’s books, records and documents more than once annually if the previous audit found (i) previously uncorrected net variances or errors in invoices in Audited Party’s favor with an aggregate value of at least five percent (5%) of the amounts payable by Auditing Party for audited services provided during the period covered by the audit or (ii) non-compliance by Audited Party with any provision of this Agreement affecting Auditing Party's billing and invoicing of the services provided to Audited Party with an aggregate value of at least five percent (5%) of the amounts payable by Audited Party for audited services provided during the period covered by the audit.

11.1.1 The scope of the audit shall be limited to the period which is the shorter of (i) the period subsequent to the last day of the period covered by the audit which was last performed (or if no audit has been performed, the service start date and (ii) the twelve (12) month period immediately preceding the

date the Audited Party received notice of such requested audit, but in any event not prior to the service start date. Such audit shall begin no fewer than thirty (30) days after Audited Party receives a written notice requesting an audit and shall be completed no later than thirty (30) days after the start of such audit.

- 11.1.2 Such audit shall be conducted either by the Auditing Party's employee(s) or an independent auditor acceptable to both Parties; provided, however, if the Audited Party requests that an independent auditor be engaged and the Auditing Party agrees, the Audited Party shall pay one-quarter (1/4) of the independent auditor's fees and expenses. If an independent auditor is to be engaged, the Parties shall select an auditor by the thirtieth day following Audited Party's receipt of a written audit notice. Auditing Party shall cause the independent auditor to execute a nondisclosure agreement in a form agreed upon by the Parties.
- 11.1.3 Each audit shall be conducted on the premises of the Audited Party during normal business hours. Audited Party shall cooperate fully in any such audit and shall provide the auditor reasonable access to any and all appropriate Audited Party employees and any books, records and other documents reasonably necessary to assess (i) the accuracy of Audited Party's bills and (ii) Audited Party's compliance with the provisions of this Agreement that affect the accuracy of Auditing Party's billing and invoicing of the services provided to Audited Party hereunder. Audited Party may redact from the books, records and other documents provided to the auditor any Audited Party Proprietary Information that reveals the identity of End Users of Audited Party.
- 11.1.4 Each Party shall maintain reports, records and data relevant to the billing of any services that are the subject matter of this Agreement for a period of not less than twenty-four (24) months after creation thereof, unless a longer period is required by Applicable Law.
- 11.1.5 If any audit confirms any undercharge or overcharge, then Audited Party shall (i) promptly correct any billing error, including making refund of any overpayment by Auditing Party in the form of a credit on the invoice for the first full billing cycle after the Parties have agreed upon the accuracy of the audit results and (ii) for any undercharge caused by the actions of the Audited Party, immediately compensate Auditing Party for such undercharge, and (iii) in each case, calculate and pay interest as provided in Section 8.1 (depending on the **SBC** Parties involved), for the number of days from the date on which such undercharge or overcharge originated until the date on which such credit is issued or payment is made and available.

- 11.1.6 Except as may be otherwise provided in this Agreement, audits shall be performed at Auditing Party's expense, subject to reimbursement by Audited Party of one-quarter (1/4) of any independent auditor's fees and expenses in the event that an audit finds, and the Parties subsequently verify, a net adjustment in the charges paid or payable by Auditing Party hereunder by an amount that is, on an annualized basis, greater than five percent (5%) of the aggregate charges for the audited services during the period covered by the audit.
- 11.1.7 Any disputes concerning audit results shall be referred to the Parties' respective personnel responsible for informal resolution. If these individuals cannot resolve the dispute within thirty (30) days of the referral, either Party may request in writing that an additional audit shall be conducted by an independent auditor acceptable to both Parties, subject to the requirements set out in Section 11.1. Any additional audit shall be at the requesting Party's expense.
- 11.1.7.1 Except as provided in Appendix Reciprocal Compensation, **SNET** shall arrange for one (1) annual independent audit to be conducted by a "Big Six" independent public accounting firm or an accounting firm mutually agreed to by **SNET**, CLEC and all other CLECs doing business with **SNET** under the terms of an agreement adopted pursuant to Sections 251 and 252 of the Act for the purpose of evaluating the accuracy of **SNET**'s billing and invoicing.
- 11.1.7.2 **SNET** will cooperate fully with the independent auditor in such audit and provide reasonable access to any and all appropriate **SNET** employees, books, records and other documents reasonably necessary to perform the audit.
- 11.1.7.3 **SNET** shall promptly correct any billing error that is revealed in the audit, including making refund of any overpayment to CLEC in the form of a credit on the invoice for the first full billing cycle after the audit report is issued; such refund shall include interest on the overpayment at the rate of eight percent (8%) per year. In the event that the audit reveals any underbilling and resulting underpayment to **SNET** by CLEC, the underpayment shall be reflected in CLEC's invoice for the first full billing cycle after the audit report is issued. **SNET** will not be entitled to recover interest on any underbilling to CLEC revealed by the audit for the time preceding the amount appearing on CLEC's bill from **SNET**, however, **SNET** shall be entitled to recover interest at the interest rate referenced in Section 8.1.5.1 on such underbilling and CLEC shall pay interest for the number of days

from the Bill Due Date of the bill on which such underbilling was rectified until the date on which payment is made and available to **SNET**.

12. DISCLAIMER OF REPRESENTATIONS AND WARRANTIES

12.1 EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT, NO PARTY MAKES OR RECEIVES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE INTERCONNECTION, RESALE SERVICES, NETWORK ELEMENTS, FUNCTIONS, FACILITIES, PRODUCTS AND SERVICES IT PROVIDES UNDER OR IS CONTEMPLATED TO PROVIDE UNDER THIS AGREEMENT AND EACH PARTY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR OF FITNESS FOR A PARTICULAR PURPOSE. ADDITIONALLY, NEITHER **SBC** NOR CLEC ASSUMES RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY THE OTHER WHEN THIS DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD PARTY.

13. LIMITATION OF LIABILITY

13.1 Except for indemnity obligations expressly set forth herein or as otherwise expressly provided in specific appendices, each Party's liability to the other Party for any Loss relating to or arising out of such Party's performance under this Agreement, including any negligent act or omission (whether willful or inadvertent), whether in contract, tort or otherwise, including alleged breaches of this Agreement and causes of action alleged to arise from allegations that breach of this Agreement also constitute a violation of a statute, including the Act, shall not exceed in total the amount **SBC-ILEC** or CLEC has charged or would have charged to the other Party for the affected Interconnection, Resale Services, Network Elements, functions, facilities, products and service(s) that were not performed or were improperly performed.

13.2 Except as otherwise expressly provided in specific appendices, in the case of any Loss alleged or claimed by a Third Party to have arisen out of the negligence or willful misconduct of any Party, each Party shall bear, and its obligation shall be limited to, that portion (as mutually agreed to by the Parties or as otherwise established) of the resulting expense caused by its own negligence or willful misconduct or that of its agents, servants, contractors, or others acting in aid or concert with it.

13.3 A Party may, in its sole discretion, provide in its tariffs and contracts with its End Users or Third Parties that relate to any Interconnection, Resale Services, Network Elements, functions, facilities, products and services provided or contemplated under this Agreement that, to the maximum extent permitted by

Applicable Law, such Party shall not be liable to such End User or Third Party for (i) any Loss relating to or arising out of this Agreement, whether in contract, tort or otherwise, that exceeds the amount such Party would have charged the End User or Third Party for the Interconnection, Resale Services, Network Elements, functions, facilities, products and services that gave rise to such Loss and (ii) any Consequential Damages. If a Party elects not to place in its tariffs or contracts such limitation(s) of liability, and the other Party incurs a Loss as a result thereof, the first Party shall indemnify and reimburse the other Party for that portion of the Loss that would have been limited had the first Party included in its tariffs and contracts the limitation(s) of liability described in this Section 13.3.

- 13.4 Neither CLEC nor **SBC-ILEC** shall be liable to the other Party for any Consequential Damages suffered by the other Party, regardless of the form of action, whether in contract, warranty, strict liability, tort or otherwise, including negligence of any kind, whether active or passive (and including alleged breaches of this Agreement and causes of action alleged to arise from allegations that breach of this Agreement constitutes a violation of the Act or other statute), and regardless of whether the Parties knew or had been advised of the possibility that such damages could result in connection with or arising from anything said, omitted, or done hereunder or related hereto, including willful acts or omissions; provided that the foregoing shall not limit a Party's obligation under Section 14.2 to indemnify, defend, and hold the other Party harmless against any amounts payable to a Third Party, including any Losses, and Consequential Damages of such Third Party; provided, however, that nothing in this Section 13.4 shall impose indemnity obligations on a Party for any Loss or Consequential Damages suffered by a Party's End User in connection with any affected Interconnection, Resale Services, Network Elements, functions, facilities, products and services. Except as provided in the prior sentence, each Party hereby releases and holds harmless the other Party (and such other Party's Affiliates, and their respective officers, directors, employees and agents) from any such Claim.
- 13.5 **SBC-ILEC** shall not be liable for damages to a End User's premises resulting from the furnishing of any Interconnection, Resale Services, Network Elements, functions, facilities, products or services, including, if applicable, the installation and removal of equipment and associated wiring, unless the damage is caused by **SBC-ILEC**'s gross negligence or willful misconduct. **SBC-ILEC** does not guarantee or make any warranty with respect to Interconnection, Resale Services, Network Elements, functions, facilities, products or services when used in an explosive atmosphere.
- 13.6 CLEC hereby releases **SBC-ILEC** from any and all liability for damages due to errors or omissions in CLEC's End User listing information as provided by CLEC to **SBC-ILEC** under this Agreement, including any errors or omissions occurring in CLEC's End User listing information as it appears in the White Pages directory, including, but not limited to, special, indirect, Consequential, punitive or incidental damages.

- 13.7 **SBC-ILEC** shall not be liable to CLEC, its End User or any other Person for any Loss alleged to arise out of the provision of access to 911 service or any errors, interruptions, defects, failures or malfunctions of 911 service.
- 13.8 This Section 13 is not intended to exempt any Party from all liability under this Agreement, but only to set forth the scope of liability agreed to and the type of damages that are recoverable. Both Parties acknowledge that they negotiated regarding alternate limitation of liability provisions but that such provisions would have altered the cost, and thus the price, of providing the Interconnection, Resale Services, Network Elements, functions, facilities, products and services available hereunder, and no different pricing reflecting different costs and different limits of liability was agreed to.

14. INDEMNITY

- 14.1 Except as otherwise expressly provided herein or in specific appendices, each Party shall be responsible only for the Interconnection, Resale Services, Network Elements, functions, facilities, products and services which are provided by that Party, its authorized agents, subcontractors, or others retained by such Parties, and neither Party shall bear any responsibility for the Interconnection, Resale Services, Network Elements, functions, facilities, products and services provided by the other Party, its agents, subcontractors, or others retained by such Parties.
- 14.2 Except as otherwise expressly provided herein or in specific appendices, and to the extent not prohibited by Applicable Law and not otherwise controlled by tariff, each Party (the “**Indemnifying Party**”) shall release, defend and indemnify the other Party (the “**Indemnified Party**”) and hold such Indemnified Party harmless against any Loss to a Third Party arising out of the negligence or willful misconduct (“**Fault**”) of such Indemnifying Party, its agents, its End Users, contractors, or others retained by such Parties, in connection with the Indemnifying Party’s provision of Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement; provided, however, that (i) with respect to employees or agents of the Indemnifying Party, such Fault occurs while performing within the scope of their employment, (ii) with respect to subcontractors of the Indemnifying Party, such Fault occurs in the course of performing duties of the subcontractor under its subcontract with the Indemnifying Party, and (iii) with respect to the Fault of employees or agents of such subcontractor, such Fault occurs while performing within the scope of their employment by the subcontractor with respect to such duties of the subcontractor under the subcontract.
- 14.3 In the case of any Loss alleged or claimed by a End User of either Party, the Party whose End User alleged or claimed such Loss (the “**Indemnifying Party**”) shall defend and indemnify the other Party (the “**Indemnified Party**”) against any and

all such Claims or Losses by its End User regardless of whether the underlying Interconnection, Resale Service, Network Element, function, facility, product or service giving rise to such Claim or Loss was provided or provisioned by the Indemnified Party, unless the Claim or Loss was caused by the gross negligence or willful misconduct of the Indemnified Party.

14.4 A Party (the "**Indemnifying Party**") shall defend, indemnify and hold harmless the other Party ("**Indemnified Party**") against any Claim or Loss arising from the Indemnifying Party's use of Interconnection, Resale Services, Network Elements, functions, facilities, products and services provided under this Agreement involving:

14.4.1 any Claim or Loss arising from such Indemnifying Party's use of Interconnection, Resale Services, Network Elements, functions, facilities, products and services offered under this Agreement, involving any Claim for libel, slander, invasion of privacy, or infringement of Intellectual Property rights arising from the Indemnifying Party's own communications or the communications of such Indemnifying Party's End Users.

14.4.1.1 The foregoing includes any Claims or Losses arising from disclosure of any End User-specific information associated with either the originating or terminating numbers used to provision Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided hereunder and all other Claims arising out of any act or omission of the End User in the course of using any Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided pursuant to this Agreement.

14.4.1.2 The foregoing includes any Losses arising from Claims for actual or alleged infringement of any Intellectual Property right of a Third Party to the extent that such Loss arises from an Indemnified Party's or an Indemnified Party's End User's use of Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided under this Agreement; provided, however, that an Indemnifying Party's obligation to defend and indemnify the Indemnified Party shall not apply in the case of:

14.4.1.2.1 any use by an Indemnified Party or its End User of an Interconnection, Resale Service, Network Element, function, facility, product or service in combination with an Interconnection, Resale Service, Network Element, function, facility,

product or service supplied by the Indemnified Party or Persons other than the Indemnifying Party; or

14.4.1.2.2 where an Indemnified Party or its End User modifies or directs the Indemnifying Party to modify such Interconnection, Resale Services, Network Elements, functions, facilities, products or services; and

14.4.1.2.3 no infringement would have occurred without such combined use or modification.

14.4.2 any and all penalties imposed on either Party because of the Indemnifying Party's failure to comply with the Communications Assistance to Law Enforcement Act of 1994 (**CALEA**); provided that the Indemnifying Party shall also, at its sole cost and expense, pay any amounts necessary to modify or replace any equipment, facilities or services provided to the Indemnified Party under this Agreement to ensure that such equipment, facilities and services fully comply with CALEA.

14.5 CLEC acknowledges that its right under this Agreement to Interconnect with **SBC-ILEC**'s network and to unbundle and/or combine **SBC**'s Network Elements (including combining with CLEC's Network Elements) may be subject to or limited by Intellectual Property rights and contract rights of Third Parties.

14.5.1 Subject to **SBC-ILEC**'s obligations under any Commission decisions, it is the sole obligation of CLEC to obtain any consents, authorizations, or licenses to or for any Third Party Intellectual Property rights that may be necessary for CLEC's use of Interconnection, Network Elements, functions, facilities, products and services furnished under this Agreement.

14.5.2 **SBC-ILEC** hereby conveys no licenses to use such Intellectual Property rights and makes no warranties, express or implied, concerning CLEC's (or any Third Parties') rights with respect to such Intellectual Property rights and contract rights, including whether such rights will be violated by such Interconnection or unbundling and/or combining of Network Elements (including combining with CLEC's Network Elements) in **SBC-ILEC**'s network or CLEC's use of other functions, facilities, products or services furnished under this Agreement.

14.5.3 Subject to **SBC-ILEC**'s obligations under any Commission decisions and except as expressly stated in this Agreement, **SBC-ILEC** does not and shall not indemnify, defend or hold CLEC harmless, nor be responsible for indemnifying or defending, or holding CLEC harmless, for any Claims or

Losses for actual or alleged infringement of any Intellectual Property right or interference with or violation of any contract right that arises out of, is caused by, or relates to CLEC's Interconnection with **SBC-ILEC**'s network and unbundling and/or combining **SBC-ILEC**'s Network Elements (including combining with CLEC's Network Elements) or CLEC's use of other functions, facilities, products or services furnished under this Agreement.

- 14.6 Subject to **SBC-ILEC**'s obligations under any Commission decision and except as expressly stated in this Agreement, CLEC agrees to release, indemnify and hold **SBC-ILEC** harmless from and against all Losses arising out of, caused by, or relating to any real or potential claim that CLEC's Interconnection with **SBC-ILEC**'s network, or CLEC's use of **SBC-ILEC**'s Network Elements, or unbundling and/or combining of **SBC-ILEC**'s Network Elements (including combining with CLEC's Network Elements) or CLEC's use of other functions, facilities, products or services furnished under this Agreement violates or infringes upon any Third Party Intellectual Property rights or constitutes a breach of contract. In no event shall **SBC-ILEC** be liable for any actual or Consequential Damages that CLEC may suffer arising out of same.
- 14.7 CLEC shall reimburse **SBC-ILEC** for damages to **SBC-ILEC**'s facilities utilized to provide Interconnection or unbundled Network Elements hereunder caused by the negligence or willful act of CLEC, its agents or subcontractors or CLEC's End User or resulting from CLEC's improper use of **SBC-ILEC**'s facilities, or due to malfunction of any facilities, functions, products, services or equipment provided by any person or entity other than **SBC-ILEC**. Upon reimbursement for damages, **SBC-ILEC** will cooperate with CLEC in prosecuting a claim against the person causing such damage. CLEC shall be subrogated to the right of recovery by **SBC-ILEC** for the damages to the extent of such payment.

14.8 Indemnification Procedures

- 14.8.1 Whenever a claim shall arise for indemnification under this Section 14, the relevant Indemnified Party, as appropriate, shall promptly notify the Indemnifying Party and request in writing the Indemnifying Party to defend the same. Failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability that the Indemnifying Party might have, except to the extent that such failure prejudices the Indemnifying Party's ability to defend such claim.
- 14.8.2 The Indemnifying Party shall have the right to defend against such liability or assertion, in which event the Indemnifying Party shall give written notice to the Indemnified Party of acceptance of the defense of such claim and the identity of counsel selected by the Indemnifying Party.
- 14.8.3 Until such time as Indemnifying Party provides written notice of acceptance of the defense of such claim, the Indemnified Party shall defend such claim, at the expense of the Indemnifying Party, subject to any right of the Indemnifying Party to seek reimbursement for the costs of such defense in the event that it is determined that Indemnifying Party had no obligation to indemnify the Indemnified Party for such claim.
- 14.8.4 Upon accepting the defense, the Indemnifying Party shall have exclusive right to control and conduct the defense and settlement of any such claims, subject to consultation with the Indemnified Party. So long as the Indemnifying Party is controlling and conducting the defense, the Indemnifying Party shall not be liable for any settlement by the Indemnified Party unless such Indemnifying Party has approved such settlement in advance and agrees to be bound by the agreement incorporating such settlement.
- 14.8.5 At any time, an Indemnified Party shall have the right to refuse a compromise or settlement, and, at such refusing Party's cost, to take over such defense; provided that, in such event the Indemnifying Party shall not be responsible for, nor shall it be obligated to indemnify the refusing Party against, any cost or liability in excess of such refused compromise or settlement.
- 14.8.6 With respect to any defense accepted by the Indemnifying Party, the Indemnified Party will be entitled to participate with the Indemnifying Party in such defense if the claim requests equitable relief or other relief that could affect the rights of the Indemnified Party, and shall also be entitled to employ separate counsel for such defense at such Indemnified Party's expense.

- 14.8.7 If the Indemnifying Party does not accept the defense of any indemnified claim as provided above, the Indemnified Party shall have the right to employ counsel for such defense at the expense of the Indemnifying Party.
- 14.8.8 In the event of a failure to assume the defense, the Indemnified Party may negotiate a settlement, which shall be presented to the Indemnifying Party. If the Indemnifying Party refuses to agree to the presented settlement, the Indemnifying Party may take over the defense. If the Indemnifying Party refuses to agree to the presented settlement and refuses to take over the defense, the Indemnifying Party shall be liable for any reasonable cash settlement not involving any admission of liability by the Indemnifying Party, though such settlement may have been made by the Indemnified Party without approval of the Indemnifying Party, it being the Parties' intent that no settlement involving a non-monetary concession by the Indemnifying Party, including an admission of liability by such Party, shall take effect without the written approval of the Indemnifying Party.
- 14.8.9 Each Party agrees to cooperate and to cause its employees and agents to cooperate with the other Party in the defense of any such claim and the relevant records of each Party shall be available to the other Party with respect to any such defense, subject to the restrictions and limitations set forth in Section 20.

15. REMEDIES

- 15.1 Except as otherwise provided in this Agreement, no remedy set forth herein is intended to be exclusive and each and every remedy shall be cumulative and in addition to any other rights or remedies now or hereafter existing under Applicable Law or otherwise

16. INTELLECTUAL PROPERTY

16.1 Intellectual Property - **SBC-8STATE**

- 16.1.1 **SBC-8STATE** will provide to CLEC a list of all vendors/licensors applicable to unbundled Network Element(s) (which vendors have provided **SBC-8STATE** a software license) within seven (7) days of CLEC's request for such a list. Except as may be required by Commission decisions, **SBC-8STATE** makes no warranties, express or implied, concerning CLEC's (or any Third Parties) rights with respect to the use of Intellectual Property rights. **SBC-8STATE** reserves the right to amend the Intellectual Property provision of this Agreement to reflect the FCC ruling (and any appeal therefrom) in CC Docket No. 96-98 (File No. CCBPol 97-4), In the Matter of Petition of MCI for Declaratory Ruling.

16.1.2 Any Intellectual Property that originates from or is developed by a Party shall remain in the exclusive ownership of that Party.

16.1.3 **SBC-8STATE** will indemnify CLEC for any claims of infringement arising from CLEC's use of Intellectual Property within the scope of any "right to use" agreement negotiated by **SBC-8STATE** for CLEC pursuant to Section 16.1.1. CLEC will indemnify **SBC-8STATE** for any claims of infringement arising from CLEC's use of Intellectual Property beyond the scope of any "right to use" agreement negotiated by **SBC-8STATE** for CLEC pursuant to Section 16.1.1.

16.2 Intellectual Property-**PACIFIC** only:

16.2.1 To the extent required by the decision of the CPUC, **PACIFIC** will provide CLEC with Intellectual Property rights related to **PACIFIC**'s unbundled Network Elements. CLEC, as the provider of service using the unbundled Network Elements, will provide all features, functions, and capabilities of the individual element to the End Users.

17. NOTICES

17.1 Subject to Section 17.2, notices given by one Party to the other Party under this Agreement shall be in writing (unless specifically provided otherwise herein), and unless otherwise expressly required by this Agreement to be delivered to another representative or point of contact, shall be

17.1.1 delivered personally;

17.1.2 delivered by express overnight delivery service;

17.1.3 mailed, via certified mail or first class U.S. Postal Service, with postage prepaid, and a return receipt requested; or

17.1.4 delivered by facsimile; provided that a paper copy is also sent by a method described in (a), (b) or (c) of this Section 17.

17.1.5 Notices will be deemed given as of the earliest of:

17.1.5.1 the date of actual receipt,

17.1.5.2 the next Business Day when sent via express overnight delivery service,

17.1.5.3 five (5) days after mailing in the case of first class or certified U.S. Postal Service, or

17.1.5.4 on the date set forth on the confirmation produced by the sending facsimile machine when delivered by facsimile prior to 5:00 p.m. in the recipient's time zone, but the next Business Day when delivered by facsimile at 5:00 p.m. or later in the recipient's time zone.

17.1.6 Notices will be addressed to the Parties as follows:

NOTICE CONTACT	CLEC CONTACT	SBC-ILEC CONTACT
NAME/TITLE	Susan McAdams Vice-President, Government & Industry Affairs	Contract Administration ATTN: Notices Manager
STREET ADDRESS	3000 Columbia House Blvd., Suite 106	311 S. Akard, 9 th Floor Four Bell Plaza
CITY, STATE, ZIP CODE	Vancouver, WA 98661	Dallas, TX 75202-5398
TELEPHONE NUMBER	360-693-8554	214-464-1933
FACSIMILE NUMBER	360-693-9997	214-464-2006

17.1.7 Either Party may unilaterally change its designated contact, address, telephone number and/or facsimile number for the receipt of notices by giving written notice to the other Party in compliance with this Section. Any notice to change the designated contact, address, telephone and/or facsimile number for the receipt of notices shall be deemed effective ten (10) days following receipt by the other Party.

17.2 **SBC-8STATE** communicates official information to CLECs via its Accessible Letter notification process. This process covers a variety of subjects, including updates on products/services promotions; deployment of new products/services; modifications and price changes to existing products/services; cancellation or retirement of existing products/services; and operational issues.

17.3 In the **SBC-8STATEs** CLEC may elect in writing to receive Accessible Letter notification via electronic mail (“e-mail”) distribution, either in lieu of or in addition to United States Postal Service (postage prepaid) distribution. CLEC acknowledges that United States Postal Service (postage prepaid) delivery will delay receipt of the information for a minimum of three (3) to five (5) days from the date the information is made available via e-mail. Accessible Letter notification via e-mail will be deemed given as of the earlier of the date of actual receipt and the date set forth on the e-mail receipt.

- 17.4 In **SBC-8STATE** CLEC may designate an unlimited number of recipients for Accessible Letter notification via e-mail, but CLEC is limited to designating a maximum of four (4) recipients (in addition to the CLEC contact designated in Section 17.1) for Accessible Letter notification via United States Postal Service (postage prepaid).
- 17.5 In **SBC-8STATE** CLEC shall submit a completed Notices / Accessible Letter Recipient Change Request Form (available on the applicable **SBC-8STATE**'s CLEC Handbook website) to the individual specified on that form to designate in writing each individual (other than the CLEC contact designated in Section 17.1) to whom CLEC requests Accessible Letter notification be sent, whether via e-mail or United States Postal Service. CLEC shall submit a completed Notices / Accessible Letter Recipient Change Request Form to add, remove or change recipient information for any CLEC recipient of Accessible Letters (other than the CLEC contact designated in Section 17.1). Any completed Notices / Accessible Letter Recipient Change Request Form shall be deemed effective ten (10) days following receipt by **SBC-8STATE**.
- 17.6 **SBC-SWBT only:**
- 17.6.1 **SBC-SWBT** shall provide a toll free facsimile number to CLEC for the submission of requests for Resale Services and Network Elements under this Agreement; CLEC shall provide **SBC-SWBT** with a toll free facsimile number for notices from **SBC-SWBT** relating to requests for Resale Services and Network Elements under this Agreement.
- 17.7 **SBC-AMERITECH only:**
- 17.7.1 **SBC-AMERITECH** communicates official information to CLECs via its TCNet notification process. This process covers a variety of subjects, including updates on products/services promotions; deployment of new products/services; modifications and price changes to existing products/services; cancellation or retirement of existing products/services; and operational issues.
- 18. PUBLICITY AND USE OF TRADEMARKS OR SERVICE MARKS**
- 18.1 Neither Party nor its subcontractors or agents shall use in any advertising or sales promotion, press releases, or other publicity matters any endorsements, direct or indirect quotes, or pictures that imply endorsement by the other Party or any of its employees without such first Party's prior written approval. The Parties will submit to each other for written approval, prior to publication, all publicity matters that mention or display one another's name and/or marks or contain language from which a connection to said name and/or marks may be inferred or implied; the Party to whom a request is directed shall respond promptly. Nothing

herein, however, shall be construed as preventing either Party from publicly stating the fact that it has executed this Agreement with the other Party.

- 18.2 Nothing in this Agreement shall grant, suggest, or imply any authority for one Party to use the name, trademarks, service marks, logos, proprietary trade dress or trade names of the other Party in any advertising, press releases, publicity matters, marketing and/or promotional materials or for any other commercial purpose without prior written approval from such other Party.

19. NO LICENSE

- 19.1 Except at otherwise expressly provided in this Agreement, no license under patents, copyrights or any other Intellectual Property right (other than the limited license to use consistent with the terms, conditions and restrictions of this Agreement) is granted by either Party or shall be implied or arise by estoppel with respect to any transactions contemplated under this Agreement.

20. CONFIDENTIALITY

- 20.1 All information, including specifications, microfilm, photocopies, magnetic disks, magnetic tapes, audit information, models, system interfaces, forecasts, computer programs, software, documentation, drawings, sketches, models, samples, tools, technical information, data, employee records, maps, financial reports, and market data shall be deemed "Confidential" or "Proprietary" (**collectively "Proprietary Information"**) if :
- 20.1.1 Furnished or made available or otherwise disclosed by one Party (the **"Disclosing Party"**) or its agent, employee, representative or Affiliate to the other Party (the **"Receiving Party"**) or its agent, employee, representative or Affiliate dealing with End User-specific, facility-specific, or usage-specific information, other than End User information communicated for the purpose of publication or directory database inclusion, 911, call processing, billing or settlement or for such other purposes as mutually agreed upon;
- 20.1.2 In written, graphic, electromagnetic, or other tangible form and marked at the time of delivery as "Confidential" or "Proprietary"; or
- 20.1.3 Communicated orally and declared to the Receiving Party at the time of delivery to be "Confidential" or "Proprietary", and which shall be summarized in writing and marked "Confidential" or "Proprietary" and delivered to the Receiving Party within ten (10) days following such disclosure; and

20.1.4 Any portion of any notes, analyses, data, compilations, studies, interpretations or other documents prepared by any Receiving Party to the extent the same contain, reflect, are derived from, or are based upon, any of the information described in this Section 20, unless such information contained or reflected in such notes, analyses, etc. is so commingled with the Receiving Party's information that disclosure could not possibly disclose the underlying proprietary or confidential information (such portions of such notes, analyses, etc. referred to herein as "**Derivative Information**").

20.2 Proprietary Information Shall be Held in Confidence

20.2.1 Each Receiving Party agrees that:

- (a) all Proprietary Information communicated to it or any of its agents, employees, representatives and Affiliates in connection with this Agreement shall be held in confidence to the same extent as such Receiving Party holds its own confidential information of like importance; provided that such Receiving Party and its agents, employees, representatives and Affiliates shall not use less than a reasonable standard of care in maintaining the confidentiality of such information;
- (b) it will not, and it will not permit any of its agents, employees, representatives and Affiliates to disclose such Proprietary Information to any Third Party;
- (c) it will disclose Proprietary Information only to those of its agents, employees, representatives and Affiliates who have a need for it in connection with the use or provision of any services required to fulfill this Agreement; and
- (d) it will, and will cause each of its agents, employees, representatives and Affiliates, to use such Proprietary Information only to perform its obligations under this Agreement or to use services provided by the Disclosing Party hereunder and for no other purpose, including its own marketing purposes.

20.2.2 A Receiving Party may disclose Proprietary Information of a Disclosing Party to the Receiving Party's agents, employees, representatives and Affiliates who need to know such information to perform their obligations under this Agreement; provided that before disclosing any Proprietary Information to any agent, employee, representative or Affiliate, the Receiving Party shall notify such agent, employee, representative or Affiliate of such Party's obligation to comply with this Agreement. Any Receiving Party so disclosing Proprietary Information shall be jointly and

severally liable for any breach of this Agreement by any of its agents, employees, representatives and Affiliates and such Receiving Party agrees, at its sole expense, to use its reasonable efforts (including court proceedings) to restrain its agents, employees, representatives and Affiliates from any prohibited or unauthorized disclosure or use of the Proprietary Information. Each Receiving Party making such disclosure shall notify the Disclosing Party as soon as possible if it has knowledge of a breach of this Agreement in any material respect. A Disclosing Party shall not disclose Proprietary Information directly to an agent, employee, representative or Affiliate of the Receiving Party without the prior written authorization of the Receiving Party.

20.2.3 Proprietary Information shall not be reproduced by any Receiving Party in any form except to the extent (i) necessary to comply with the provisions of Section 20.5 and (ii) reasonably necessary to perform its obligations under this Agreement. All such reproductions shall bear the same copyright and proprietary rights notices as are contained in or on the original.

20.3 Unless otherwise agreed, the obligations of confidentiality and non-use set forth in this Agreement do not apply to such Proprietary Information that:

20.3.1 Was at the time of receipt, already known to the Receiving Party, free of any obligation to keep confidential and evidenced by written records prepared prior to delivery by the Disclosing Party; or

20.3.2 Is, or becomes publicly known through no wrongful act of the Receiving Party; or

20.3.3 Is rightfully received from a Third Party having no direct or indirect secrecy or confidentiality obligation to the Disclosing Party with respect to such information; provided that such Receiving Party has exercised commercially reasonable efforts to determine whether such Third Party has any such obligation; or

20.3.4 Is independently developed by an agent, employee representative or Affiliate of the Receiving Party and such Party is not involved in any manner with the provision of services pursuant to this Agreement and does not have any direct or indirect access to the Proprietary Information; or

20.3.5 Is disclosed to a Third Party by the Disclosing Party without similar restrictions on such Third Party's rights; or

20.3.6 Is approved for release by written authorization of the Disclosing Party, but only to the extent of the authorization granted; or

20.3.7 Is required to be made public by the Receiving Party pursuant to Applicable Law or regulation, provided that such production or disclosure shall have been made in accordance with Section 20.5.

20.4 Proposed Disclosure of Proprietary Information to a Governmental Authority

20.4.1 If a Receiving Party desires to disclose or provide to a Commission, the FCC or any other governmental authority any Proprietary Information of the Disclosing Party, such Receiving Party shall, prior to and as a condition of such disclosure, (i) provide the Disclosing Party with written notice and the form of such proposed disclosure as soon as possible but in any event early enough to allow the Disclosing Party to protect its interests in the Proprietary Information to be disclosed and (ii) attempt to obtain in accordance with the applicable procedures of the intended recipient of such Proprietary Information an appropriate order for protective relief or other reliable assurance that confidential treatment shall be accorded to such Proprietary Information.

20.4.2 If a Receiving Party is required by any Governmental Authority or by Applicable Law to disclose any Proprietary Information, then such Receiving Party shall provide the Disclosing Party with written notice of such requirement as soon as possible, and in no event later than five (5) calendar days after receipt of such requirement, and prior to such disclosure. Upon receipt of written notice of the requirement to disclose Proprietary Information, the Disclosing Party at its expense, may then either seek appropriate protective relief in advance of such requirement to prevent all or part of such disclosure or waive the Receiving Party's compliance with this Section 20.4 with respect to all or part of such requirement.

20.4.3 The Receiving Party shall use all commercially reasonable efforts to cooperate with the Disclosing Party in attempting to obtain any protective relief which such Disclosing Party chooses to seek pursuant to this Section 20.4. In the absence of such relief, if the Receiving Party is legally compelled to disclose any Proprietary Information, then the Receiving Party shall exercise all commercially reasonable efforts to preserve the confidentiality of the Proprietary information, including cooperating with the Disclosing Party to obtain an appropriate order for protective relief or other reliable assurance that confidential treatment will be accorded the Proprietary Information.

20.5 Notwithstanding any of the foregoing, **SBC-ILEC** shall be entitled to disclose Proprietary Information on a confidential basis to regulatory agencies upon request for information as to **SBC-ILEC**'s activities under the Act and **SBC-ILEC** need not provide prior written notice of such disclosure to CLEC if **SBC-**

ILEC has obtained an appropriate order for protective relief or other reliable assurance that confidential treatment shall be accorded to such Proprietary Information.

20.6 Return of Proprietary Information

20.6.1 All Proprietary Information, other than Derivative Information, shall remain the property of the Disclosing Party, and all documents or other tangible media delivered to the Receiving Party that embody such Proprietary Information shall be, at the option of the Disclosing Party, either promptly returned to Disclosing Party or destroyed, except as otherwise may be required from time to time by Applicable Law (in which case the use and disclosure of such Proprietary Information will continue to be subject to this Agreement), upon the earlier of (i) the date on which the Receiving Party's need for it has expired and (ii) the expiration or termination of this Agreement.

20.6.2 At the request of the Disclosing Party, any Derivative Information shall be, at the option of the Receiving Party, either promptly returned to the Disclosing Party or destroyed, except as otherwise may be required from time to time by Applicable Law (in which case the use and disclosure of such Derivative Information will continue to be subject to this Agreement), upon the earlier of (i) the date on which the Receiving Party's need for it has expired and (ii) the expiration or termination of this Agreement.

20.6.3 The Receiving Party may at any time either return the Proprietary Information to the Disclosing Party or destroy such Proprietary Information. If the Receiving Party elects to destroy Proprietary Information, all copies of such information shall be destroyed and upon the written request of the Disclosing Party, the Receiving Party shall provide to the Disclosing Party written certification of such destruction. The destruction or return of Proprietary information shall not relieve any Receiving Party of its obligation to continue to treat such Proprietary Information in the manner required by this Agreement.

20.7 Notwithstanding any other provision of this Agreement, the Proprietary Information provisions of this Agreement shall apply to all information furnished by either Party to the other in furtherance of the purpose of this Agreement, even if furnished before the date of this Agreement and each Party's obligation to safeguard Proprietary Information disclosed prior to expiration or termination of this Agreement will survive such expiration or termination.

20.8 Pursuant to Section 222(b) of the Act, both Parties agree to limit their use of Proprietary Information received from the other to the permitted purposes identified in the Act.

- 20.9 Each Party has the right to refuse to accept any Confidential Information under this Agreement, and nothing herein shall obligate either Party to disclose to the other Party any particular information.
- 20.10 The Parties agree that an impending or existing violation of any provision of this Section 20 would cause the Disclosing Party irreparable injury for which it would have no adequate remedy at law, and agree that Disclosing Party shall be entitled to obtain immediate injunctive relief prohibiting such violation, in addition to any other rights and remedies available to it at law or in equity, including both specific performance and monetary damages. In the event of any breach of this Section 20 for which legal or equitable relief is sought, all reasonable attorney's fees and other reasonable costs associated therewith shall be recoverable by the prevailing Party.

21. INTERVENING LAW

- 21.1 This Agreement is entered into as a result of both negotiations between the Parties and the incorporation of results of orders, rules and arbitration decisions of the Commissions, and/or FCC. If any of the rates, terms and/or conditions herein, or any of the laws or regulations that were the basis or rationale for such rates, terms and/or conditions in the Agreement, are invalidated, modified or stayed by any action of any state or federal regulatory or legislative bodies or courts of competent jurisdiction, including any decision by the Eighth Circuit relating to any of the costing/pricing rules adopted by the FCC in its First Report and Order, *In re: Implementation of the Local Competition Provisions in the Telecommunications Act of 1996*, 11 FCC Rcd 15499 (1996)(e.g., Section 51.501, et seq.), upon review and remand from the United States Supreme Court, in *AT&T Corp. v. Iowa Utilities Bd.*, 119 S. Ct. 721 (1999) or *Ameritech v. FCC*, No. 98-1381, 1999 WL 116994, 1999 Lexis 3671 (June 1, 1999), the affected provision shall be immediately invalidated, modified, or stayed, consistent with the action of the legislative body, court, or regulatory agency upon the written request of either Party. In such event, the Parties shall expend diligent efforts to arrive at an agreement regarding the appropriate conforming modifications to the Agreement. If negotiations fail, disputes between the Parties concerning the interpretation of the actions required or provisions affected by such governmental actions shall be resolved pursuant to the Dispute Resolution process provided for in this Agreement. Without limiting the general applicability of the foregoing, the Parties acknowledge that on January 25, 1999, the United States Supreme Court issued its opinion in *AT&T Corp. v. Iowa Utilities Bd.*, 119 S. Ct. 721 (1999) and on June 1, 1999, the United States Supreme Court issued its opinion in *Ameritech v. FCC*, No. 98-1381, 1999 WL 116994, 1999 Lexis 3671 (1999). The Parties further acknowledge and agree that by executing this Agreement, neither Party waives any of its rights, remedies, or arguments with respect to such decisions and any remand thereof, including its rights under this Intervening Law paragraph.

22. GOVERNING LAW

22.1 Unless otherwise provided by Applicable Law, this Agreement shall be governed by and construed in accordance with the Act, the FCC Rules and Regulations interpreting the Act and other applicable federal law. To the extent that federal law would apply state law in interpreting this Agreement, the domestic laws of the state in which the Interconnection, Resale Services, Network Elements, functions, facilities, products and services at issue are furnished or sought shall apply, without regard to that state's conflict of laws principles. The Parties submit to personal jurisdiction in Little Rock, Arkansas; San Francisco, California; New Haven, Connecticut; Chicago, Illinois; Indianapolis, Indiana; Topeka, Kansas; Detroit, Michigan; St. Louis, Missouri; Reno, Nevada; Columbus, Ohio; Oklahoma City, Oklahoma; Dallas, Texas and Milwaukee, Wisconsin, and waive any and all objection to any such venue.

23. REGULATORY APPROVAL

23.1 The Parties understand and agree that this Agreement and any amendment or modification hereto will be filed with the Commission for approval in accordance with Section 252 of the Act and may thereafter be filed with the FCC. The Parties believe in good faith and agree that the services to be provided under this Agreement are in the public interest. Each Party covenants and agrees to fully support approval of this Agreement by the Commission or the FCC under Section 252 of the Act without modification.

24. CHANGES IN END USER LOCAL EXCHANGE SERVICE PROVIDER SELECTION

24.1 **SBC-ILEC** (Excluding **SNET**)

24.1.1 Each Party will abide by applicable federal and state laws and regulations in obtaining End User authorization prior to changing an End User's Local Exchange Carrier to itself and in assuming responsibility for any applicable charges as specified in Section 258(b) of the Telecommunications Act of 1996. Each Party shall deliver to the other Party a representation of authorization that applies to all orders submitted by a Party under this Agreement requiring a LEC change. A Party's representation of authorization shall be delivered to the other Party prior to the first order submitted to the other Party. Each Party shall retain on file all applicable letters and other documentation of authorization relating to its End User's selection of such Party as its LEC, which documentation shall be available for inspection by the other Party at its request during normal business hours and at no charge.

24.1.2 Only an End User can initiate a challenge to a change in its LEC. If an End User notifies one Party that the End User requests local exchange service, and the other Party is such End User's LEC, then the Party receiving such request shall be free to immediately access such End User's CPNI subject to the requirements of the applicable Appendix OSS restricting access to CPNI in order to immediately provide service to such End User.

24.1.3 When an End User changes or withdraws authorization from its LEC, each Party shall release End User-specific facilities belonging to the ILEC in accordance with the End User's direction or that of the End User's authorized agent. Further, when an End User abandons its premise (that is, its place of business or domicile), **SBC-ILEC** is free to reclaim the unbundled Network Element facilities for use by another End User and is free to issue service orders required to reclaim such facilities.

24.2 Applies to **SNET** only

24.2.1 The Parties agree that CLEC will not submit a Local Exchange Carrier order for an End User to the Local Service Provider currently serving that End User without proper authorization from that End User, as required by the FCC in Subpart K, Part 64 rules and regulations and by the DPUC in its applicable rules and regulations. **SNET's** wholesale tariff, Section 18, further documents requirements for Local Exchange Carrier changes and required End User authorizations.

24.2.2 The Parties agree to the re-use of existing network facilities when an End User changes its provider of local exchange service and the network facilities are provided by the same network provider.

25. COMPLIANCE AND CERTIFICATION

25.1 Each Party shall comply at its own expense with all Applicable Laws that relate to that Party's obligations to the other Party under this Agreement. Nothing in this Agreement shall be construed as requiring or permitting either Party to contravene any mandatory requirement of Applicable Law.

25.2 Each Party warrants that it has obtained all necessary state certification required in each state covered by this Agreement prior to ordering any Interconnection, Resale Services, Network Elements, functions, facilities, products and services from the other Party pursuant to this Agreement. Upon request, each Party shall provide proof of certification.

25.3 Each Party shall be responsible for obtaining and keeping in effect all approvals from, and rights granted by, Governmental Authorities, building and property

owners, other carriers, and any other Third Parties that may be required in connection with the performance of its obligations under this Agreement.

25.4 Each Party represents and warrants that any equipment, facilities or services provided to the other Party under this Agreement comply with the CALEA.

26. LAW ENFORCEMENT

26.1 **SBC-ILEC (Excluding SNET)** and CLEC shall reasonably cooperate with the other Party in handling law enforcement requests as follows:

26.1.1 Intercept Devices:

26.1.1.1 Local and federal law enforcement agencies periodically request information or assistance from local telephone service providers. When either Party receives a request associated with an End User of the other Party, it shall refer such request to the Party that serves such End User, unless the request directs the receiving Party to attach a pen register, trap-and-trace or form of intercept on the Party's facilities, in which case that Party shall comply with any valid request.

26.1.2. Subpoenas:

26.1.2.1 If a Party receives a subpoena for information concerning an End User the Party knows to be an End User of the other Party, it shall refer the subpoena to the Requesting Party with an indication that the other Party is the responsible company, unless the subpoena requests records for a period of time during which the receiving Party was the End User's service provider, in which case that Party will respond to any valid request.

26.1.3 Emergencies:

26.1.3.1 If a Party receives a request from a law enforcement agency for a temporary number change, temporary disconnect, or one-way denial of outbound calls by the receiving Party's switch for an End User of the other Party, that Receiving Party will comply with a valid emergency request. However, neither Party shall be held liable for any claims or Losses arising from compliance with such requests on behalf of the other Party's End User and the Party serving such End User agrees to indemnify and hold the other Party harmless against any and all such claims or Losses.

26.2 **SNET** and CLEC shall reasonably cooperate with the other Party in handling law enforcement requests as follows:

26.2.1 Each of the Parties agree to comply with the applicable state and federal law enforcement authorities, laws, and requirements, including but not limited to, the Communications Assistance for Law Enforcement Act (CALEA) and to report to applicable State and Federal law enforcement authorities as required by law, the Telecommunications Services and related information provided by each of the Parties in Connecticut.

27. RELATIONSHIP OF THE PARTIES/INDEPENDENT CONTRACTOR

27.1 Each Party is an independent contractor, and has and hereby retains the right to exercise full control of and supervision over its own performance of its obligations under this Agreement and retains full control over the employment, direction, compensation and discharge of its employees assisting in the performance of such obligations. Each Party and each Party's contractor(s) shall be solely responsible for all matters relating to payment of such employees, including the withholding or payment of all applicable federal, state and local income taxes, social security taxes and other payroll taxes with respect to its employees, as well as any taxes, contributions or other obligations imposed by applicable state unemployment or workers' compensation acts and all other regulations governing such matters. Each Party has sole authority and responsibility to hire, fire and otherwise control its employees.

27.2 Nothing contained herein shall constitute the Parties as joint venturers, partners, employees or agents of one another, and neither Party shall have the right or power to bind or obligate the other. Nothing herein will be construed as making either Party responsible or liable for the obligations and undertakings of the other Party. Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.

28. NO THIRD PARTY BENEFICIARIES; DISCLAIMER OF AGENCY

28.1 This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein expressed or implied shall create or be construed to create any Third Party beneficiary rights hereunder. This Agreement shall not provide any

Person not a party hereto with any remedy, claim, liability, reimbursement, cause of action, or other right in excess of those existing without reference hereto.

29. ASSIGNMENT

- 29.1 CLEC may not assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third person without the prior written consent of **SBC-ILEC**; provided that CLEC may assign or transfer this Agreement to its Affiliate by providing ninety (90) days' prior written notice to **SBC-ILEC** of such assignment or transfer; provided, further, that such assignment is not inconsistent with Applicable Law (including the Affiliate's obligation to obtain proper Commission certification and approvals) or the terms and conditions of this Agreement. Notwithstanding the foregoing, CLEC may not assign or transfer this Agreement (or any rights or obligations hereunder) to its Affiliate if that Affiliate is a party to a separate agreement with **SBC-ILEC** under Sections 251 and 252 of the Act. Any attempted assignment or transfer that is not permitted is void ab initio.
- 29.2 As a condition of any assignment or transfer of this Agreement (or any rights hereunder) that is permitted under or consented to by **SBC-ILEC** pursuant to this Section 29, CLEC agrees that any change, modification or other activity required for **SBC-ILEC** to accommodate or recognize the successor to or assignee of CLEC shall be a CLEC Change and shall be subject to Section 4.10. **SBC-ILEC** shall have no obligation to proceed with such activities nor shall any otherwise acceptable assignment or transfer be effective against **SBC-ILEC** until the Parties agree upon the charges that apply to such CLEC Change.
- 29.3 If during the Term, **SBC-ILEC** sells, assigns or otherwise transfers any ILEC Territory or ILEC Assets to a person other than an Affiliate or subsidiary, **SBC-ILEC** shall provide CLEC not less than ninety (90) days prior written notice of such sale, assignment or transfer. Upon the consummation of such sale, assignment or transfer, CLEC acknowledges that **SBC-ILEC** shall have no further obligations under this Agreement with respect to the ILEC Territories and/or ILEC Assets subject to such sale, assignment or transfer, and that CLEC must establish its own Section 251 and 252 arrangement with the successor to such ILEC Territory and/or ILEC Assets.

30. DELEGATION TO AFFILIATE

- 30.1 Each Party may without the consent of the other Party fulfill its obligations under this Agreement by itself or may cause its Affiliate(s) to take some or all of such actions to fulfill such obligations. Upon such delegation, the Affiliate shall become a primary obligor hereunder with respect to the delegated matter, but such delegation shall not relieve the delegating Party of its obligations as co-obligor hereunder. Any Party which elects to perform its obligations through an Affiliate

shall cause its Affiliate to take all action necessary for the performance of such Party's obligations hereunder. Each Party represents and warrants that if an obligation under this Agreement is to be performed by an Affiliate, such Party has the authority to cause such Affiliate to perform such obligation and such Affiliate will have the resources required to accomplish the delegated performance.

31. SUBCONTRACTING

31.1 If either Party retains or engages any subcontractor to perform any of that Party's obligations under this Agreement, each Party will remain fully responsible for the performance of this Agreement in accordance with its terms, including any obligations either Party performs through subcontractors.

31.2 Each Party will be solely responsible for payments due that Party's subcontractors.

31.3 No subcontractor will be deemed a Third Party beneficiary for any purposes under this Agreement.

31.4 No contract, subcontract or other agreement entered into by either Party with any Third Party in connection with the provision of Interconnection, Resale Services, Network Elements, functions, facilities, products and services hereunder will provide for any indemnity, guarantee or assumption of liability by the other Party to this Agreement with respect to such arrangement, except as consented to in writing by the other Party.

31.5 Any subcontractor that gains access to CPNI or Proprietary Information covered by this Agreement shall be required by the subcontracting Party to protect such CPNI or Proprietary Information to the same extent the subcontracting Party is required to protect such CPNI or Proprietary Information under the terms of this Agreement.

32. HAZARDOUS SUBSTANCES AND RESPONSIBILITY FOR ENVIRONMENTAL CONTAMINATION

32.1 Each Party will be solely responsible at its own expense for the proper handling, storage, transport, treatment, disposal and use of all Hazardous Substances by such Party and its contractors and agents. "Hazardous Substances" includes those substances:

32.1.1 included within the definition of hazardous substance, hazardous waste, hazardous material, toxic substance, solid waste or pollutant or contaminant under any Applicable Law, and

32.1.2 listed by any governmental agency as a hazardous substance.

- 32.2 CLEC will in no event be liable to **SBC-ILEC** for any costs whatsoever resulting from the presence or release of any environmental hazard, including Hazardous Substances, that CLEC did not introduce to the affected work location. **SBC-ILEC** will indemnify, defend (at CLEC's request) and hold CLEC and each of its officers, directors and employees harmless from and against any Loss that arises out of or results from:
- 32.2.1 Any Environmental Hazard that **SBC-ILEC**, its contractors or agents introduce to the work locations, or
- 32.2.2 The presence or Release of any Environmental Hazard for which **SBC-ILEC** is responsible under Applicable Law.
- 32.3 **SBC-ILEC** will in no event be liable to CLEC for any costs whatsoever resulting from the presence or Release of any Environmental Hazard that **SBC-ILEC** did not introduce to the affected work location. CLEC will indemnify, defend (at **SBC-ILEC**'s request) and hold **SBC-ILEC** and each of its officers, directors and employees harmless from and against any Loss that arises out of or results from:
- 32.3.1 any Environmental Hazard that CLEC, its contractors or agents introduce to the work locations, or
- 32.3.2 the presence or Release of any Environmental Hazard for which CLEC is responsible under Applicable Law.

33. **FORCE MAJEURE**

- 33.1 No Party shall be responsible for delays or failures in performance of any part of this Agreement (other than an obligation to make money payments) resulting from acts or occurrences beyond the reasonable control of such Party, including acts of nature, acts of civil or military authority, any law, order, regulation, ordinance of any Governmental Authority, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, hurricanes, floods, work stoppages, equipment failures, cable cuts, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities or acts or omissions of transportation carriers (individually or collectively, a "**Force Majeure Event**") or any Delaying Event caused by the other Party or any other circumstances beyond the Party's reasonable control. If a Force Majeure Event shall occur, the Party affected shall give prompt notice to the other Party of such Force Majeure Event specifying the nature, date of inception and expected duration of such Force Majeure Event, whereupon such obligation or performance shall be suspended to the extent such Party is affected by such Force Majeure Event during the continuance thereof or

be excused from such performance depending on the nature, severity and duration of such Force Majeure Event (and the other Party shall likewise be excused from performance of its obligations to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use its reasonable efforts to avoid or remove the cause of nonperformance and the Parties shall give like notice and proceed to perform with dispatch once the causes are removed or cease.

34. TAXES

34.1 The tax provisions set forth below apply as indicated:

34.1.1 TAXES - **SWBT-TX**

34.1.1.1 Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, municipal fees, transaction or similar taxes, fees, or surcharges (hereinafter "**Tax**") levied against or upon such purchasing Party (or the providing Party when such providing Party is permitted by applicable law to pass along to the purchasing Party such taxes, fees, or surcharges), except for any Tax on either Party's corporate existence, status, or income.

34.1.2 TAXES - **SWBT-MOKA**

34.1.2.1 Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, municipal fees, transaction or similar taxes, fees or surcharges (hereinafter "**Tax**") imposed on or with respect to the services provided by or to such Party, except for any Tax on either Party's corporate existence, status, or income.

34.1.3 TAXES - **PACIFIC**

34.1.3.1 Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, utility user, municipal fees, transaction or similar taxes, fees, or surcharges (hereinafter "**Tax**") imposed on or with respect to the services provided by or to such Party, except for any Tax on either Party's corporate existence, status, or income.

34.1.4 TAXES - **NEVADA**

34.1.4.1 Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, municipal fees, transaction or similar taxes, fees, or surcharges (hereinafter "**Tax**") imposed on or with respect to the services provided by or to such Party, except for any Tax on either Party's corporate existence, status, or income.

34.1.5 TAXES - **SNET**

34.1.5.1 Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, transaction or similar taxes, fees, or surcharges (hereinafter "**Tax**") levied against or upon such purchasing party (or the providing Party when such providing Party is permitted by applicable law to pass along to the purchasing party such taxes, fees, or surcharges), except for any Tax on either party's corporate existence, status, or income.

34.1.6 TAXES- **SBC-AMERITECH**

34.1.6.1 Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, transaction or similar taxes, fees or surcharges levied against or upon such purchasing Party (or the providing Party when such providing Party is permitted to pass along to the purchasing Party such taxes, fees or surcharges), except for any tax on either Party's corporate existence, status or income. To the extent that a Party includes gross receipts taxes in any of the charges or rates of services provided hereunder, no additional gross receipts taxes shall be levied against or upon the purchasing Party.

34.2 Whenever possible, Tax amounts shall be billed as a separate item on the invoice. To the extent a sale is claimed to be for resale tax exemption, the purchasing Party shall furnish the providing Party a proper resale tax exemption certificate as authorized or required by statute or regulation by the jurisdiction providing said resale tax exemption. Failure to timely furnish said resale tax exemption certificate will result in no exemption being available to the purchasing Party for any charges invoiced by the providing Party prior to the date the purchasing Party furnishes the providing Party a valid resale tax exemption certificate.

34.2.1 With respect to any purchase of Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement, if any Tax is required or permitted by Applicable Law to be collected from the purchasing Party by the providing Party, then:

- 34.2.1.1 The providing Party shall bill the purchasing Party for such Tax;
- 34.2.1.2 The purchasing Party shall remit such Tax to the providing Party;
and
- 34.2.1.3 The providing Party shall remit such collected Tax to the applicable taxing authority.

- 34.2.2 With respect to any purchase hereunder of Interconnection, Resale Services, Network Elements, functions, facilities, products and services that are resold to a Third Party, if any Tax is imposed by applicable law on the End User in connection with any such purchase, then:
- 34.2.2.1 The purchasing Party shall be required to impose and/or collect such Tax from the End User; and
- 34.2.2.2 The purchasing Party shall remit such Tax to the applicable taxing authority.
- 34.2.2.3 The purchasing Party agrees to indemnify and hold harmless the providing Party 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 collect the Tax from the providing Party due to the failure of the purchasing Party to pay or collect and remit such Tax to such authority.
- 34.2.3 If the providing Party fails to collect any Tax as required herein, then, as between the providing Party and the purchasing Party:
- 34.2.3.1 The purchasing Party shall remain liable for such uncollected Tax; and
- 34.2.3.2 The providing Party shall be liable for any penalty and interest assessed with respect to such uncollected Tax by such authority.
- 34.2.3.3 However, if the purchasing Party fails to pay any Taxes properly billed, then, as between the providing Party and the purchasing Party, the purchasing Party will be solely responsible for payment of the Taxes, penalty and interest.
- 34.2.4 If the purchasing Party fails to impose and/or collect any Tax from End Users as required herein, then, as between the providing Party and the purchasing Party, the purchasing Party shall remain liable for such uncollected Tax and any interest and penalty assessed thereon with respect to the uncollected Tax by the applicable taxing authority. With respect to any Tax that the purchasing Party has agreed to pay or impose on and/or collect from End Users, the purchasing Party agrees to indemnify and hold harmless the providing Party 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 collect the Tax from the providing Party due to the failure of the purchasing Party to pay or collect and remit such Tax to such authority.

34.2.5 The Party obligated to pay any Tax may contest the same in good faith, at its own expense, and shall be entitled to the benefit of any refund or recovery; provided that such contesting Party shall not permit any lien to exist on any asset of the other Party by reason of such contest. The Party obligated to collect and remit shall cooperate in any such contest by the other Party. As a condition of contesting any Tax due hereunder, the contesting Party agrees to be liable and indemnify and reimburse the other Party for:

34.2.5.1 any additional amounts that may be due by reason of such contest, including any interest and penalties; and

34.2.5.2 all costs of cooperating with the contesting Party in any such contest.

35. NON-WAIVER

35.1 Except as otherwise specified in this Agreement, no waiver of any provision of this Agreement and no consent to any default under this Agreement shall be effective unless the same is in writing and properly executed by or on behalf of the Party against whom such waiver or consent is claimed. Waiver by either Party of any default by the other Party shall not be deemed a waiver of any other default. Failure of either Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right or privilege. No course of dealing or failure of any Party to strictly enforce any term, right, or condition of this Agreement in any instance shall be construed as a general waiver or relinquishment of such term, right or condition.

36. NETWORK MAINTENANCE AND MANAGEMENT

36.1 The Parties will work cooperatively to implement this Agreement. The Parties will exchange appropriate information (for example, maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the Government, escalation processes, etc.) to achieve this desired result.

36.2 Each Party will administer its network to ensure acceptable service levels to all users of its network services. Service levels are generally considered acceptable only when End Users are able to establish connections with little or no delay encountered in the network. Each Party will provide a 24-hour contact number for Network Traffic Management issues to the other's surveillance management center.

36.3 Each Party maintains the right to implement protective network traffic

management controls, such as "cancel to", "call gapping" or 7-digit and 10-digit code gaps, to selectively cancel the completion of traffic over its network, including traffic destined for the other Party's network, when required to protect the public-switched network from congestion as a result of occurrences such as facility failures, switch congestion or failure or focused overload. Each Party shall immediately notify the other Party of any protective control action planned or executed.

- 36.4 Where the capability exists, originating or terminating traffic reroutes may be implemented by either Party to temporarily relieve network congestion due to facility failures or abnormal calling patterns. Reroutes shall not be used to circumvent normal trunk servicing. Expansive controls shall be used only when mutually agreed to by the Parties.
- 36.5 The Parties shall cooperate and share pre-planning information regarding cross-network call-ins expected to generate large or focused temporary increases in call volumes to prevent or mitigate the impact of these events on the public-switched network, including any disruption or loss of service to other End User. Facsimile (FAX) numbers must be exchanged by the Parties to facilitate event notifications for planned mass calling events.
- 36.6 Neither Party shall use any Interconnection, Resale Service, Network Element, function, facility, product or service provided under this Agreement or any other service related thereto or used in combination therewith in any manner that interferes with any Party in the use of such Party's Telecommunications Service, prevents any Party from using its Telecommunications Service, impairs the quality of Telecommunications Service to other carriers or to either Party's End Users, causes electrical hazards to either Party's personnel, damage to either Party's facilities or equipment or malfunction of either Party's ordering or billing systems or equipment. Upon such occurrence either Party may discontinue or refuse service, but only for so long as the other Party is violating this provision. Upon such violation, either Party shall provide the other Party notice of the violation at the earliest practicable time.

37. SIGNALING

- 37.1 The Parties will Interconnect their networks using SS7 signaling as defined in GR-000317-CORE and GR-000394-CORE, including ISDN User Part (ISUP) for trunk signaling and Transaction Capabilities Application Part (TCAP) for CCS-based features in the Interconnection of their networks. Each Party may establish CCS interconnections either directly and/or through a Third Party. If CCS interconnection is established through a Third Party, the rates, terms, and conditions of the Parties' respective tariffs will apply. If CCS interconnection is established directly between CLEC and **SBC-ILEC**, the rates, terms, and conditions of Appendix SS7 will apply.
- 37.2 The Parties will cooperate in the exchange of TCAP messages to facilitate full interoperability of CCS-based features between their respective networks, including all CLASS features and functions, to the extent each Party offers such features and functions to its own End Users. All CCS signaling parameters deployed by both Parties will be provided including CPN. All privacy indicators will be honored.

38. TRANSMISSION OF TRAFFIC TO THIRD PARTIES

- 38.1 CLEC will not send to **SBC-ILEC** local traffic that is destined for the network of a Third Party unless CLEC has the authority to exchange traffic with that Third Party.

39. CUSTOMER INQUIRIES

- 39.1 Each Party will refer all questions regarding the other Party's services or products directly to the other Party at a telephone number specified by that Party.
- 39.2 Each Party will ensure that all of its representatives who receive inquiries regarding the other Party's services:
- 39.2.1 Provide the number described in Section 39.1 to callers who inquire about the other Party's services or products; and
- 39.2.2 Do not in any way disparage or discriminate against the other Party or its products or services.
- 39.3 Except as otherwise provided in this Agreement, CLEC shall be the primary point of contact for CLEC's End Users with respect to the services CLEC provides such End Users.
- 39.4 CLEC acknowledges that **SBC-ILEC** may, upon End User request, provide services directly to such End User similar to those offered to CLEC under this

Agreement.

40. EXPENSES

- 40.1 Except as expressly set forth in this Agreement, each Party will be solely responsible for its own expenses involved in all activities related to the matters covered by this Agreement.
- 40.2 **SBC-ILEC** and CLEC shall each be responsible for one-half (1/2) of expenses payable to a Third Party for Commission fees or other charges (including regulatory fees and any costs of notice or publication, but not including attorney's fees) associated with the filing of this agreement.

41. CONFLICT OF INTEREST

- 41.1 The Parties represent that no employee or agent of either Party has been or will be employed, retained, paid a fee, or otherwise received or will receive any personal compensation or consideration from the other Party, or any of the other Party's employees or agents in connection with the negotiation of this Agreement or any associated documents.

42. SURVIVAL

- 42.1 The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement. Without limiting the general applicability of the foregoing, the following terms and conditions of the General Terms and Conditions are specifically agreed by the Parties to continue beyond the termination or expiration of this Agreement: Section 5.5; Section 5.6, Section 7.3; Section 8.1; Section 8.4; Section 8.5; Section 8.6; Section 8.7; Section 10, Section 11; Section 13; Section 14; Section 15; Section 16.1; Section 18; Section 19; Section 20; Section 22; Section 25.4; Section 26.1.3; Section 32; Section 34 and Section 42.

43. SCOPE OF AGREEMENT

- 43.1 This Agreement is intended to describe and enable specific Interconnection and compensation arrangements between the Parties. This Agreement is the arrangement under which the Parties may purchase from each other the products and services described in Section 251 of the Act and obtain approval of such arrangement under Section 252 of the Act. Except as agreed upon in writing, neither Party shall be required to provide the other Party a function, facility, product, service or arrangement described in the Act that is not expressly provided herein.

- 43.2 Except as specifically contained herein or provided by the FCC or any Commission within its lawful jurisdiction, nothing in this Agreement shall be deemed to affect any access charge arrangement.

44. AMENDMENTS AND MODIFICATIONS

- 44.1 No provision of this Agreement shall be deemed amended or modified by either Party unless such an amendment or modification is in writing, dated, and signed by an authorized representative of both Parties. The rates, terms and conditions contained in the amendment shall become effective upon approval of such amendment by the appropriate Commissions.
- 44.2 Neither Party shall be bound by any preprinted terms additional to or different from those in this Agreement that may appear subsequently in the other Party's form documents, purchase orders, quotations, acknowledgments, invoices or other communications.

45. APPENDICES INCORPORATED BY REFERENCE

45.1 ACCESS TO RIGHTS-OF-WAY -- SECTION 251(b)(4)

- 45.1.1 **SBC-ILEC** shall provide to CLEC access to Poles, Conduits and Rights of Ways pursuant to the applicable Appendix ROW, which is/are attached hereto and incorporated herein by reference.

45.2 COLLOCATION -- SECTION 251(c)(6)

- 45.2.1 Collocation will be provided pursuant to the applicable Appendix Collocation, which is attached hereto and incorporated herein by reference.

45.3 DATABASE ACCESS

- 45.3.1 **SBC-ILEC** shall provide to CLEC nondiscriminatory access to databases and associated signaling necessary for call routing and completion pursuant to the applicable Appendix UNE, which **is/are** attached hereto and incorporated herein by reference.

45.4 DIALING PARITY -- SECTION 251(b)(3)

45.4.1 The Parties shall provide Local Dialing Parity to each other as required under Section 251(b)(3) of the Act.

45.4.2 **SBC-ILEC** shall provide IntraLATA Dialing Parity in accordance with Section 271(e)(2) of the Act.

45.5 INTERCONNECTION PURSUANT TO SECTION 251(c)(2)(A),(B),(C); 47 CFR § 51.305(a)(1)

45.5.1 **SBC-ILEC** shall provide to CLEC Interconnection of the Parties' facilities and equipment for the transmission and routing of Telephone Exchange Service traffic and Exchange Access traffic pursuant to the applicable Appendix ITR, which **is/are** attached hereto and incorporated herein by reference. Methods for Interconnection and Physical Architecture shall be as defined in the applicable Appendix NIM, which **is/are** attached hereto and incorporated herein by reference.

45.6 NUMBER PORTABILITY -- SECTIONS 251(b)(2)

45.6.1 The Parties shall provide to each other Permanent Number Portability (PNP) on a reciprocal basis as outlined in the applicable Appendix Number Portability, which **is/are** attached hereto and incorporated herein by reference.

45.7 OTHER SERVICES

45.7.1 911 and E911 Services

45.7.1.1 **SBC-ILEC** will make nondiscriminatory access to 911 and E911 services available under the terms and conditions of the applicable Appendix 911, which **is/are** attached hereto and incorporated herein by reference.

45.7.2 AIN

45.7.2.1 One or more of the ILECs making up **SBC-ILEC** have deployed a set of AIN features and functionalities unique to the particular ILEC(s). As such, the AIN network architecture, methods of access and manner of provisioning are specific to that ILEC or those ILECs. Accordingly, any request for AIN access pursuant to this Agreement must be reviewed for technical feasibility, with all rates, terms and conditions related to such request to be determined on an individual case basis and to be negotiated

between the Parties. Upon request by CLEC, and where technically feasible, **SBC-ILEC** will provide CLEC with access to **SBC-ILEC**'s Advanced Intelligent Network (AIN) platform, AIN Service Creation Environment (SCE) and AIN Service Management System (SMS) based upon ILEC-specific rates, terms, conditions and means of access to be negotiated by the Parties pursuant to Section 252 of the Act, and incorporated into this Agreement by Appendix or amendment, as applicable, subject to approval by the appropriate state Commission.

45.7.3 Directory Assistance (DA)

45.7.3.1 **SBC-ILEC** will provide nondiscriminatory access to Directory Assistance services under the terms and conditions identified in the applicable Appendix DA, which **is/are** attached hereto and incorporated herein by reference.

45.7.4 Hosting

45.7.4.1 At CLEC's request, **SBC-ILEC** shall perform hosting responsibilities for the provision of billable message data and/or access usage data received from CLEC for distribution to the appropriate billing and/or processing location or for delivery to CLEC of such data via **SBC-ILEC**'s internal network or the nationwide CMDS network pursuant to the applicable Appendix HOST, which **is/are** attached hereto and incorporated herein by reference.

45.7.5 Operator Services (OS)

45.7.5.1 **SBC-ILEC** shall provide nondiscriminatory access to Operator Services under the terms and conditions identified in the applicable Appendix OS, which **is/are** attached hereto and incorporated herein by reference.

45.7.6 Signaling System 7 Interconnection

45.7.6.1 At CLEC's request, **SBC-ILEC** shall perform SS7 interconnection services for CLEC pursuant to the applicable Appendix SS7, which **is/are** attached hereto and incorporated herein by reference.

45.7.7 Publishing and Directory

45.7.7.1 **SBC-ILEC** will make nondiscriminatory access to Publishing and Directory service available under the terms and conditions of

the applicable Appendix White Pages, which **is/are** attached hereto and incorporated herein by reference.

45.7.8 RESALE--SECTIONS 251(b)(1)

45.7.8.1 **SBC-ILEC** shall provide to CLEC Telecommunications Services for resale at wholesale rates pursuant to the applicable Appendix Resale, which **is/are** attached hereto and incorporated herein by reference.

45.7.9 TRANSMISSION AND ROUTING OF SWITCHED ACCESS TRAFFIC PURSUANT TO 251(c)(2)

45.7.9.1 **SBC-ILEC** shall provide to CLEC certain trunk groups (Meet Point Trunks) under certain parameters pursuant to the applicable Appendix ITR, which **is/are** attached hereto and incorporated herein by reference.

45.7.10 TRANSMISSION AND ROUTING OF TELEPHONE EXCHANGE SERVICE TRAFFIC PURSUANT TO SECTION 251(c)(2)(D); 252(d)(1) and (2); 47 CFR § 51.305(a)(5).

45.7.10.1 The applicable Appendix Compensation, which **is/are** attached hereto and incorporated herein by reference, prescribe traffic routing parameters for Local Interconnection Trunk Group(s) the Parties shall establish over the Interconnections specified in the applicable Appendix ITR, which **is/are** attached hereto and incorporated herein by reference.

45.7.11 UNBUNDLED NETWORK ELEMENTS -- SECTIONS 251(c)(3)

45.7.11.1 Pursuant to the applicable Appendix UNE, which **is/are** attached hereto and incorporated herein by reference, **SBC-ILEC** will provide CLEC access to Unbundled Network elements for the provision of Telecommunications Service as required by Sections 251 and 252 of the Act and in the Appendices hereto. CLEC agrees to provide access to its Network Elements to **SBC-ILEC** under the same terms, conditions and prices contained herein and in the applicable Appendices hereto.

46. AUTHORITY

46.1 Each of the **SBC** Parties represents and warrants that it is a corporation duly organized, validly existing and in good standing under the laws of their respective states of incorporation. **SBC Communications Inc.**, represents and warrants that it has full power and authority to execute and deliver this Agreement as agent for

the **SBC** Parties. Each of the **SBC** Parties that is an ILEC represents and warrants that it has full power and authority to perform its obligations hereunder.

46.2 CLEC represents and warrants that it is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. CLEC represents and warrants that it has been or will be certified as a LEC by the Commission(s) prior to submitting any orders hereunder and is or will be authorized to provide the Telecommunications Services contemplated hereunder in the territory contemplated hereunder prior to submission of orders for such Service.

46.3 Each Person whose signature appears below represents and warrants that he or she has authority to bind the Party on whose behalf he or she has executed this Agreement.

47. COUNTERPARTS

47.1 This Agreement may be executed in counterparts. Each counterpart shall be considered an original and such counterparts shall together constitute one and the same instrument.

48. ENTIRE AGREEMENT

48.1 SBC-ILEC

48.1.1 The terms contained in this Agreement and any Appendices, Attachments, Exhibits, Schedules, and Addenda, applicable Commission-approved tariffs referred to herein and other documents or instruments referred to herein constitute the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written, including, but not limited to, the Interconnection Agreement dated December 4, 1999 by and between New Edge Network, Inc. d/b/a New Edge Networks and Pacific Bell.

SBC-ILEC Agreement

Signatures

**New Edge Network, Inc.
d/b/a New Edge Networks**

**Southwestern Bell Telephone Company
By SBC Telecommunications, Inc.,
Its authorized agent**

Signature: _____

Signature: _____

Name: _____
(Print or Type)

Name: _____
(Print or Type)

Title: _____
(Print or Type)

Title: President - Industry Markets

Date: _____

Date: _____

AECN/OCN# 2887
(Facility Based – if applicable)

AECN/OCN# _____
(Resale – if applicable)

**New Edge Network, Inc.
d/b/a New Edge Networks, Inc.**

**NEVADA Bell Telephone Company
By SBC Telecommunications, Inc.,
Its authorized agent**

Signature: _____

Signature: _____

Name: _____
(Print or Type)

Name: _____
(Print or Type)

Title: _____
(Print or Type)

Title: President - Industry Markets

Date: _____

Date: _____

AECN/OCN# 2887
(Facility Based – if applicable)

AECN/OCN# _____
(Resale – if applicable)

**New Edge Network, Inc.
d/b/a New Edge Networks**

**PACIFIC Bell Telephone Company
By SBC Telecommunications, Inc.,**

Its authorized agent

Signature: _____

Signature: _____

Name: _____
(Print or Type)

Name: _____
(Print or Type)

Title: _____
(Print or Type)

Title: President - Industry Markets

Date: _____

Date: _____

AECN/OCN# 2887
(Facility Based – if applicable)

AECN/OCN# _____
(Resale – if applicable)

**New Edge Network, Inc.
d/b/a New Edge Networks**

**The Southern New England Telephone
Company
By SBC Telecommunications, Inc.,
Its authorized agent**

Signature: _____

Signature: _____

Name: _____
(Print or Type)

Name: _____
(Print or Type)

Title: _____
(Print or Type)

Title: President - Industry Markets

Date: _____

Date: _____

AECN/OCN# 2887
(Facility Based – if applicable)

AECN/OCN# _____
(Resale – if applicable)

**New Edge Network, Inc.
d/b/a New Edge Networks**

**ILLINOIS BELL TELEPHONE
COMPANY, INDIANA BELL
TELEPHONE COMPANY**

**INCORPORATED, MICHIGAN BELL
TELEPHONE COMPANY, THE OHIO
BELL TELEPHONE COMPANY,
WISCONSIN BELL, INC. D/B/A
AMERITECH WISCONSIN**

By: SBC Telecommunications, Inc., its
Authorized agent.

Signature: _____

Signature: _____

Name: _____
(Print or Type)

Name: _____

Title: _____
(Print or Type)

Title: President - Industry Markets

Date: _____

Date: _____

AECN/OCN# 2887
(Facility Based – if applicable)

AECN/OCN# _____
(Resale – if applicable)

APPENDIX 800

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APPENDIX 800
(Access To The Toll Free Calling Database)

1. INTRODUCTION

- 1.1 This Appendix sets forth the terms and conditions for Access to the Toll Free Calling Database provided by the applicable SBC Communications Inc. (SBC) owned Incumbent Local Exchange Carrier (ILEC) and CLEC.
- 1.2 SBC Communications Inc. (SBC) means the holding company which owns the following ILECs: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, Nevada Bell Telephone Company, The Ohio Bell Telephone Company, Pacific Bell Telephone Company, The Southern New England Telephone Company, Southwestern Bell Telephone Company and/or Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin.
- 1.3 As used herein, **SBC-ILEC** means the applicable above listed ILECs doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.4 As used herein, **SBC-12STATE** means the applicable above listed ILECs doing business in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.5 As used herein, **SBC-7STATE** means the applicable above listed ILECs doing business in Arkansas, California, Kansas, Missouri, Nevada, Oklahoma, and Texas.
- 1.6 As used herein, **SBC-2STATE** means the applicable above listed ILECs doing business in California and Nevada.
- 1.7 As used herein, **SBC-SWBT** means the applicable above listed ILECs doing business in Arkansas, Kansas, Missouri, Oklahoma, and Texas.
- 1.8 As used herein, **SBC-AMERITECH** means the applicable above listed ILECs doing business in Illinois, Indiana, Michigan, Ohio, and Wisconsin.
- 1.9 As used herein, **SNET** means the applicable above listed ILEC doing business in Connecticut.

2. DESCRIPTION

- 2.1 Other than as specifically set out elsewhere in this Agreement, **SNET** does not offer Access to the Toll Free Calling Database under this Agreement. Rather, Access to the Toll Free Calling Database is available from **SNET** as described in Section 18.2.9, 800 Database Access, of the CT Access Service Tariff.
- 2.2 **SBC-12STATE**'s 800 database, an American National Standards Institute (ANSI) Signaling System 7 (SS7) call-related database system, receives updates processed from the national System Management System (SMS) database. Customer records in the SMS are created or modified by entities known as Responsible Organizations (Resp Org) who obtain access to the SMS via the System Management System/800 database, Tariff FCC No. 1. 800 Service Providers must either become their own Resp Org or use the services of an established Resp Org. The services of a Resp Org include creating and updating 800 records in the SMS to download to the 800 database(s). **SBC-12STATE** does not, either through a tariff or contract, provide Resp Org service.
- 2.3 After the 800 customer record is created in the SMS, the SMS downloads the records to the appropriate databases, depending on the area of service chosen by the 800 subscriber. An 800 customer record is created in the SMS for each 800 number to be activated. The SMS initiates all routing changes to update information on a nationwide basis.
- 2.4 Access to the Toll Free Calling Database allows CLEC to access **SBC-12STATE**'s 800 database for the purpose of switch query and database response. Access to the Toll Free Calling Database supports the processing of toll free calls (e.g., 800 and 888) where identification of the appropriate carrier (800 Service Provider) to transport the call is dependent upon the full ten digits of the toll free number (e.g., 1+800+NXX+XXXX). Access to the Toll Free Calling Database includes all 800-type dialing plans (i.e., 800, 888, and other codes as may be designated in the future).
- 2.5 Access to the Toll Free Calling Database provides the carrier identification function required to determine the appropriate routing of an 800 number based on the geographic origination of the call, from a specific or any combination of NPA/NXX, NPA or LATA call origination detail.
- 2.6 There are three optional features available with 800 service:
 - 2.6.1 Designated 10-Digit Translation;
 - 2.6.2 Call Validation; and
 - 2.6.3 Call Handling and Destination.

- 2.6.4 The Designated 10-Digit Translation feature converts the 800 number into a designated 10-digit number. If the 800 Service Provider provides the designated 10-digit number associated with the 800 number and request delivery of the designated 10-digit number in place of the 800 number, **SBC-12STATE** will deliver the designated 10-digit number.
- 2.6.5 The Call Handling and Destination feature allows the customer to create routing schemes utilizing:
- 2.6.5.1 Time of Day
 - 2.6.5.2 Day of Week
 - 2.6.5.3 Day of Year
 - 2.6.5.4 Allocation of Traffic by Percentage
 - 2.6.5.5 NPA-NXX-XXXX
- 2.6.6 The Call Validation feature List Turnaround feature (referred to as the Six-Digit Master Number List Turnaround feature in **SBC-2STATE**) applies when customer identification is performed for Canadian and Caribbean toll free numbers. This feature is billed in lieu of the Basic Toll Free Access Query charge.

3. GENERAL TERMS AND CONDITIONS

- 3.1 Access to the Toll Free Calling Database provided under these terms and conditions is only available for use in the provision of telephone exchange and Exchange Access Telecommunication Services as specified in the Telecommunications Act of 1996 and any effective rules and regulations of the Federal Communications Commission and the State regulatory Commission.
- 3.2 Access to the Toll Free Calling Database is offered separate and apart from other unbundled network elements necessary for operation of the network routing function addressed in these terms and conditions, e.g., end office 800 (SSP) functionality and (CCS/SS7) signaling. This Appendix is separate from the prices, terms, conditions and billing for such related elements, and in no way shall this Appendix be construed to circumvent the prices, terms, conditions or billing as specified for such related elements.
- 3.3 CLEC shall address its queries to **SBC-12STATE**'s database to the alias point code of the STP pair identified by **SBC-12STATE**. CLEC's queries shall use subsystem number 0 in the calling party address field and a translations type of 254 with a routing indicator set to route on global title. CLEC acknowledges

that such subsystem number and translation type values are necessary for **SBC-12STATE** to properly process queries to its 800 database.

- 3.4 Each Party warrants to the other that it shall send queries and SS7 messages conforming to the ANSI approved standards for SS7 protocol and pursuant to the Specifications and Standards documents attached and incorporated herein in Exhibit I. Both Parties acknowledge that transmission in said protocol is necessary for each Party to provision Access to the Toll Free Calling Database (or the equivalent thereof). Each Party reserves the right to modify its network pursuant to other specifications and standards, which may include Telcordia's specifications, defining specific service applications, message types, and formats, that may become necessary to meet the prevailing demands within the U.S. telecommunications industry. All such changes shall be announced in accordance with the then prevailing industry standard procedures. Each Party shall work cooperatively to coordinate any necessary changes.
- 3.5 CLEC acknowledges and agrees that CCS/SS7 network overload due to extraordinary volumes of queries and/or other SS7 network messages can and will have a detrimental effect on the performance of **SBC-12STATE**'s CCS/SS7 network and its 800 database. CLEC further agrees that **SBC-12STATE**, at its sole discretion, may employ certain automatic and/or manual overload controls within **SBC-12STATE**'s CCS/SS7 network to guard against these detrimental effects. **SBC-12STATE** shall report to CLEC any instances where overload controls are invoked due to CLEC's CCS/SS7 network. CLEC shall take immediate corrective actions as are necessary to cure the conditions causing the overload situation.
- 3.6 During periods of 800 database system congestion, **SBC-12STATE** shall utilize an automatic code gapping procedure to control congestion that may affect the service of all customers of **SBC-12STATE**'s 800 database. The automatic code gapping procedure used by **SBC-12STATE** shall notify the CLEC's switch of the gap length (how long CLEC's switch should wait before sending another query) and the gap duration (how long the switch should continue to perform gapping). For example, during an overload condition, the automatic code gapping procedures shall tell **SBC-12STATE**'s 800 database when to begin to drop one out of three queries received. This code gapping procedure shall be applied uniformly to all users of **SBC-12STATE**'s 800 database. **SBC-12STATE** reserves the right to manually invoke the automatic code gapping procedure to control congestion.
- 3.7 Prior to **SBC-12STATE** initiating service under this Appendix, CLEC shall provide an initial forecast of busy hour query volumes. CLEC shall update its busy hour forecast for each upcoming calendar year (January - December) by October 1 of the preceding year and also whenever CLEC anticipates a change to existing forecasts. CLEC shall provide such updates each year for as long as this Appendix is in effect; provided, the obligation to provide updates shall not

extend for longer than three years, assuming this Appendix in effect for that long or longer. If prior to the establishment of a mutually agreeable service effective date, in writing, **SBC-12STATE**, at its discretion, determines that it lacks adequate processing capability to provide Access to the Toll Free Calling Database to CLEC, **SBC-12STATE** shall notify CLEC of **SBC-12STATE**'s intent not to provide the services under this Appendix and this Appendix will be void and have no further effect.

- 3.8 CLEC shall from time to time at **SBC-12STATE**'s request, provide additional forecasted information as deemed necessary by **SBC-12STATE** for network planning in connection with this offering.
- 3.9 **SBC-12STATE** shall test the Access to the Toll Free Calling Database in conjunction with CCS/SS7 Interconnection Service (e.g., Appendix SS7) as outlined in Telcordia Technical References TR-NWT-000533, TR-NWT-000954, TR-TSV-000905, TP76638, GR-954-CORE, GR-905-CORE and Pacific Bell PUB L-780023-PB/NB and **SBC-AMERITECH** AM-TR-OAT-000069
- 3.10 CLEC shall only use Access to the Toll Free Calling Database to determine the routing requirements for originating 800 calls. Neither CLEC nor carrier customers of CLEC, if CLEC is acting on behalf of other carriers, shall use the database information to copy, store, maintain or create any table or database of any kind or for any purpose. If CLEC acts on behalf of other carriers to access **SBC-12STATE**'s Toll Free Calling Database, CLEC shall prohibit such carriers from copying, storing, maintaining, or creating any table or database of any kind from any response provided by **SBC-12STATE** after a query to **SBC-12STATE**'s Toll Free Calling Database. CLEC shall only use this network element in connection with the provision of telephone exchange and Exchange Access services.
- 3.11 CLEC shall ensure that it has sufficient link capacity and related facilities to handle its signaling and toll free traffic without adversely affecting other network subscribers.
- 3.12 **SBC-12STATE** shall provide Access to the Toll Free Calling Database as set forth in this Appendix only as such elements are used for CLEC's activities on behalf of its local service customers where **SBC-12STATE** is the incumbent local exchange carrier. CLEC agrees that any other use of **SBC-12STATE**'s Toll Free Calling Database for the provision of 800 database service by CLEC will be pursuant to the terms, conditions, rates, and charges of **SBC-12STATE**'s effective tariffs, as revised, for 800 database services.
- 3.13 Ordering and Billing Inquiries

3.13.1 Ordering and billing inquires for the elements described herein shall be directed to:

3.13.1.1 For **SBC-7STATE** - the Local Service Center (LSC).

3.13.1.2 For **SBC-AMERITECH** - the AIIS Service Center in Milwaukee, Wisconsin.

4. **RATE REGULATIONS**

4.1 CLEC shall pay a Local Service Order Request Charge for each CLEC request for service order activity to establish Access to the Toll Free Calling Database in the **SBC-12STATE** region.

4.2 The prices at which **SBC-ILEC** agrees to provide CLEC with Access to the Toll Free Calling Database are contained in the applicable Appendix PRICING and/or the applicable Commissioned ordered tariff where stated.

4.3 CLEC shall pay a nonrecurring charge when a CLEC establishes or changes a signaling point code. The rates and charges for Signaling Point Code(s) are described in the Appendix SS7. This charge also applies to point code information provided by CLECs allowing other telecommunications providers to use the CLEC's SS7 signaling network.

4.4 Rate Elements

There are four rate elements associated with Access to the Toll Free Calling Database:

4.4.1 Basic Toll Free Access Query Rate Element

4.4.2 Designated 10-Digit Translation Rate Element (referred to as POTS Translations in **SBC-2STATE** and **SBC-AMERITECH**)

4.4.3 Call Validation Rate Element (referred to as Multiple Destination Routing Rate Element in **SBC-2STATE**).

4.4.4 Call Handling and Destination Rate Element (referred to as Six-Digit Master Number List Turnaround Rate Element in **SBC-2STATE** and 800 Database Vertical Feature in **SBC-AMERITECH**).

4.5 CLEC shall pay the Basic Toll Free Access query rate for each query received and processed by **SBC-12STATE**'s database. When applicable, the charge for the additional features (Designated 10-Digit Translation, Call Validation, and

Call Handling and Destination) are per query and in addition to the Basic Toll Free Access query charge; and shall also be paid by CLEC.

5. MONTHLY BILLING

5.1 For information regarding billing, non-payment, disconnects, and dispute resolution, see the General Terms and Conditions of this Agreement.

6. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

6.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element.

APPENDIX 800
EXHIBIT I

1. SPECIFICATIONS AND STANDARDS

<u>1.1</u>	<u>Description of Subject Area And Issuing Organization</u>	<u>Document Number</u>
1.1.1	Telcordia, SS7 Specifications	TR-NWT-000246
1.1.1.1		TR-NWT-000271
1.1.1.2		TR-NWT-000533
1.1.2	Telcordia, CCS Network Interface Specifications	TR-TSV-000905
1.1.2.1		TP 76638
1.1.2.2		TR-NWT-00095

APPENDIX COLLOCATION

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APPENDIX COLLOCATION

1. INTRODUCTION

- 1.1 This Appendix sets forth terms and conditions for Collocation provided by the applicable SBC Communications Inc. (SBC) owned Incumbent Local Exchange Carrier (ILEC) and CLEC.
- 1.2 SBC Communications Inc. (SBC) means the holding company which owns the following ILECs: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, Nevada Bell Telephone Company (NEVADA), The Ohio Bell Telephone Company, Pacific Bell Telephone Company (PACIFIC), The Southern New England Telephone Company (SNET), Southwestern Bell Telephone Company (SWBT) and/or Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin.
- 1.3 **SBC-ILEC** - As used herein, **SBC-ILEC** means the applicable above listed ILECs doing business Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.4 **SBC-12STATE** - As used herein, **SBC-12STATE** means the applicable above listed ILEC(s) doing business in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.5 **SBC-8STATE** - As used herein, **SBC-8STATE** means an applicable above listed ILEC(s) doing business in Arkansas, California, Connecticut, Kansas, Missouri, Nevada, Oklahoma, and Texas.
- 1.6 **SBC-7STATE** - As used herein, **SBC-7STATE** means the applicable above listed ILEC(s) doing business in Arkansas, California, Kansas, Missouri, Nevada, Oklahoma, and Texas.
- 1.7 **SBC-AMERITECH** - As used herein, **SBC-AMERITECH** means the applicable above listed ILEC(s) doing business in Illinois, Indiana, Michigan, Ohio, and Wisconsin.
- 1.8 **SBC-MOKA** - As used herein, **SBC-MOKA** means the applicable above listed ILEC doing business in Arkansas, Kansas, Missouri, and Oklahoma.
- 1.9 **SWBT-TX** - As used herein, **SWBT-TX** means the applicable SBC owned ILEC doing business in Texas.
- 1.10 **AM-MI** - As used herein, **AM-MI** means the applicable SBC owned doing business in Michigan.

- 1.11 AM-IN - As used herein, AM-IN means the applicable SBC owned ILEC doing business in Indiana.
- 1.12 AM-IL - As used herein, AM-IL means the applicable SBC owned ILEC doing business in Illinois.
- 1.13 AM-WI - As used herein, AM-WI means the applicable SBC owned ILEC doing business in Wisconsin.
- 1.14 AM-OH - As used herein, AM-OH means the applicable SBC owned ILEC doing business in Ohio.
- 1.15 PACIFIC - As used herein, PACIFIC means the applicable above listed ILEC doing business in California.
- 1.16 NEVADA - As used herein, NEVADA means the applicable above listed ILEC doing business in Nevada.
- 1.17 SNET - As used herein, SNET means the applicable above listed ILEC doing business in Connecticut.

2. DEFINITIONS

- 2.1 “**Active Central Office Space**” denotes the existing, central office switchroom space, which can be designated for physical or virtual collocation, with sufficient infrastructure systems. *Also denotes central office space that may contain obsolete unused equipment.*
- 2.2 “**Adjacent Structure**” is a Collocator provided structure placed on SBC-ILEC property adjacent to an Eligible Structure. This arrangement is only permitted when space is legitimately exhausted inside the Eligible Structure and to the extent technically feasible.
- 2.3 “**Application Fee**” includes the costs incurred by SNET/PACIFIC/NEVADA to process the Collocator’s application for physical collocation arrangements.
- 2.4 “**Augment**” is a request from a Collocator to add equipment, cable, and/or Collocation services to an existing physical collocation arrangement.
- 2.5 “**Caged Physical Collocation**” is a cage or similar structure (not including a top) enclosing Collocator’s dedicated collocation space in which a Collocator may install its telecommunications equipment.

- 2.6 “**Cageless Physical Collocation**” is a Collocation arrangement, provided in single bay increments, and does not require the construction of a cage or similar structure.
- 2.7 “**Collocation Area for Physical Collocation**” is the common area providing access to an area surrounding the Collocator’s dedicated space *as well as the space dedicated to Collocators*.
- 2.8 “**Collocation Interconnection Power Panel (CIPP)**” is a DC Power panel for Power termination. *Two DC Power panels are available: (1) A DC power panel designed to provide either 20, 40 or 50 (Maximum) AMPS (redundant) of DC voltage, (2) A DC Power Panel designed to provide either 100 or 200 (Maximum) AMPS (redundant) of DC voltage.*
- 2.9 “**COBO**” the Central Office Build Out that represents the typical conditioning costs (not to include Extraordinary build out Expenses) to make an unused Premises space suitable for a collocation arrangement (Dedicated Collocation Space) in SBC-AMERITECH.
- 2.10 “**Collocator**” is any individual, partnership, association, joint-stock company, trust corporation, or governmental entity or any other entity who is collocated in Utility location, for purposes of Interconnection with the Utility or access to Unbundled Network Elements (UNE).
- 2.11 “**Dedicated Collocation Space**” is the space dedicated for the Collocator’s physical collocation arrangement located within a SBC-ILEC Eligible Structure.
- 2.12 “**Delivery Date**” the date upon which the CLEC or Requesting Carrier will be provided the collocated space or Dedicated Collocation Space in SBC-ILEC.
- 2.13 “**Eligible Structure**” is (1) a SBC-ILEC central office, serving wire center or tandem office, or (2) a building or similar structure owned or leased by SBC-ILEC that houses its network facilities, or (3) a structure that houses SBC-ILEC transmission facilities on public rights-of-way.
- 2.14 “**Engineering Design Charge**” is the cost for SBC-ILEC employees to perform the central office survey for caged and cageless serving arrangements and to implement the collocation area.
- 2.15 “**Extraordinary Costs** or extraordinary expenses include such items as asbestos removal, fire suppression system or containment, modifications or expansion of cable entry facility, individualized DC power system infrastructure needs, increasing the capacity of the AC system, or the existing commercial power facility requirements, installation, maintenance, repair, monitoring of securing

measures, conversion of non-collocation space, compliance with federal and state requirements or other modifications required by local ordinances.

- 2.16 “**Individual Case Basis (ICB)**” is a pricing method used for services that are not tariffed or are not standard offerings or configurations.
- 2.17 “**Interconnector’s Collocation Services Handbook**” is a publication provided to the CLECs which provides information on how to order collocation arrangements from SBC-8STATE. The document also provides information about SBC-8STATE’s collocation processes and requirements and is located on the CLEC website (<https://clec.sbc.com/>)
- 2.17.1 SBC-AMERITECH provides similar information at a website (<http://tcnet.ameritech.com/>).
- 2.18 “**Non Standard Collocation Request (NSCR)**” in SBC-ILEC, is a pricing method used for services that are not tariffed or are not standard offerings or configurations.
- 2.19 “**Occupancy date**” the date that SBC-ILEC may begin billing recurring charges and the Dedicated Collocation Space is made available for occupancy by the CLEC or Requesting Carrier.
- 2.20 “**Other Central Office Space**” denotes the space within the central office which can be designated for physical collocation where infrastructure systems do not currently exist and must be constructed.
- 2.21 “**Preparation Charges**” are the charges applicable to the preparation of SBC-AMERITECH Premises for Collocation, including any COBO charges, cage enclosure charges, cage enclosure charges, and extraordinary charges or expense.
- 2.22 “**Point of Termination (POT)**” denotes the point of demarcation, within an Eligible Structure at which the SBC-ILEC responsibility for the provisioning of service ends.
- 2.23 “**Project Coordination Fee**” reflects SNET/PACIFIC/NEVADA labor costs to manage the provisioning of the individual Collocator’s space requirements for a particular physical collocation space request. This fee is applicable upon the submission of an application.
- 2.24 “**Shared Physical Collocation Cage**” is a caged dedicated collocation space that is shared by two or more Collocators within the SBC-ILEC’s Eligible Structure.
- 2.25 “**Unused Space**” denotes any space in the Eligible Structure which is not occupied by SBC-ILEC personnel and/or occupied by or reserved for SBC-ILEC

network equipment including affiliates and 3rd parties. May also be used to denote space within a specific Collocator's area that is not occupied by or reserved for Collocator's equipment. (See also sections 4.1.2.1, 4.1.3.1, 5.12, & 10.1)

3. PURPOSE AND SCOPE OF AGREEMENT

- 3.1 The Parties agree that this Agreement does not constitute, and shall not be asserted to constitute, an admission or waiver or precedent with the State Tariffs in California, Texas, Connecticut, Illinois, Michigan, Wisconsin or the State Commission, the Federal Communications Commission, any other regulatory body, any State or Federal Court, or in any other forum that **SBC-ILEC** has agreed or acquiesced that any piece of Collocator equipment or facility is "equipment necessary for interconnection or access to unbundled network elements" under 47 U.S.C. 251(c)(6).
- 3.2 Nothing in this agreement requires **SBC-ILEC** to permit collocation of equipment used solely for switching (e.g. 5ESS, DMS 100, etc.) or solely to provide enhanced services; provided, however, that **SBC-ILEC** may not place any limitations on ability of Collocator to use all features, functions, and capabilities of collocated equipment including switching and routing features and functions and enhanced services functionalities if such equipment is necessary for access to UNEs or for interconnection with **SBC-ILEC**'s network. **SBC-ILEC** may require Collocator's employees to undergo the same level of security training, or its equivalent, that **SBC-ILEC**'s own employees, or third party contractors providing similar functions must undergo; provided that **SBC-ILEC** may not require Collocator's employees to receive such training from **SBC-ILEC** itself, but must provide information to Collocator on the specific type of training required so Collocator's employees can conduct their own training.
- 3.3 Submission to State Commission
- 3.3.1 The effectiveness of this Agreement is conditioned upon the unqualified approval of this Agreement, whether as a result of an approval process or by operation of law, under 47 U.S.C. 252(a)(1). After execution of this Agreement, **SBC-ILEC** and parties shall submit it to the State commission for the State in which Collocator desires physical collocation as thereby required for approval, and shall defend the Agreement and support any reasonable effort to have this Agreement so approved, including the supplying of witnesses and testimony if a hearing is to be held.
- 3.4 Failure to Receive Approval
- 3.4.1 In the event that this Agreement does not receive such unqualified

approval, this Agreement shall be void upon written notice of either party to the other after such regulatory action becomes final and unappealable. Thereafter Collocator may request to begin negotiations again under 47 U.S.C. 251. Alternatively, **SBC-ILEC** and parties may both agree to modify this Agreement to receive such approval, but neither shall be required to agree to any modification. Any agreement to modify shall not waive the right of either party to pursue any appeal of the ruling made by any reviewing regulatory commission.

3.5 Preparation Prior to Regulatory Approval

3.5.1 Upon the written request of Collocator, **SBC-ILEC** shall consider an application for collocation space submitted prior to receiving the approval required by Section 3.3. Upon such an election, this Agreement shall become effective but only insofar as to be applicable to the consideration of an application for collocation space. In the event that the Agreement does not become fully effective as contemplated by this Section, Collocator shall not be entitled to any refund or return of any such payments beyond any portion of the charges paid but not attributable to costs incurred by **SBC-ILEC**. To the extent that **SBC-ILEC** has incurred preparation costs not included within any payment made by Collocator, Collocator shall pay those costs within thirty (30) days of notice by **SBC-ILEC**.

3.6 Price Quote or Response Intervals are as follows and will run concurrent with the ten (10) day notification interval for availability of space. The Response Interval is the time period at the end of which **SBC-ILEC** must advise the CLEC if space is available for the Collocation arrangement requested. The Price Quote (Quotation) Interval relates to the period in which **SBC-ILEC** will provide the CLEC with a quotation of rates and a Construction Interval for the desired arrangement.

3.6.1 **SBC-ILEC Response Interval**

<i>Number of Applications By One Collocator Within 5 Days</i>	<i>Response Interval</i>
1 – 5	10 Business Days
6 – 10	15 Business Days
11 - 15	20 Business Days

Should Collocator submit sixteen (16) or more applications within five (5) business days, the quotation interval will be increased by five (5) business days for every five (5) additional applications or fraction thereof. Any material revision to an application will be treated as a new application and will be subject to the time intervals set forth above.

3.6.2 **SBC-ILEC Quotation Interval**

<i>Number of Applications By One Collocator Within 5 Days</i>	<i>Quotation Interval</i>
1 – 5	35 Business Days
6 – 10	40 Business Days
11 - 15	45 Business Days

Should Collocator submit sixteen (16) or more applications within five (5) days, the quotation response will be increased by five (5) business days for every five (5) additional applications or fraction thereof. Any material revision to an application will be treated as a new application and will be subject to the time intervals set forth above.

3.6.3 Collocator may obtain a shorter interval for the return of price quotes or responses than that set forth above by scheduling a meeting with **SBC-ILEC** at least twenty (20) business days prior to submission of the first application to discuss, coordinate and prioritize Collocator applications.

3.6.4 In **SBC-ILEC** the Collocator has sixty-five (65) business days from receipt of the quotation to accept the quotation. The quotation expires after sixty-five (65) business days. After sixty-five (65) business days, a new application, application fee, and engineering design charge are required.

3.7 Construction Intervals

3.7.1 **SBC-ILEC** will complete construction of all Active Central Office Switchroom Space requests for caged, shared, and cageless collocation 110 days from the receipt of Collocator's acceptance of the quotation or initial COBO (Central Office Build Out).

3.7.1.1 Should the Collocator submit 11 or more applications within 10 business days the provisioning interval will be increased by 10 business days for every 10 additional applications.

3.7.2 Unless otherwise mutually agreed to by the Parties in writing, where power does not exist or in Other Central Office Space, **SBC-ILEC** will complete construction of requests for caged, shared, or cageless collocation within 180 days from receipt of Collocator's acceptance of the quotation.

3.7.2.1 Should the Collocator submit 11 or more applications within 10 business days the provisioning interval will be increased by 10 business days for every 10 additional applications.

3.7.3 Adjacent Structure Collocation Installation Intervals

3.7.3.1 **SBC-ILEC** installation interval, rates, terms and conditions for Adjacent Structures Collocation will be determined on an individual case basis (ICB)/Non Standard Collocation Request (NSCR).

3.7.4 CLEC Installation Intervals

3.7.4.1 CLEC will, whenever possible, place their telecom equipment in the dedicated space within 30 calendar days of space turnover. CLEC must complete placement of CLEC Telecom Equipment in the Dedicated Space and interconnect to **SBC-ILEC**'s network or to its unbundled network elements within one hundred eighty (180) calendar days after space turnover. If CLEC fails to do so, **SBC-ILEC** may, upon notice, terminate that Physical Collocation arrangement, and CLEC shall be liable in an amount equal to the unpaid balance of the charges due under and, further, shall continue to be bound by the provisions of this Appendix, the terms or context of which indicate continued viability or applicability beyond termination. For purposes of this Section, CLEC Telecom Equipment is considered to be interconnected when physically connected to **SBC-ILEC**'s network or a **SBC-ILEC** unbundled network

element for the purpose of CLEC providing a telecommunications service.

3.8 Augments

3.8.1 **SBC-ILEC** shall allow CLEC to augment its collocation space when they reach a 60 percent utilization rate and shall allow CLEC to begin the applications process prior to reaching the 60% utilization rate if CLEC expects to achieve 60% utilization before the process is completed.

4. GENERAL OFFERINGS

4.1 Except where physical collocation is not practical for technical reasons or because of space limitations, **SBC-ILEC** will provide physical collocation to CLEC for the purpose of interconnecting with **SBC-ILEC**'s network or for obtaining access to **SBC-ILEC**'s unbundled network elements pursuant to 47 U.S.C. 251(c). Physical collocation shall be provided on a non-discriminatory basis, on a "first-come, first served" basis, and otherwise in accordance with the requirements of the Act (including 47 U.S.C. 251(c)(6), and applicable FCC rules thereunder. **SBC-ILEC**'s physical collocation offering includes the following:

4.1.1 Caged Physical Collocation

4.1.1.1 In the **SBC-ILEC**'s, CLEC may apply for Caged Physical Collocation in initial and subsequent increments of 50 square feet. The caged serving arrangement is an area designated by **SBC-ILEC** within an Eligible Structure to be used by a CLEC for the sole purpose of installing, maintaining and operating Collocator provided equipment. **SBC-ILEC** will provide floor space, floor space conditioning, cage common systems and safety and security on a per square foot basis. **SBC-ILEC** will prorate the charge for site conditioning and preparation undertaken to construct or condition the collocation space so the first Collocator in a **SBC-ILEC** premise will not be responsible for the entire cost of site preparation.

4.1.2 Shared Caged Collocation

4.1.2.1 Upon request, **SBC-ILEC** shall provide CLEC Shared Caged Collocation in any Unused Space. "**Shared Caged Collocation**" is caged Physical Collocation space shared by CLEC and one or more other CLECs pursuant to terms and conditions agreed upon by such carriers.

- 4.1.2.1.1 A CLEC may request that **SBC-ILEC** provide Shared Caged Collocation via a new request for Physical Collocation whereby the CLEC requesting such space allocates the requested space among the number of CLECs initially requesting such space ("**New Shared Collocation**") or a request by CLEC to enter into a sublease arrangement with another Resident Collocators(s) in CLEC's existing Physical Collocation ("**Subleased Shared Collocation**"). In each Shared Caged Collocation arrangement, **SBC-ILEC**'s single point of contact (SPOC) with respect to such arrangement shall be referred to as the "**Primary Collocator**". For New Shared Collocation, the Primary Collocator shall be the single CLEC that submits the request for New Shared Collocation on behalf of the other Resident Collocators. For Subleased Shared Collocation, the Primary Collocator shall be the CLEC that originally requested and occupied such space and is the sublessor in such arrangement. For purposes of this section, each CLEC (including Resident Collocator(s) and the Primary Collocator) to a Shared Caged Collocation arrangement is sometimes referred to as a "**Resident Collocator**". An order for Shared Caged Collocation shall include blanket letters of authorization signed by the Primary Collocator that authorize each other Resident Collocator to utilize the Connecting Facility Assignments associated with the Primary Collocator and signed by each Resident Collocator that authorize the Primary Collocator to request and place firm orders for Shared Caged Collocation and facilities on behalf of such Resident Collocators.
- 4.1.2.1.2 New Shared Collocation is available in minimum increments of fifty (50) square feet (per caged space dimensions, not per CLEC Resident Collocators shall request New Shared Collocation from **SBC-ILEC** in a single application. A request and any subsequent order for New Shared Collocation shall be submitted by the Primary Collocator. When making New Shared Collocation available, **SBC-ILEC** shall not, except as otherwise specifically required to accommodate a Resident Carrier's specific instructions, increase the Preparation

Charges above the cost of provisioning a cage of similar dimensions and materials to a single collocating CLEC. **SBC-ILEC** will prorate the Preparation Charges incurred by **SBC-ILEC** to construct the shared Collocation cage or condition the space for Collocation use among the Resident Collocators utilizing the New Shared Collocation space, by determining the total preparation charges to make that space available and allocating that charge to each Resident Collocator based on the percentage attributable to each Resident Collocator as provided on the Collocation order by the Primary Collocator, provided that the percentage divided among the Resident Collocators in a New Shared Collocation space equals one hundred percent (100%) of such Preparation Charges. Allocation of Preparation Charges shall occur only upon the initial delivery of New Shared Collocation and **SBC-ILEC** shall not be required to adjust such allocation if another Resident Collocator subsequently shares such space. Except with respect to prorated Preparation Charges, **SBC-ILEC** shall bill only the Primary Collocator for, and the Primary Collocator shall be the primary obligor with respect to the payment of, all charges other than Preparation Charges billed on New Shared Collocation. It is the Primary Collocator's responsibility to recover from each other Resident Collocator such CLEC's proportionate share of such other charges billed to the Primary Collocator for the New Shared Cage Collocation. If CLEC is a Resident Collocator but not the Primary Collocator in a New Shared Collocation arrangement, CLEC agrees that the rates, terms and conditions of the Collocation provisions of the Primary Collocator's Section 251/252 agreement shall apply to its New Shared Collocation arrangement in lieu of those set forth herein. Further, if CLEC is the Primary Collocator in a New Shared Collocation arrangement, as a condition of ordering New Shared Allocation, CLEC shall require its Resident Collocator(s) to execute an agreement prior to the Delivery Date that, *inter alia*, requires such Resident Collocator(s)' compliance with the terms, conditions and restrictions relating to Collocation contained in

this Agreement and designates **SBC-ILEC** as a third party beneficiary of such agreement. CLEC, acting in its capacity as Primary Collocator, shall notify its Resident Collocator(s) of the obligation to comply with the Collocation provisions of this Agreement and shall be responsible for any breach of such provisions by the Resident Collocator(s).

4.1.2.1.3 For Subleased Shared Collocation, if the CLEC is the Primary Collocator, then CLEC shall be responsible for its and its Resident Collocator's compliance with the terms, conditions and restrictions of this Agreement. As a condition to permitting another CLEC to sublease space from CLEC, CLEC shall require such other CLEC(s) to execute a sublease agreement prior to the Delivery Date that, *inter alia*, requires such CLEC's compliance with the terms, conditions and restrictions relating to Collocation contained in this Agreement and designates **SBC-ILEC** as a third party beneficiary of such agreement. CLEC, acting in its capacity as Primary Collocator, shall notify its Resident Collocator(s) of the obligation to comply with the Collocation provisions of this Agreement and shall be responsible for any breach of such provisions by the Resident Collocator(s). If CLEC is the sublessee (i.e., not the Primary Collocator) in a Subleased Shared Collocation arrangement, CLEC agrees that the rates, terms and conditions of the Collocation provisions of the Primary Collocator's Section 251/252 agreement shall apply to its Subleased Shared Collocation arrangement in lieu of those set forth herein.

4.1.2.1.4 The Primary Collocator represents and warrants to **SBC-ILEC** that each Resident Collocator with which it shares Shared Caged Collocation space shall Collocate equipment only as permitted by **5.1** and which is necessary to Interconnect with **SBC-ILEC** or for access to **SBC-ILEC**'s unbundled Network Elements. **SBC-ILEC** shall provide CLEC access to **SBC-ILEC**'s unbundled Network Elements and permit CLEC to Interconnect its network with **SBC-ILEC** from Shared Caged Collocation, regardless if CLEC was the original

Collocator. CLEC, however, shall have no right to request and **SBC-ILEC** shall have no obligation to provide CLEC's Resident Collocators access to **SBC-ILEC**'s unbundled Network Elements or **SBC-ILEC**'s network. Instead, a Resident Collocator's rights shall be as determined by such Resident Collocator's contractual arrangement (Section 251/252 agreement or tariff, as applicable) with **SBC-ILEC**.

4.1.2.1.5 As a condition of entering into Shared Caged Collocation, CLEC agrees that if it is not the Primary Collocator in a New Shared Collocation, or if it is the sublessee in a Subleased Shared Collocation arrangement, it unconditionally and irrevocably undertakes and guarantees **SBC-ILEC** the prompt and full payment of any charges assessed on the Shared Caged Collocation. If the Primary Collocator in a Shared Caged Collocation arrangement no longer occupies the space, the other Resident Collocators must immediately identify a new Primary Collocator. If only one CLEC remains in the Shared Cage Collocation, that CLEC shall become the Primary Collocator. **SBC-ILEC** shall bill the new Primary Collocator any applicable charges to change **SBC-ILEC**'s records and databases to reflect such new Primary Collocator.

4.1.3 Cageless Physical Collocation

4.1.3.1 Subject to technical feasibility and security requirements, **SBC-ILEC** will allow CLEC to collocate in any unused space (space that is vacant and does not contain **SBC-ILEC** equipment, is not reserved for growth, is not used for administrative or other functions, and is not needed for access to, egress from, or work within occupied or reserved space) in **SBC-ILEC**'s Eligible Structure (eg. Central Office), without requiring the construction of a cage or similar structure, and without requiring the creation of a separate entrance to CLEC's dedicated space. **SBC-ILEC** will designate the space to be used for cageless collocation. **SBC-ILEC** may require CLEC to use a central entrance to the building in which the cageless collocation is provided, but may not require construction of a new entrance for CLEC's or other collocating carriers' use, and once inside the building, **SBC-**

ILEC must permit CLEC to have direct access to CLEC's equipment.

4.1.3.2 **SBC-ILEC** may not require CLEC to use an intermediate interconnection arrangement (i.e., a POT bay) that simply increases collocation costs without a concomitant benefit to incumbents, in lieu of direct connection to **SBC-ILEC**'s network if technically feasible. In addition, **SBC-ILEC** may not require CLEC to collocate in a room or isolated space, separate from **SBC-ILEC**'s own equipment, which only serves to increase the cost of collocation and decrease the amount of available collocation space. **SBC-ILEC** may take reasonable steps to protect its own equipment, such as, but not limited to, enclosing **SBC-ILEC** equipment in its own cage, and other reasonable security measures examples of which are described herein. **SBC-ILEC** may utilize reasonable segregation requirements that do not impose unnecessary additional cost on CLEC.

4.1.3.2.1 CLEC may install all racks, equipment as well as terminate all **SBC-ILEC** installed cabling to the respective termination panels in the CLEC's assigned cageless collocation space. Prior to the CLEC's acceptance of space and subsequent installation, all cabling (DC power, DS1, DS3 and DS0 cables) will be run to the designated rack spaces based on the collocation application for the specific space submitted to **SBC-ILEC** from the CLEC. Such cabling, delivered with a minimum of ten (10) feet of slack from the floor of the designated collocation space will be labeled to facilitate termination.

4.1.3.3 **SBC-ILEC** must make cageless collocation space available in single-bay increments, meaning that CLEC can purchase space in single bay increments. **SBC-ILEC** will prorate the charge for site conditioning and preparation undertaken to construct or condition the collocation space so the first Collocator in a **SBC-ILEC** premise will not be responsible for the entire cost of site preparation.

4.1.4 Adjacent Structure Collocation

4.1.4.1 When space is legitimately exhausted inside an **SBC-ILEC** Eligible Structure, **SBC-ILEC** will permit CLEC to physically collocate in an Adjacent Structure (e.g. controlled environmental

vaults or similar structures such as those used by **SBC-ILEC** to house telecommunications equipment) to the extent technically feasible. **SBC-ILEC** will permit CLEC to construct or otherwise procure such adjacent structure, subject to reasonable safety and maintenance requirements, zoning and other state and local regulations, and **SBC-ILEC**'s right to exercise reasonable control over the design, construction, and placement of such Adjacent Structures. **SBC-ILEC** will allow the CLEC to provide equipment installed within the Adjacent Structure. CLEC will be responsible for securing the required licenses and permits, the required site preparations, and will retain responsibility for building and site maintenance associated with placing the Adjacent Structure. **SBC-ILEC** may reserve reasonable amounts of space adjacent to its Eligible Structure needed to expand its Eligible Structure to meet building growth requirements. **SBC-ILEC** will assign the location of the Designated Space where the Adjacent Structure will be placed.

- 4.1.4.2 When requested, **SBC-ILEC** will provide up to 100 AMPS of AC power to the Adjacent Structure when Central Office Switchboard AC capacity exists and up to 200 AMPS of DC power to the Adjacent Structure up to 200 cable feet from the Central Office power source. When power requirements are beyond these office capacities and distance limitations, **SBC-ILEC** will treat the requirements as a non-standard request (ICB or NSCR) and coordinate a mutually agreeable solution for provisioning power with CLEC. At its option, CLEC may choose to provide its own AC and DC power to the Adjacent Structure. **SBC-ILEC** will provide power and physical collocation services and facilities to such Adjacent Structures, subject to the same nondiscrimination requirements as other physical collocation arrangements in this Agreement.
- 4.2 All requests for Other Physical Collocation arrangements will be considered on a case-by-case basis (ICB or NSCR). When CLEC requests a particular collocation arrangement, the CLEC is entitled to a rebuttable presumption that such arrangement is technically feasible if any incumbent LEC with a substantially similar network has deployed such collocation arrangement in any incumbent LEC Dedicated Space. If **SBC-ILEC** refuses to provide a collocation arrangement, or an equally cost effective arrangement, it may do so if it rebuts the presumption before the state commission that the particular premises in question cannot support the arrangement because of either technical reasons or lack of space.
- 4.3 Interconnection Arrangement - **SBC-ILEC** shall provide, at the request of the CLEC, the connection between the CLEC's optional POT frame or equipment bay

and the **SBC-ILEC** network. The CLEC cannot provide the connection. The CLEC will not be permitted access to the **SBC-ILEC** Main Distribution Frame or Intermediate Distribution Frame. If regeneration equipment is required, for any reason, it will be at the CLEC's expense. Interconnection Arrangements options are as follows: DS0 Arrangement, DS1 Arrangement, DS3 Arrangement and Fiber Arrangement.

- 4.4 **SBC-ILEC** shall provide, at the request of CLEC, the connection between the equipment in the physical collocation spaces of two or more telecommunications carriers. Available connections include copper cable, coaxial cable, and fiber optic cable. Upon request, **SBC-ILEC** shall permit CLEC to construct its own connection between CLEC's equipment and that of one or more collocating carriers, if CLEC does not request **SBC-ILEC**'s construction of such facilities. **SBC-ILEC** shall permit CLEC to construct such facilities using copper, coaxial or optical fiber equipment.
- 4.5 Within a contiguous area within the Eligible Structure, **SBC-ILEC** shall permit CLEC to connect its equipment with that of another collocated telecommunications carriers within the same Eligible Structure provided that the collocated equipment is also used for interconnection with **SBC-ILEC** or for access to **SBC-ILEC**'s unbundled network elements.
- 4.5.1 CLEC will not be permitted to place cable over **SBC-ILEC**'s switches or other critical equipment. **SBC-ILEC** will designate the route and space to be used for such facilities. **SBC-ILEC** shall permit CLEC to construct such facilities using copper or optical fiber facilities subject to the same reasonable safety requirements that **SBC-ILEC** imposes on its own equipment and facilities, without requiring the Collocator to purchase any equipment or connecting facilities solely from **SBC-ILEC**.
- 4.6 If the Collocators are not located on the same floor and cannot physically pull the cable themselves through the **SBC-ILEC** provided structure(s), **SBC-ILEC** will perform the necessary construction and perform the cable pull on a time and materials basis. At no time will CLEC be allowed access to any portion of the central office other than the collocation area — except for reasonable access to restrooms and parking lots where available. **SBC-ILEC** will not make the physical connection with CLEC's equipment, **SBC-ILEC** will not accept any liability for the cable or the connections and **SBC-ILEC** will not maintain any records concerning these connections.
- 4.7 **SBC-ILEC** shall permit CLEC to place its own connecting transmission facilities within **SBC-ILEC**'s Eligible Structure in the physical collocation space, without requiring the Collocator to purchase any equipment or connecting facilities solely from **SBC-ILEC**, subject to reasonable safety limitations. CLEC shall not have access to **SBC-ILEC**'s Main Distribution Frame and/or Intermediate Distribution

Frame. As provided herein, **SBC-ILEC** may require reasonable security arrangements to protect its equipment and ensure network reliability. Except as provided below, **SBC-ILEC** may only impose security arrangements that are as stringent as the security arrangements that **SBC-ILEC** maintains at its own premises for its own employees or authorized contractors. **SBC-ILEC** must allow CLEC to access its installed physical collocation equipment 24 hours a day, seven days a week, in **SBC-ILEC** Eligible Structures without requiring either a security escort of any kind or delaying a CLEC's employees' entry into **SBC-ILEC**'s Eligible Structure. Reasonable security measures that **SBC-ILEC** may adopt include, but are not limited to, the following:

- 4.7.1 Installing security cameras or other monitoring systems; or
 - 4.7.2 Requiring CLEC personnel to use badges with computerized tracking systems; or
 - 4.7.3 Requiring CLEC employees to undergo the same level of security training, or its equivalent, that **SBC-ILEC**'s own employees, or third party contractors providing similar functions, must undergo; provided, however, that **SBC-ILEC** may not require CLEC employees to receive such training from **SBC-ILEC** itself, but must provide information to CLEC on the specific type of training required so CLEC's employees can conduct their own training.
 - 4.7.4 **SBC-ILEC** may take reasonable steps to protect its own equipment, such as enclosing the equipment in a cage.
- 4.8 **Relocation** – In the event **SBC-ILEC** determines it necessary for Dedicated Collocation Space to be moved within the Eligible Structure in which the Dedicated Collocation Space is located or to another Eligible Structure, CLEC is required to do so. If such relocation arises from circumstances beyond the reasonable control of **SBC-ILEC**, including condemnation or government order or regulation that makes the continued occupancy of the dedicated collocation space or Eligible Structure too costly in **SBC-ILEC**'s sole judgment, CLEC shall be responsible for the cost of preparing the new dedicated collocation space at the new location. Otherwise **SBC-ILEC** shall be responsible for any reasonable preparation costs
- 4.8.1 In the event that CLEC requests that the Dedicated Collocation Space be moved within the **SBC-ILEC** Eligible Structure or to another Eligible Structure, **SBC-ILEC** shall permit CLEC to relocate the Dedicated Collocation Space, subject to the availability of space and associated requirements. CLEC shall be responsible for all charges associated with the move, including the reinstallation of its equipment and facilities and

the preparation of the new Dedicated Collocation Space and the new Wire Center as applicable.

- 4.9 CLECs will conduct background checks of their personnel and technicians who will have access to the Collocation Area. CLEC technicians will be security qualified by the CLEC and will be required to be knowledgeable of **SBC-ILEC**'s security standards. CLEC personnel and technicians will undergo the same level of security training, or its equivalent that **SBC-ILEC**'s own employees and authorized contractors must undergo. **SBC-ILEC** will not, however, require CLECs to receive security training from **SBC-ILEC**. CLECs can then provide their employees with their own security training. Qualification program and security training details shall be included in **SBC-ILEC**'s technical publications and/or Collocation website(s).
- 4.10 CLECs and **SBC-ILEC** will each establish disciplinary procedures up to and including dismissal or denial of access to the Eligible Structure and other **SBC-ILEC**'s property for certain specified actions that damage, or place the equipment, facilities, or the network or personnel of the CLECs or **SBC-ILEC** in jeopardy. The following are actions that could damage or place the Eligible Structure, or the network or the personnel of the CLECs or **SBC-ILEC**, in jeopardy and may justify disciplinary action up to and including dismissal or the denial of access to the Eligible Structure and other **SBC-ILEC** property:

- 4.10.1 Theft or destruction of **SBC-ILEC**'s or any CLEC's property.
- 4.10.2 Use or attempted use/sale of alcohol or illegal drugs on **SBC-ILEC**'s property.
- 4.10.3 Industrial espionage.
- 4.10.4 Threats or violent acts against other persons on **SBC-ILEC**'s property.
- 4.10.5 Knowing violations of any local, state or federal law on **SBC-ILEC**'s property.
- 4.10.6 Permitting unauthorized persons access to **SBC-ILEC**'s or CLEC's equipment on **SBC-ILEC**'s property.
- 4.10.7 Carrying a weapon on **SBC-ILEC**'s property.
- 4.11 In addition, the CLEC and **SBC-ILEC** will take appropriate disciplinary steps as determined by each party to address any violations reported by **SBC-ILEC** or the CLEC of **SBC-ILEC**'s policies and practices on security, safety, network reliability, and business conduct as defined in **SBC-ILEC**'s Interconnector's Collocation Services Handbook and/or Collocation website(s), provided the such information and any and all updates to it are timely provided to the CLEC.
- 4.12 CLECs will provide indemnification and insurance as set forth in this agreement to cover any damages caused by the CLEC's technicians at a level commensurate with the indemnification and insurance provided by **SBC-ILEC**'s authorized contractors with equivalent access. The indemnification provisions and requirements are reciprocal to **SBC-ILEC** as well.
- 4.13 **SBC-ILEC** may use reasonable security measures to protect its equipment, including, but not limited to, enclosing its equipment in its own cage, the use of security cameras or other monitoring devices, badges with computerized tracking systems, identification swipe cards, keyed access, and/or logs, as appropriate for the Eligible Structures where physical collocation will take place. **SBC-ILEC**'s enclosure of its own equipment will not be a basis for a claim that space is exhausted.

5. **SPACE AVAILABILITY**

- 5.1 At the request of CLEC, **SBC-ILEC** will provide space for physical collocation as described above. **SBC-ILEC** is not required to provide physical collocation at a particular Eligible Structure if it demonstrates that physical collocation is not practical for technical reasons or because of space limitations. In such cases and with the qualifications set forth above, **SBC-ILEC** will provide Adjacent

Structure Collocation as described above or Virtual Collocation, except at points where **SBC-ILEC** proves that Adjacent Structure Collocation and/or Virtual Collocation is not technically feasible. If Adjacent Structure Collocation or Virtual Collocation is not technically feasible, **SBC-ILEC** will make a good faith effort to negotiate other methods of interconnection and access to unbundled network elements to the extent technically feasible.

- 5.2 The determination whether there is sufficient space to accommodate physical collocation at a particular Eligible Structure will be made initially by **SBC-ILEC**. **SBC-ILEC** will notify CLEC within ten (10) business days of submission of a completed Application for physical collocation by CLEC as to whether its request for space is been granted or denied due to a lack of space.
 - 5.2.1 When space for physical collocation in a particular Eligible Structure is not available, **SBC-ILEC** shall place CLEC on the waiting list for collocation in a particular Eligible Structure according to the date CLEC submitted its application for physical collocation in that Eligible Structure
 - 5.2.2 Any nonrecurring charges collected with the application, except the application fee will be returned to the CLEC. **SBC-ILEC** will, at the same time, forward a copy of the letter denying the CLEC's request to the appropriate State Commission.
- 5.3 If **SBC-ILEC** contends space for physical collocation is not available in a premises, **SBC-ILEC** must allow CLEC to tour the entire central office or other Eligible Structure in question, not just the area in which space was denied, without charge, within ten business days, or such later date as mutually agreed, of the receipt of **SBC-ILEC**'s denial of space. Prior to taking a tour, each representative must execute and deliver to **SBC-ILEC** a standard nondisclosure agreement. In no event shall any camera or other video/audio-recording device be brought on or utilized during any tour of an **SBC-ILEC**'s Premises.
 - 5.3.1 If **SBC-ILEC** denies CLEC's Physical Collocation request because of space limitations and, after touring the applicable Premises, the Parties are unable to resolve the issue of whether the denial of space was proper, **SBC-ILEC** shall, in connection with any complaint filed by CLEC, file with the Commission detailed floor plans or diagrams of such Premises, subject to protective order.
 - 5.3.1.1 Within ten (10) days of CLEC submitting a request to **SBC-ILEC** for physical collocation, if **SBC-ILEC** finds that it must deny the request, **SBC-ILEC** must file its response, under seal, with the Commission. The response includes the following information:

- 5.3.1.2 Central Office Common Language Identifier, where applicable;
- 5.3.1.3 The identity of the requesting CLEC, including amount of space sought by CLEC;
- 5.3.1.4 Total amount of space at the premises;
- 5.3.1.5 Floor plans including measurements of the **SBC-ILEC** premises, showing:
 - 5.3.1.5.1 Space housing **SBC-ILEC** network equipment or administrative offices;
 - 5.3.1.5.2 Space housing unused obsolete equipment, if any;
 - 5.3.1.5.3 Space which does not currently house **SBC-ILEC** equipment or administrative offices but is reserved by **SBC-ILEC** for future use;
 - 5.3.1.5.4 Space occupied by Collocators for the purpose of network interconnection or access to unbundled network elements;
 - 5.3.1.5.5 Space, if any, occupied by third parties for other purposes;
 - 5.3.1.5.6 Remaining space, if any.
 - 5.3.1.5.7 Identification of turnaround space for the switch or other equipment, if any;
 - 5.3.1.5.8 Central office rearrangement/expansion plans, if any and
 - 5.3.1.5.9 Description of other plans, if any, that may relieve space exhaustion.
- 5.4 **SBC-ILEC** will maintain a publicly available document, posted for viewing on **SBC-ILEC**'s Internet site(s), indicating all premises that are full, and will update such a document within ten days of the date at which a premises runs out of physical collocation space.
- 5.5 Upon request, **SBC-ILEC** must submit to the requesting carrier within ten days of the submission of the request a report indicating the available collocation space in a particular **SBC-ILEC** Eligible Structure. This report will specify the amount of

collocation space available at each requested Dedicated Space, the number of Collocators, and any modifications in the use of the space since the last report. This report will also include measures that **SBC-ILEC** is taking to make additional space available for collocation. **SBC-ILEC** will provide a report for 1 to 5 requests in 10 business days and 6 to 20 requests in 25 business days. Should the CLEC submit more than 20 requests at once for central offices where there is no current collocation or collocation forecasted, **SBC-ILEC** will provide the information on a scheduled basis of ten additional offices every ten days.

- 5.5.1 In **SBC-ILEC**, Reports shall be ordered via the Collocation order form and shall specifically identify the CLLI code of each Premise for which a report is ordered.
- 5.6 In any Central Office in which all options for physical collocation offered by **SBC-ILEC** have been exhausted, **SBC-ILEC** shall not be permitted to provide additional space in that Central Office for any of its affiliates
- 5.7 **SBC-ILEC** is not required to lease or construct additional space to provide for physical collocation when existing space has been exhausted. Moreover, **SBC-ILEC** is not required to, nor shall this Appendix create any obligation or expectation, to relinquish used, or forecasted space to undertake the construction of new quarters or to construct additions to existing quarters in order to satisfy any request for additional space or the placement of CLEC equipment or facilities, whether through an initial request for physical collocation or a subsequent request for more space in an Eligible Structure. **SBC-ILEC** and CLEC shall not unreasonably warehouse forecasted space.
- 5.8 To the extent possible, **SBC-ILEC** will make contiguous space available to CLEC if CLEC seeks to expand an existing physical collocation arrangement and such request meets **SBC-ILEC**'s non-discriminatory practices regarding efficient space utilization.
- 5.9 When planning renovations of existing Eligible Structures or constructing or leasing new Eligible Structures, **SBC-ILEC** will take into account future demand based upon its knowledge of CLEC demand for Collocation. CLEC will provide **SBC-ILEC** with a two (2)-year-rolling forecast of its requirements for Collocation that will be reviewed jointly on a yearly basis by the Parties.
- 5.10 **SBC-ILEC** may retain a limited amount of floor space for **SBC-ILEC**'s own specific future uses for a time period on terms no more favorable to **SBC-ILEC** for like equipment than those that apply to other telecommunications carriers, including CLEC, seeking to reserve Collocation space for their own future use. Except for space needed for switching equipment "turnaround" (e.g., the installation of new switching equipment to replace then-existing switching equipment), other telecommunications equipment and infrastructure, if any, and/or otherwise permitted or directed by applicable rule or order, **SBC-ILEC**

will relinquish any space held for future use before denying a request for Virtual Collocation on grounds of space limitations, unless **SBC-ILEC** proves to the Commission that Virtual Collocation at that point is not technically feasible, including that space does not exist. In any such event, **SBC-ILEC** and CLEC will attempt to reach a mutually agreeable alternative method of interconnection.

- 5.11 At the request of the Commission or CLEC, **SBC-ILEC** shall remove any obsolete and unused equipment (e.g., retired in-place") from its Premises. **SBC-ILEC** shall be permitted to recover the cost of removal and/or relocation of such equipment if **SBC-ILEC** incurs expenses that would not otherwise have been incurred (at the time of the request or subsequent thereto) except to increase the amount of space available for collocation (e.g., costs to expedite removal of equipment or store equipment for reuse).
- 5.12 **SBC-ILEC** may impose reasonable restrictions on its provision of additional unused space available for Collocation (so-called "warehousing") as described in paragraph 586 of the First Report and Order (96-325); provided, however, that **SBC-ILEC** shall not set a maximum space limitation on CLEC unless **SBC-ILEC** proves to the Commission that space constraints make such restrictions necessary

6. DENIAL OF COLLOCATION EQUIPMENT

- 6.1 All types of network equipment placed in **SBC-ILEC** network equipment areas of Eligible Structures by **SBC-ILEC** or CLECs must meet the **SBC-ILEC** minimum safety standards. The minimum safety standards are:
- 6.1.1 Equipment compliance to **SBC-ILEC** technical publication TP 76200MP Level 1 requirements, (see Texas Tariff section 5 paragraph 10.1 for Texas specific Tariff requirements for this standard), or
- 6.1.2 Equipment history of safe operation demonstrated by placement in an ILEC network premise prior to January 1, 1998 with no documented or known history of safety problems.
- 6.2 **SBC-ILEC** is not required to permit collocation of equipment that is not necessary for either access to UNEs or for interconnection with **SBC-ILEC**, nor such as equipment used exclusively for switching or for enhanced services. Nothing in this Agreement requires **SBC-ILEC** to permit collocation of equipment used solely for switching or solely to provide enhanced services; provided, however, that **SBC-ILEC** may not place any limitations on the ability of CLEC to use all the features, functions, and capabilities of equipment collocated, including, but not limited to, switching and routing features and functions and enhanced services functionalities.

7. DEDICATED COLLOCATION SPACE CHARGES

7.1 Dedicated Collocation Space

7.1.1 For each Eligible Structure in which CLEC desires to physically collocate equipment, CLEC must submit a Physical Collocation Application with the applicable Engineering Design Charge/COBO and/or application fee. A copy of the Physical Collocation Application may be obtained from the **SBC-ILEC** Collocation Services account manager. The Physical Collocation Application must also be used for each subsequent request to place equipment in an Eligible Structure.

7.1.2 The installation interval begins after CLEC has submitted a complete application, with appropriate fees and prepayment of applicable nonrecurring charges and **SBC-ILEC** has completed processing of the application.

7.1.2.1 **SBC-ILEC** shall provide information to CLEC at the “Initial Contact,” not incorporated herein but as described in the Interconnector’s Collocation Services Handbook or on the applicable website.

7.1.2.2 **SBC-ILEC** and CLEC shall conduct two operational meetings prior to turnover of the dedicated space.

7.2 **SBC-ILEC** will contract for and perform the construction and preparation activities necessary to prepare the dedicated space, Dedicated Space using the same or consistent practices that are used by **SBC-ILEC** for other construction and preparation work performed in the Eligible Structure.

7.2.1 Notwithstanding the above, **SBC-ILEC** will permit CLEC to subcontract the construction of Physical Collocation arrangements with contractors approved by **SBC-ILEC**, provided that **SBC-ILEC** will not unreasonably withhold approval of contractors.

7.2.1.1 Certification by **SBC-ILEC** will be based on the same criteria **SBC-ILEC** uses in certifying contractors for its own purposes.

7.3 Recurring/Non-Recurring charges - CLEC shall pay **SBC-ILEC** a per month charge and non-recurring charges for use of the Dedicated Collocation Space and any Telco provided equipment/facilities therein. These charges are contained in the state specific Appendix Pricing and/or in the applicable tariff. The recurring monthly charges for each Dedicated Collocation Space shall stay fixed for the term of this agreement and may be modified upon re negotiation of the Interconnection Agreement.

- 7.3.1 An ICB quote is prepared by **SBC-MOKA/NEVADA** to estimate non-recurring and recurring charges associated with the requested collocation space. This ICB quote is prepared specifically for collocation requests and is not associated in any way with the Bona Fide Request (BFR) process used to request UNEs or other unique items not contained in a CLEC Interconnection Agreement.
- 7.4 CLEC shall pay its proportionate share of any reasonable security arrangements **SBC-ILEC** employs to protect **SBC-ILEC** equipment and ensure network reliability.
- 7.5 Payment of Preparation Charge - Prior to any obligation on **SBC-ILEC** to start any preparation of the Dedicated collocation space, CLEC shall pay **SBC-ILEC** fifty percent (50%) of the Preparation Charge or COBO charge with the remaining fifty percent (50%) of the Preparation/COBO charge due upon completion of the Dedicated Collocation Space. Any extraordinary expenses, if applicable, must be agreed to by the CLEC prior to actual commencement of the physical construction of the Dedicated Collocation Space.
- 7.6 Occupancy Conditioned on Payment - **SBC-ILEC** shall not permit CLEC to have access to the dedicated collocation space for any purpose other than inspection during construction of CLEC's dedicated physical collocation space until **SBC-ILEC** is in receipt of complete payment of the Preparation Charge and any Custom Work charges and/or applicable COBO.
- 7.7 Breach Prior to Commencement Date - In the event that the CLEC materially breaches this Agreement by purporting to terminate this Agreement after **SBC-ILEC** has begun preparation of the dedicated collocation space but before **SBC-ILEC** has been paid the entire amounts due under this Article, then in addition to any other remedies that **SBC-ILEC** might have, the CLEC shall be liable in the amount equal to the non-recoverable costs less estimated net salvage. Non-recoverable costs include the non-recoverable cost of equipment and material ordered, provided or used; the non-recoverable cost of installation and removal, including the costs of equipment and material ordered, provided or used; labor; transportation and any other associated costs.
- 7.8 Late Payment Charge - In the event that any charge is not paid when due, the unpaid amounts shall bear interest in accordance with the terms and conditions set forth in **SBC-ILEC**'s intrastate tariff late payment provision(s) applicable to access services for the State in which the dedicated collocation space is located, or the highest rate permitted by law, whichever is lower, from the due date until paid.
- 7.9 Charges will begin to accrue on the Effective Billing Date - The Effective Billing

Date is the date **SBC-ILEC** made the Dedicated Collocation Space available to CLEC.

- 7.9.1 The charges for a Physical Collocation arrangement in an Eligible Structure where interstate expanded interconnection is required to be provided pursuant to 47 C.F.R. [two section symbols] 64.1401(a), 64.1401(b) shall be as set forth in the applicable Tariff(s). To the extent that any of those charges are subject to appeal, the result of any such appeal shall be retroactively applied to any Physical Collocation arrangement ordered or provided under any such charge. To the extent that rates are not provided in the applicable Tariff(s), rates shall be determined on Individual Case Basis "ICB." Any ICB quote shall be included as part of the quote provided to the CLEC in response to its Physical Collocation application.
- 7.10 The monthly recurring charge(s) shall begin to apply within, but no later than 30 days from the date that **SBC-ILEC** has turned over the dedicated space to the CLEC, Dedicated Space regardless of any failure by CLECs to complete its work. The fact that **SBC-ILEC** may have additional work to perform after CLEC does complete its work shall not bar the start of such charges.
- 7.11 The charges for an Adjacent Structure Collocation and for a Physical Collocation arrangement that is provided in Eligible Structures other than Central Offices shall be determined on Individual Case Basis (ICB/NSCR) in the **SBC-ILEC** states.
- 7.12 Restroom access and parking will be provided on a reasonable basis in the **SBC-ILEC** locations.
- 7.13 In the event that any CLEC Telecom Equipment that is to be placed in the Premises was not contemplated by that interstate tariff (which was based upon the requirements of 47 C.F.R. § 64.1401), CLEC may be subject to charges under an ICB if **SBC-ILEC**'s costs of providing the necessary Premises requirements (e.g., space, power, environmental, grounding) for any such CLEC Telecom Equipment is not recovered by those tariffed rates. Any ICB quote shall be included as part of the quote provided to the CLEC in response to its Physical Collocation application.
- 7.14 CLEC and **SBC-ILEC** will complete an acceptance walk-through of the Dedicated Space prior to turning the Dedicated Space over to CLEC. Exceptions that are noted during this acceptance walk-through shall be corrected by **SBC-ILEC** as soon as commercially reasonable after those exceptions are provided in writing, which exceptions shall be provided no more than 5 business days after the walk through. The correction of these exceptions from CLEC's Physical Collocation request shall be at **SBC-ILEC**'s expense.

- 7.15 **SBC-ILEC** shall ensure that the Dedicated Space and the Eligible Structure comply with all applicable fire and safety codes. The preparation shall be arranged by **SBC-ILEC** in compliance with all applicable codes, ordinances, resolutions, regulations and laws.

8. USE OF DEDICATED COLLOCATION SPACE

- 8.1 Nature of Use – The dedicated collocation space is to be used by CLEC for purposes of collocating equipment and facilities within **SBC-ILEC**'s Eligible Structure for interconnection with **SBC-ILEC**'s network, pursuant to 47 U.S.C. 251(c)(2), and for obtaining access to **SBC-ILEC**'s unbundled network elements, pursuant to 47 U.S.C. 251 (c)(3). Consistent with the nature of the Eligible Structure and the environment of the dedicated collocation space, CLEC shall not use the dedicated collocation space for office, retail, or sales purposes. No signage or markings of any kind by CLEC shall be permitted on the Eligible Structure or on the grounds surrounding the Building.
- 8.2 CLEC shall not have access to **SBC-ILEC**'s Main Distribution Frame or Intermediate Distribution Frame, DSXs, DCS, or any other **SBC-ILEC** equipment or facilities not specifically designated by **SBC-ILEC** for CLEC access.
- 8.3 A list of all of CLEC Telecom Equipment that will be placed within the Dedicated Space shall be set forth on the CLEC's Physical Collocation application, which includes associated power requirements, floor loading, and heat release of each piece of CLEC Telecom Equipment. CLEC warrants and represents that the Physical Collocation application contains a complete and accurate list of such CLEC Telecom Equipment. CLEC shall not place or leave any other equipment or facilities within the Dedicated Space without the express written consent of **SBC-ILEC**.
- 8.4 In the event that subsequent to the submission of the Physical Collocation application and its list of CLEC Telecom Equipment with the required technical information, CLEC desires to place in the Dedicated Space any telecommunications equipment or such ancillary telecommunications facilities not so set forth in the Physical Collocation application, CLEC shall furnish to **SBC-ILEC** a new Physical Collocation application and any Applicable charges to cover such equipment or facilities. Thereafter, consistent with its obligations under the Act and applicable FCC and Commission rules, orders, and awards, **SBC-ILEC** may provide such written consent or may condition any such consent on additional charges arising from the request, including any applicable fees and any additional requirements such as power and environmental requirements for such requested telecommunications equipment and/or facilities. Upon the execution by both **SBC-ILEC** and CLEC of a final list and description and

receipt by **SBC-ILEC** of payment of any applicable non-recurring charges, the Physical Collocation arrangement shall be deemed to have been amended and such requested telecommunications equipment and/or facilities shall be included within "CLEC Telecom Equipment."

- 8.5 CLEC may use the Dedicated Space for placement of CLEC telecommunications equipment that is necessary ("used or useful") for interconnection or access to UNE's. CLEC's employees, agents and contractors shall be permitted access to the Dedicated Space at all times, provided that CLEC's employees, agents and contractors comply with **SBC-ILEC**'s policies and practices pertaining to fire, safety and security. CLEC agrees to comply promptly with all laws, ordinances and regulations affecting the use of the Dedicated Space.
- 8.6 CLEC Telecom Equipment, CLEC operating practices, or other activities or conditions attributable to CLEC that represent a demonstrable threat to **SBC-ILEC**'s network, equipment, or facilities, including the Eligible Structure, or to the network, equipment, or facilities of any person or entity located in the Eligible Structure, are strictly prohibited.
- 8.7 Operation of any equipment, facilities or any other item placed in the Dedicated Space shall not interfere with or impair service over **SBC-ILEC**'s network, equipment, or facilities, or the network, equipment, or facilities of any other person or entity located in the Eligible Structure; create hazards for or cause damage to those networks, equipment, or facilities, the Dedicated Space, or the Eligible Structure; impair the privacy of any communications carried in, from, or through the network, equipment, facilities the Dedicated Space or the Eligible Structure; or create hazards or cause physical harm to any person, entity, or the public. Any of the foregoing events would be a material breach of this Appendix.
- 8.8 Subject to the limitations and restrictions of this Appendix, CLEC may place or install in or on the Dedicated Space such fixtures and unpowered facilities as it shall deem desirable for the proper use of the Dedicated Space as described above, in **SBC-ILECs**. Personal property, fixtures and unpowered facilities placed by CLEC in the Dedicated Space shall not become a part of the Dedicated Space, even if nailed, screwed or otherwise fastened to the Dedicated Space, but shall retain their status as personal property and may be removed by CLEC at any time. Any damage caused to the Dedicated Space by the removal of such property shall be repaired at CLEC's expense.
- 8.9 In no case shall CLEC or any person or entity purporting to be acting through or on behalf of CLEC make any significant rearrangement, modification, improvement, addition, repair, or other alteration to the Dedicated Space or the Eligible Structure without the advance written permission and direction of **SBC-ILEC**. **SBC-ILEC** shall consider a modification, improvement, addition, repair, or other alteration requested by CLEC, provided that **SBC-ILEC** shall have the

right to reject or modify any such request. **SBC-ILEC** will perform any such construction, and the associated cost shall be paid by CLEC in accordance with **SBC-ILEC**'s then-standard custom work order process or NSCR.

8.10 This Appendix and the Collocation provided hereunder is made available subject to and in accordance with Sections 8.10.1, 8.10.2, 8.10.3, 8.10.4, and 8.10.5. CLEC shall strictly observe and abide by each in **SBC-ILEC**'s.

8.10.1 **SBC** Local Exchange Carriers TP 76200MP, Network Equipment: Power, Grounding, Environmental, and Physical Design Requirements, and any successor document(s), including as such may be modified at any time and from time to time;

8.10.2 **SBC-ILEC**'s most current Interconnector's Collocation Services Handbook and any successor document(s), as may be modified from time to time as set forth below.

8.10.3 TP 76300MP, **SBC** Local Exchange Carriers Installation Requirements, and any successor documents should be followed in installing network equipment, and facilities within **SBC-ILEC** central offices and may be modified from time to time.

8.10.4 Any statutory and/or regulatory requirements in effect at the time of the submission of the Physical Collocation application or that subsequently become effective and then when effective.

8.10.5 The Interconnector's Collocation Services Handbook, TP 76300MP and the TP 76200MP Standards are not incorporated herein but are available on the appropriate **SBC ILEC**'s Collocation Internet site.

8.11 If the Interconnector's Collocation Services Handbook, Collocation website(s) or the TP 76300MP, is modified subsequent to the effective date of this agreement from the attached, the following shall apply:

8.11.1 If a modification is made after the date on which CLEC has or orders a Physical Collocation arrangement, **SBC-ILEC** shall provide CLEC with those modifications or with revised versions of such, listing or noting the modifications as appropriate. Any such modification shall become effective and thereafter applicable under this Agreement thirty (30) days after such amendment is released by **SBC-ILEC**, except for those specific amendments to which CLEC objects to within thirty (30) days of receipt, providing therewith an explanation for each such objection. The Parties shall pursue such objections informally with each other and, if not resolved within forty-five (45) days, either Party will have fourteen (14) days to invoke the dispute resolution procedures applicable to this

Agreement. If neither Party invokes those procedures, the modification is deemed effective and applicable.

- 8.11.2 If a modification is made after this Appendix becomes part of an effective “Statement of Generally Available Terms and Conditions” or similar document for **SBC-ILEC** (and the modification has not been included in a change to that “Statement” or this Appendix), then **SBC-ILEC** will provide CLEC with a copy of such modifications or the most recent version or revision of the particular document promptly after receipt of CLEC’s physical collocation application. Any CLEC objection to those modifications must be received by **SBC-ILEC** by the thirtieth (30th) day after their receipt by CLEC. Thereafter, the same process and procedure (including timelines) for resolving any objection made under Section 8.11.1 shall apply.
- 8.11.3 Notwithstanding Sections 8.11.1 and/or 8.11.2, any modification made to address situations potentially harmful to **SBC-ILEC**’s or another’s network, equipment, or facilities, the Eligible Structure, the Dedicated Space, or to comply with statutory or regulatory requirements shall become effective immediately and shall not be subject to objection. **SBC-ILEC** will immediately notify CLEC of any such modification.
- 8.12 The terms and conditions expressly set forth in this Appendix shall control in the event of an irreconcilable conflict with the Collocation Services Handbook, Collocation website(s) and the TP 76300MP, or the TP76200MP (including any modification to any of them that can be objected to under this Section 8.11, regardless of whether CLEC objected to such modification) in the **SBC-ILECs**. Notwithstanding the immediately preceding, modifications that are governed by Section 8.11.3 shall apply regardless of any conflict or inconsistency with any other term or condition governing a Physical Collocation arrangement unless contrary to law.
- 8.12.1 CLEC warrants and represents, for each item of the CLEC Telecom Equipment, that such equipment meets the **SBC-ILEC** minimum safety standards. The minimum safety standards are: (1) Equipment compliance to SBC LEC technical publication TP 76200MP Level One requirements and to corrosion protection requirements contained in Telcordia NEBS document GR-1089-CORE, Criteria [72, 73], except in the State of Texas where equipment compliance to Telcordia NEBS Level 1 requirements are the minimum safety requirements for CLEC equipment, or (2) Equipment history of safe operation demonstrated by placement as network equipment in an ILEC prior to January 1, 1998 with no documented or known history of safety problems. CLEC also warrants and represents that any other telecommunications equipment or ancillary telecommunications facilities that may be placed in the Dedicated Space

as permitted hereunder or otherwise shall be so compliant. **SBC-ILEC** may not object to the collocation of equipment on the grounds that the equipment does not comply with safety or engineering standards that are more stringent than the safety or engineering standards that **SBC-ILEC** applies to its own equipment. **SBC-ILEC** may not deny collocation of Collocator equipment because the equipment fails to meet TP76200MP reliability standards. If **SBC-ILEC** denies collocation of CLEC equipment, citing non-compliance to the minimum safety standards, **SBC-ILEC** must provide to the CLEC within five business days of the denial a list of all network equipment that **SBC-ILEC** has placed within the network area(s) of the premises in question since January 1, 1998, together with an affidavit attesting that all of that equipment meets or exceeds the minimum safety standards. DISCLOSURE OF ANY NON-COMPLIANT EQUIPMENT OR FACILITIES TO **SBC-ILEC** IN A PHYSICAL COLLOCATION APPLICATION OR OTHERWISE SHALL NOT QUALIFY THIS ABSOLUTE CERTIFICATION REQUIREMENT IN ANY MANNER.

- 8.13 Unless otherwise expressly agreed in writing, **SBC-ILEC** will provide for all AC and DC power requirements in the Eligible Structure. The CLEC is not permitted to, and will not, place any AC or DC power-generating or power-storing devices (including, for example but not limited to rectifiers, battery plants, AC or DC generators) in the Eligible Structure. Power will support CLEC Telecom Equipment at the specified DC and AC voltages. At a minimum, the Power and **SBC-ILEC**'s associated performance, availability, restoration, and other operational characteristics shall be at parity with that provided to **SBC-ILEC**'s substantially similar telecommunications equipment unless otherwise mutually agreed in writing. Loads specified by the CLEC represent the peak current that will be imposed on a power feeder at any voltage within the emergency operating limits of the equipment and any normal operating condition (i.e. not a short circuit or other malfunction). Even though circuit design is based on peak current, DC power plant design sizing by the **SBC-ILEC**'s is based on demand management. All necessary Power will be supplied on a timely basis. A physical collocation space will be considered timely delivered only if it is fully operational, including power, at the time it is turned over to CLEC.
- 8.14 Other than the security restrictions described herein, **SBC-ILEC** shall place no restriction on access to CLEC's central office Dedicated Space by CLEC's employees and designated agents. Such space shall be available to CLEC designated agents twenty-four (24) hours per day each day of the week. **SBC-ILEC** will not impose unreasonable security restrictions for the Eligible Structure, including the Dedicated Space.
- 8.15 Fiber Entrances – CLEC shall use a single mode dielectric fiber optic cable as a transmission medium to the dedicated collocation space. CLEC shall be

permitted no more than two (2) entrance routes into the Building, if available.

- 8.16 **Demarcation Point** – **SBC-ILEC** shall designate the point(s) of termination within the Eligible Structure as the point(s) of physical demarcation between CLEC's network and **SBC-ILEC**'s network, with each being responsible for maintenance and other ownership obligations and responsibilities on its side of that demarcation point.

9. OPERATIONAL RESPONSIBILITIES

- 9.1 CLEC and **SBC-ILEC** are each responsible for providing to the other contact numbers for technical personnel who are readily accessible twenty-four (24) hours a day, seven (7) days a week.
- 9.2 CLEC and **SBC-ILEC** are each responsible for providing trouble report status or any network trouble of problems when requested by the other.
- 9.3 **SBC-ILEC** shall provide an interconnection point or points, physically accessible by both **SBC-ILEC** and CLEC (typically a **SBC-ILEC** manhole) at which a CLEC fiber optic cable can enter the Eligible Structure, provided that **SBC-ILEC** will designate interconnection points as close as reasonably possible to the Eligible Structure. **SBC-ILEC** will provide at least two such interconnection points at each Eligible Structure where there are at least two entry points for **SBC-ILEC**'s cable facilities and at which space is available for new facilities in at least two of those entry points.
- 9.3.1 CLEC is responsible for bringing its fiber optic cable to an accessible point outside of the Eligible Structure designated by **SBC-ILEC**, and for leaving sufficient cable length in order for **SBC-ILEC** to fully extend such CLEC-provided cable to the Dedicated Space in **SBC-8STATE** or cable vault in **SBC-AMERITECH**.
- 9.4 Regeneration of either DS-1 or DS-3 signal levels may be provided by CLEC or **SBC-ILEC** under its then-standard custom work order process or NSCR, including payment requirements prior to the installation of the regeneration equipment.
- 9.5 If CLEC fails to remove its equipment and facilities from the Dedicated Space within thirty (30) days after discontinuance of use, **SBC-ILEC** may perform the removal and shall charge CLEC for any materials used in any such removal, and the time spent on such removal at the then-applicable hourly rate for custom work. Further, in addition to the other provisions herein, CLEC shall indemnify and hold **SBC-ILEC** harmless from any and all claims, expenses, fees, or other costs associated with any such removal by **SBC-ILEC**.

9.6 CLEC is solely responsible for the design, engineering, testing, performance, and maintenance of the CLEC Telecom Equipment used by CLEC in the Dedicated Space. CLEC may not disassemble, remove or otherwise reconfigure the cage enclosure (Dedicated Space) at any time unless it has been provided by the CLEC. CLEC is also responsible for servicing, supplying, repairing, installing and maintaining the following facilities within the Dedicated Space in the **SBC-ILECs**:

9.6.1 Its fiber optic cable(s);

9.6.2 Its CLEC Telecom Equipment;

9.6.3 Optional point of termination cross connects in its dedicated collocation space or the optional POT Frame/cabinet located in the collocation common area.

9.6.4 CLEC requested dedicated point of termination frame maintenance, including replacement of fuses and circuit breaker restoration, to the extent that such fuses and circuit breakers are within CLEC's dedicated collocation space or in the optional POT frame located in the collocation common area if and as required; and

9.6.5 The connection cable and associated equipment which may be required within CLEC's dedicated collocation space or in the optional POT frame/cabinet located in the collocation common area to the point(s) of termination of that cable within CLEC's dedicated space.

9.6.6 Any power cables required beyond the **SBC-ILEC**'s provided Collocation Interconnection Power Panel (CIPP) to CLEC's equipment. **SBC-ILEC** must always engineer, furnish and install the Collocation Interconnect Power Panel (CIPP) within CLEC-provided equipment bay, the associated power cables to the CIPP from the **SBC-ILEC** provided power distribution source and terminate and test the power cables. The CIPP will be placed within CLEC-provided equipment bay in a location within the bay as designated by CLEC.

SBC-ILEC NEITHER ACCEPTS NOR ASSUMES ANY RESPONSIBILITY WHATSOEVER IN ANY OF THESE AREAS.

9.7 **SBC-ILEC** will allow CLEC to select its own contractors for all required engineering and installation services associated with the CLEC Telecom Equipment (*e.g.*, **SBC-ILEC** shall not require CLEC to use **SBC-ILEC**'s internal engineering or installation work forces for the engineering and installation of the CLEC Telecom Equipment). Installation of the CLEC Telecom Equipment in the Dedicated Space must nevertheless comply with TP76300MP. CLEC-selected contractors must be certified by **SBC-ILEC** as required by state specific

agreements and must agree to all policies and procedures in this appendix. Access to the Eligible Structure and the Dedicated Space for CLEC contractors must meet the same requirements as the CLEC.

- 9.8 In **SBC-ILEC**, each Party is responsible for immediate verbal notification to the other of significant outages or operations problems which could impact or degrade that other's network, equipment, facilities, or services, and for providing an estimated clearing time for restoration. In addition, written notification must be provided within twenty-four (24) hours.
- 9.9 CLEC is responsible for coordinating with **SBC-ILEC** to ensure that services are installed in accordance with a service request.
- 9.10 CLEC is responsible for testing, isolating and clearing trouble when the trouble has been isolated to inside the Dedicated Space, or to any piece of CLEC Telecom Equipment, or any other CLEC-provided facility or piece of equipment. If **SBC-ILEC** testing is also required, it will be provided at applicable charges.

10. VIRTUAL COLLOCATION

- 10.1 Upon request, **SBC-ILEC** shall provide CLEC Virtual Collocation in any Unused Space. If CLEC wishes to Virtually Collocate a bay other than a Standard Bay, it must request such Virtual Collocation via an ICB/NSCR. CLEC shall not have physical access to its Virtually Collocated equipment but may, at its expense, electronically monitor and control its Virtually Collocated equipment. **SBC-ILEC** shall, subject to CLEC's payment of the applicable rates, fees and charges, be responsible for installing, maintaining and repairing CLEC's equipment. CLEC cannot convert its Virtually Collocated equipment "in-place" to a method of Physical Collocation available herein (e.g., no "in-place" conversion of Virtual Collocation to Cageless Physical Collocation). In addition to the rates set forth in the Pricing appendix and applicable tariffs, if **SBC-ILEC** must locate CLEC's Virtual Collocation bays in its switch line-up, CLEC shall also be responsible for any extraordinary costs necessary to condition such space.
- 10.2 **SBC-ILEC** shall deliver to CLEC the requested space on or before the later of (i) 110 Calendar Days from **SBC-ILEC**'s receipt of CLEC's Collocation Order for Virtual Collocation and (ii) such other reasonable date that Parties may agree upon if it is not feasible for **SBC-ILEC** to deliver to CLEC such space within 110 Calendar Days and **SBC-ILEC** notified CLEC of this fact within ten (10) Business Days after the initial walk-through.
- 10.3 **SBC-ILEC** shall coordinate, on a case by case basis, the installation of the Virtual Collocation equipment with the CLEC based on availability and equipment delivery intervals.

- 10.4 **SBC-ILEC** shall install applicable Cross-Connects as directed by CLEC, at the rates provided in the Pricing appendix or applicable tariffs.
- 10.5 **SBC-ILEC** shall allow periodic inspections of the Virtual Collocation space where CLEC equipment is located, during construction.
- 10.6 **SBC-ILEC** shall ensure that all applicable alarm systems (e.g., power) that support CLEC equipment are operational and the supporting databases are accurate so that equipment that is in alarm will be properly identified.

11. CASUALTY LOSS

- 11.1 If the Eligible Structure or the Dedicated Space are damaged by fire or other casualty, and:
 - 11.1.1 The Dedicated Spaces are not rendered untenable in whole or in part, **SBC-ILEC** shall repair the same at its expense (as herein limited) and the recurring charges shall not be abated, or
 - 11.1.2 The Dedicated Spaces are rendered untenable in whole or in part and such damage or destruction can be repaired within ninety (90) days, **SBC-ILEC** has the option to repair the Dedicated Space at its expense (as herein limited) and the recurring charges shall be proportionately abated to the extent and while CLEC was deprived of the use. If the Dedicated Space cannot be repaired within ninety (90) days, or **SBC-ILEC** opts not to rebuild, then the Physical Collocation arrangement provided in the Dedicated Space shall (upon notice to CLEC within thirty (30) days following such occurrence) terminate as of the date of such damage. **SBC-ILEC** shall endeavor to relocate CLEC equipment in alternative location, or assist CLEC in developing alternative to physical location.
- 11.2 Any obligation on the part of **SBC-ILEC** to repair the Dedicated Space shall be limited to repairing, restoring and rebuilding the Dedicated Space as originally prepared for CLEC and shall not include any obligation to repair, restore, rebuild or replace any alterations or improvements made by CLEC or by **SBC-ILEC** on request of CLEC; any CLEC Telecom Equipment; or other facilities or equipment located in the Dedicated Space by CLEC or by **SBC-ILEC** on request of CLEC.
- 11.3 In the event that the Eligible Structure shall be so damaged by fire or other casualty that closing, demolition or substantial alteration or reconstruction thereof shall be necessary then, notwithstanding that the Dedicated Space e may be unaffected thereby, **SBC-ILEC**, at its option, may terminate any Physical Collocation arrangement in that Eligible Structure by giving CLEC ten (10) days prior written notice within thirty (30) days following the date of such occurrence, if at all possible.

12. RE-ENTRY

12.1 Unless otherwise set forth herein, if CLEC shall default in performance of any term or condition herein, and the default shall continue for thirty (30) days after receipt of written notice, or if CLEC is declared bankrupt or insolvent or makes an assignment for the benefit of creditors, **SBC-ILEC** may, immediately or at any time thereafter, without notice or demand, enter and repossess the Dedicated Space, expel CLEC and any claiming under CLEC, remove any CLEC Telecom Equipment and any other items in the Dedicated Space, forcibly if necessary, and thereupon such Physical Collocation arrangement shall terminate, without prejudice to any other remedies **SBC-ILEC** might have. **SBC-ILEC** may exercise this authority on a Dedicated Space-by-Dedicated Space basis. **SBC-ILEC** may also refuse additional applications for collocation and/or refuse to complete any pending orders for additional space or collocation by CLEC at any time thereafter.

13. LIMITATION OF LIABILITY

13.1 Limitation – With respect to any claim or suit for damages arising in connection with the mistakes, omissions, interruptions, delays or errors, or defects in transmission occurring in the course of furnishing service hereunder, the liability of **SBC-ILEC**, if any, shall not exceed an amount equivalent to the proportionate monthly charge to CLEC for the period during which such mistake, omission, interruption, delay, error, or defect in transmission or service occurs and continues. However, any such mistakes, omissions, interruptions, delays, errors, or defects in transmission or service which are caused or contributed to by the negligence or willful act of CLEC or which arise in connection with the use of CLEC-provided facilities or equipment shall not result in the imposition of any liability whatsoever upon **SBC-ILEC**.

13.1.1 Neither party shall be responsible to the other for any indirect, special, consequential, lost profit, or punitive damages, whether in contract or tort.

13.1.2 Each party shall be indemnified and held harmless by the other against claims and damages by any third party arising from provision of the other party's services or equipment except those claims and damages directly associated with the provision of services to the other party which are governed by the provisioning party's applicable tariffs.

13.1.3 Neither party shall have any liability whatsoever to the customers of the other party for claims arising from the provision of the other party's service to its customers, including claims for interruption of service, quality of service or billing disputes.

- 13.1.4 The liability of either party for its willful misconduct, if any, is not limited by this Agreement. With respect to any other claim or suit, by a customer or by any others, for damages associated with the installation, provision, preemption, termination, maintenance, repair or restoration of service, **SBC-ILEC**'s liability, if any, shall not exceed an amount equal to the proportionate monthly charge for the affected period.
- 13.1.5 **SBC-ILEC** shall not be liable for any act or omission of any other carrier or customer providing a portion of a service, nor shall **SBC-ILEC** for its own act or omission hold liable any other carrier or customer providing a portion of a service.
- 13.1.6 When CLEC is provided service under this Agreement, **SBC-ILEC** shall be indemnified, defended and held harmless by CLEC against any claim, loss or damage arising from the customer's use of services offered under this Agreement, involving:
- 13.1.6.1 Claims for libel, slander, invasion of privacy, or infringement of copyright arising from the customer's own communications;
- 13.1.6.2 Claims for patent infringement arising from the customer's acts combining or using the service furnished by **SBC-ILEC** in connection with facilities or equipment furnished by the customer; or
- 13.1.6.3 All other claims arising in connection with any act or omission of in the course of using services provided pursuant to this Agreement.
- 13.2 Third Parties – CLEC acknowledges and understands that **SBC-ILEC** may provide space in or access to the Eligible Structure to other persons or entities ("Others"), which may include competitors of CLEC; that such space may be close to the dedicated collocation space, possibly including space adjacent to the dedicated collocation space and/or with access to the outside of the dedicated collocation space; and that if CLEC requests a cage around its equipment, the cage dedicated collocation space is a permeable boundary that will not prevent the Others from observing or even damaging CLEC's equipment and facilities. In addition to any other applicable limitation, **SBC-ILEC** shall have absolutely no liability with respect to any action or omission by any other, regardless of the degree of culpability of any such other or **SBC-ILEC**, and regardless of whether any claimed **SBC-ILEC** liability arises in tort or in contract. CLEC shall save and hold **SBC-ILEC** harmless from any and all costs, expenses, and claims associated with any such acts or omission by any Other acting for, through, or as a result of CLEC.

14. **INDEMNIFICATION OF SBC-ILEC**

14.1 In addition to any other provision hereof, CLEC agrees to indemnify, defend and save harmless **SBC-ILEC** (including its officers, directors, employees, and other agents) from any and all claims, liabilities, losses, damages, fines, penalties, costs, attorney's fees or other expenses of any kind, arising in connection with CLEC's use of the dedicated collocation space, conduct of its business or any activity, in or about the dedicated collocation space, performance of any terms of this Agreement, or any act or omission of CLEC (including its officers, directors, employees, agents, contractors, servants, invitees, or licensees). Defense of any claim shall be reasonably satisfactory to **SBC-ILEC**.

15. **OSHA STATEMENT**

15.1 CLEC, in recognition of **SBC-ILEC**'s status as an employer, agrees to abide by and to undertake the duty of compliance on behalf of **SBC-ILEC** with all federal, state and local laws, safety and health regulations relating to the dedicated collocation space which CLEC has assumed the duty to maintain pursuant to this Agreement, and to indemnify and hold **SBC-ILEC** harmless for any judgments, citations, fines, or other penalties which are assessed against **SBC-ILEC** as the result of CLEC's failure to comply with any of the foregoing. **SBC-ILEC**, in its status as an employer, shall comply with all federal, state and local laws, safety and health standards and regulations with respect to the structural and those other portions of the dedicated collocation space which **SBC-ILEC** has agreed to maintain pursuant hereto.

16. **NOTICES**

16.1 Except in emergency situations, **SBC-ILEC** shall provide CLEC with written notice five (5) business days prior to those instances where **SBC-ILEC** or its subcontractors may be undertaking a major construction project in the general area of the Dedicated Space or in the general area of the AC and DC power plants which support the Dedicated Space.

16.2 **SBC-ILEC** will inform CLEC by telephone of any emergency-related activity that **SBC-ILEC** or its subcontractors may be performing in the general area of the Dedicated Space occupied by CLEC or in the general area of the AC and DC power plants which support the Dedicated Space. Notification of any emergency related activity should be made to CLEC as soon as reasonably possible so that CLEC can take any action required to monitor or protect its service.

16.3 **SBC-ILEC** will provide CLEC with written notification within ten (10) business days of any scheduled AC or DC power work or related activity in the Eligible Structure that will cause an outage or any type of power disruption to CLEC Telecom Equipment. **SBC-ILEC** shall provide CLEC immediate notification by

telephone of any emergency power activity that would impact CLEC Telecom Equipment.

- 16.4 Except as may be specifically permitted in this Agreement, any notice or demand, given by one party to the other shall be in writing and shall be valid and sufficient if dispatched by registered or certified mail, return receipt requested, postage prepaid, in the United States mails, or by facsimile transmission; provided, however, that notices sent by such registered or certified mail shall be effective on the third business day after mailing and those sent by facsimile transmission shall only be effective on the date transmitted if such notice is also sent by such registered or certified mail no later than the next business day after transmission, all addressed as follows:

If to **SBC-ILEC**: Account Manager - Collocation
Four Bell Plaza, 9th Floor
311 S. Akard St.
Dallas, TX 75202-5398

If to CLEC: Susan McAdams
Vice-President Government & Industry
Affairs
3000 Columbia House Blvd., Suite 106
Vancouver, WA 98661

Either party hereto may change its address by written notice given to the other party hereto in the manner set forth above.

- 16.5 Except as may be specifically permitted in this Agreement, any payment desired or required to be given by one party to the other shall be dispatched by registered or certified mail, return receipt requested, postage prepaid, in the United States mails, and shall be addressed as follows:

If to other than **SBC-AMERITECH**
ICSC
Attn: Kathy Smith
2180 N. Glenville Dr., 2nd Floor
Richardson, TX 75082

If to **SBC-AMERITECH** AIIS Service Center
Attn: Collocation
2nd Floor
804 North Milwaukee
Milwaukee, WS 53202

If to CLEC: Susan McAdams
Vice-President Government & Industry Affairs
3000 Columbia House Blvd., Suite 106
Vancouver, WA 98661

17. INSURANCE

17.1 CLEC shall, at its sole cost and expense procure, maintain, pay for and keep in force the following insurance coverage and any additional insurance and/or bonds required by law and underwritten by insurance companies having a BEST Insurance rating of A+VII or better, and which is authorized to do business in the State of **SBC-ILEC**. **SBC-ILEC** shall be named as an ADDITIONAL INSURED on general liability policy.

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED OR MATERIALLY CHANGED, THE ISSUING COMPANY WILL MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER (S)

17.1.1 Comprehensive General Liability insurance including Products/Completed Operations Liability insurance including the Broad Form Comprehensive General Liability endorsement (or its equivalent(s)) with a Combined Single limit for Bodily Injury and Property Damage of \$1 million. Said coverage shall include the contractual, independent contractors products/completed operations, broad form property, personal injury and fire legal liability.

17.1.2 If use of an automobile is required or if CLEC is provided or otherwise allowed parking space by **SBC-ILEC** in connection with Physical Collocation provided under this Appendix, automobile liability insurance with minimum limits of \$1 million each accident for Bodily Injury, Death and Property Damage combine. Coverage shall extend to all owned, hired and non-owned automobiles. CLEC hereby waives any rights of recovery against **SBC-ILEC** for damage to CLEC's vehicles while on the grounds of the Eligible Structure and CLEC will hold **SBC-ILEC** harmless and indemnify it with respect to any such damage or damage to vehicles of CLEC's employees, contractors, invitees, licensees or agents.

17.1.3 Workers' Compensation insurance with benefits afforded in accordance with the laws of the state of **SBC-ILEC**.

17.1.4 Employer's Liability insurance with minimum limits of \$100,000 for bodily injury by accident, \$100,000 for bodily injury by disease per employee and \$500,000 for bodily injury by disease policy aggregate.

17.1.5 Umbrella/Excess liability coverage in an amount of \$5 million excess of coverage specified above.

- 17.1.6 All Risk Property coverage on a full replacement cost basis insuring all of CLEC's personal property situated on or within the Eligible Structure or the Dedicated Space. CLEC releases **SBC-ILEC** from and waives any and all right of recovery, claim, action or cause of action against **SBC-ILEC**, its agents, directors, officers, employees, independent contractors, and other representatives for any loss or damage that may occur to equipment or any other personal property belonging to CLEC or located on or in the space at the instance of CLEC by reason of fire or water or the elements or any other risks would customarily be included in a standard all risk casualty insurance policy covering such property, regardless of cause or origin, including negligence of **SBC-ILEC**, its agents, directors, officers, employees, independent contractors, and other representatives. Property insurance on CLEC's fixtures and other personal property shall contain a waiver of subrogation against **SBC-ILEC**, and any rights of CLEC against **SBC-ILEC** for damage to CLEC's fixtures or personal property are hereby waived. CLEC may also elect to purchase business interruption and contingent business interruption insurance, knowing that **SBC-ILEC** has no liability for loss of profit or revenues should an interruption of service occur that is attributable to any Physical Collocation arrangement provided under this Appendix.
- 17.2 The limits set forth in this Section may be increased by **SBC-ILEC** from time to time during the term of a Collocation arrangement to at least such minimum limits as shall then be customary in respect of comparable situations within the existing **SBC-ILEC** structure.
- 17.3 All policies purchased by CLEC shall be deemed to be primary and not contributing to or in excess of any similar coverage purchased by **SBC-ILEC**.
- 17.4 All insurance must be in effect on or before occupancy date and shall remain in force as long as any of CLEC's Telecom Equipment or other CLEC facilities or equipment remain within the Dedicated Space or the Eligible Structure.
- 17.5 CLEC shall submit certificates of insurance and policy binders reflecting the coverages specified above prior to, and as a condition of, **SBC-ILEC**'s obligation to turn over the Dedicated Space to CLEC or to permit any CLEC-designated subcontractors into the Eligible Structure pursuant to Sections 3.7 and 3.7.3. CLEC shall arrange for **SBC-ILEC** to receive thirty-(30) day's advance written notice from CLEC's insurance company(ies) of cancellation, non-renewal or substantial alteration of its terms.
- 17.6 CLEC must also conform to recommendations made by **SBC-ILEC**'s Property Insurance Company, if any, unless a recommendation is also applicable to **SBC-ILEC** and **SBC-ILEC** does not so conform in the Eligible Structure where the Dedicated Space is located.

17.7 Failure to comply with the provisions of this “Insurance” Section will be deemed a material breach of this Appendix.

18. PROTECTION OF SERVICE AND PROPERTY

18.1 **SBC-ILEC** shall use its existing power back-up and power recovery plan in accordance with its standard policies for the specific Central Office.

18.2 For the purpose of notice permitted or required by this Appendix, each Party shall provide the other Party a Single Point of Contact (SPOC) available twenty-four (24) hours a day, seven (7) days a week.

18.3 Except as may otherwise be provided:

18.3.1 **SBC-ILEC** and CLEC shall each exercise reasonable care to prevent harm or damage to the other Party, its employees, agents or customers, or their property; and

18.3.2 Each Party, its employees, agents, or representatives agree to take reasonable and prudent steps to ensure the adequate protection of property and services of the other Party.

18.3.3 Each Party shall restrict access to the Eligible Structure and the Dedicated Space to employees and authorized agents of that other Party to the extent necessary to perform their specific job function.

18.4 **SBC-ILEC** shall use electronic access controls to protect all spaces which house or contain CLEC equipment or equipment enclosures, but if electronic controls are not available, **SBC-ILEC** shall either furnish security guards at those **SBC-ILEC** locations already protected by security guards on a seven (7) day per week, twenty-four (24) hour a day basis; and if none, **SBC-ILEC** shall permit CLEC to install monitoring equipment in the collocation space to carry data back to CLEC’s work center for analysis. CLEC agrees that CLEC is responsible for problems or alarms related to CLEC’s equipment or equipment enclosures located on **SBC-ILEC**’s Dedicated Space.

18.5 **SBC-ILEC** shall furnish CLEC with the identifying credentials to be carried by its employees and authorized agents to be paid for by the CLEC. The CLEC must maintain an updated list of all authorized employees and authorized agents on a Dedicated Space-by-Dedicated Space basis for every Eligible Structure where there are **SBC-ILEC** security guards.

- 18.6 CLEC shall comply with the security and safety procedures and requirements of **SBC-ILEC**, including but not limited to sign-in, and identification.
- 18.7 **SBC-ILEC** shall furnish CLEC with all keys, entry codes, lock combinations, or other materials or information that may be needed to gain entry into any secured CLEC space in central offices. In the event of an emergency, CLEC shall contact a SPOC provided by **SBC-ILEC** for access to spaces which house or contain CLEC equipment or equipment enclosures.
- 18.8 **SBC-ILEC** shall use reasonable measures to control unauthorized access from passenger and freight elevators to spaces which contain or house CLEC equipment or equipment enclosures.
- 18.9 **SBC-ILEC** shall use best efforts to provide notification within two (2) hours to designated CLEC personnel to indicate an actual security breach.
- 18.10 **SBC-ILEC** shall be responsible for the security of the Eligible Structure. If a security issue arises or if CLEC believes that **SBC-ILEC**'s security measures are unreasonably lax, CLEC shall notify **SBC-ILEC** and the Parties shall work together to address the problem. **SBC-ILEC** shall, at a minimum, do the following:
- 18.10.1 Where a cage is used, **SBC-ILEC** shall design collocation cages to prevent unauthorized access; provided, however, that CLEC realizes and assents to the fact that the cage will be made of wire mesh.
- 18.10.2 **SBC-ILEC** shall establish procedures for controlling access to the collocation areas by employees, security guards and others. Those procedures shall limit access to the collocation areas to **SBC-ILEC**'s employees, agents or invitees having a business need, such as a periodic review of the Dedicated Space, to be in these areas. **SBC-ILEC** shall require all persons entering the collocation areas to wear identification badges.
- 18.10.3 **SBC-ILEC** shall provide card key access to all collocation equipment areas where a secured pathway to the collocation space is made available to Collocators, along with a positive key control system for each Collocator's caged Dedicated Space. **SBC-ILEC** shall respond immediately to reported problems with CLEC key cards.
- 18.10.4 In emergency situations common courtesy will be extended between CLEC and **SBC-ILEC**'s employees, including the provision of first aid and first aid supplies.
- 18.11 CLEC shall limit access to CLEC employees directly to and from the Dedicated

Space and will not enter unauthorized areas under any circumstances.

19. MISCELLANEOUS

- 19.1 Variations – In the event of variation or discrepancy between any duplicate originals hereof, including exhibits, the original Agreement held by **SBC-ILEC** shall control.
- 19.2 Governing Law – This Agreement shall be governed by the laws of the State in which the dedicated collocation space is located, without regard to the choice of law principles thereof.
- 19.3 Joint and Several – If CLEC constitutes more than one person, partnership, corporation, or other legal entities, the obligation of all such entities under this Agreement is joint and several.
- 19.4 Future Negotiations – **SBC-ILEC** may refuse requests for space in an Eligible structure if CLEC is in material breach of this Agreement, including having any past due charges hereunder. In any and each such event, CLEC hereby releases and holds **SBC-ILEC** harmless from any duty to negotiate with CLEC or any of its affiliates for any additional space or physical collocation.
- 19.5 Severability – With the exception of the requirements, obligations, and rights set forth in this Appendix, if any of the provisions herein are otherwise deemed invalid, such invalidity shall not invalidate the entire Agreement, but rather the entire Agreement shall be construed as if not containing the particular invalid provision(s), and the rights and obligations of **SBC-ILEC** and CLEC shall be construed accordingly.
- 19.6 Paragraph Headings and Article Numbers – The headings of the articles and paragraphs herein are inserted for convenience only and are not intended to affect the meaning or interpretation of this Agreement.
- 19.7 Entire Agreement – This Agreement along with any schedules, exhibits, referenced documentation and materials set forth the entire understanding of the parties and supersedes all prior agreements, arrangements and understandings relating to this subject matter and may not be changed except in writing by the parties; provided, however, that this provision shall not affect current or pending tariffs, under investigation or otherwise, including any charges due thereunder. No representation, promise, inducement or statement of intention has been made by either party which is not embodied herein, and there are no other oral or written understandings or agreements between the parties relating to the subject matter hereof except as may be referenced herein.
- 19.8 No Third Party Beneficiaries – Nothing in this Agreement is intended, nor shall

be deemed, to confer any rights or remedies upon any person or legal entity not a party hereto.

- 19.9 Construction – This Agreement shall be interpreted and governed without regard to which party drafted this Agreement.
- 19.10 Multiple Originals – This Agreement may be executed in multiple copies, each of which shall be deemed an original.
- 19.11 Waver of Obligations
- 19.11.1 Whenever this Agreement requires the consent of a party, any request for such consent shall be in writing.
- 19.11.2 Neither party shall be deemed to have waived or impaired any right, authority, or option reserved by this Agreement (including the right to demand exact compliance with every term, condition and covenant herein, or to declare any breach hereof to be a default and to terminate this Agreement prior to the expiration of its term), by virtue of any custom or practice of the parties at variance with the terms hereof or any failure, refusal or neglect to exercise any right under this Agreement or to insist upon exact compliance by the other with its obligations hereunder, including any rule or procedure, or any waiver, forbearance, delay, failure or omission by **SBC-ILEC** to exercise any right, power or option, whether of the same, similar or different nature, with respect to one or more other Collocators.
- 19.12 Rights of Review with Remedies – The parties acknowledge and agree that the rates, terms, and conditions set forth in this Amendment, including among others those above relating to cageless collocation, are subject to any legal or equitable rights of review and remedies (including, but not limited to, the need to renegotiate this Amendment if any agency reconsideration and/or court review results in changes in FCC 99-48).
- 19.13 Rights Cumulative – The rights of a party hereunder are cumulative and no exercise or enforcement by such party of any right or remedy hereunder shall preclude the exercise or enforcement of any other right or remedy hereunder or to which such party is entitled to enforce.
- 19.14 Binding Effect – This Agreement is binding upon the parties hereto, their respective executors, administrators, heirs, assigns and successors in interest. All obligations by either party which expressly or by their nature survive the expiration or termination of this Agreement shall continue in full force and effect subsequent to and notwithstanding its expiration or termination and until they are satisfied in full or by their nature.

- 19.15 Impossibility of Performance – Neither party shall be liable for loss or damage or deemed to be in breach of this Agreement if its failure to perform its obligations results from: (a) compliance with any law, ruling, order, regulation, requirement or instruction of any federal, state or municipal government or any department or agency thereof or court of competent jurisdiction; (b) acts of God; (c) acts of omissions of the other party; (d) fires, strikes, labor difficulties, embargoes, war, insurrection or riot; or any other intervening act beyond the reasonable control of the party claiming such a delay. Any delay resulting from any of said causes shall extend performance accordingly or excuse performance, in whole or in part, as may be reasonable. In any such event, CLEC’s authorized agents and contractors will comply with the Emergency Operating Procedures established by **SBC-ILEC**.
- 19.16 Survival – The terms, provisions, representations, and warranties contained in this Agreement that by their nature and/or context are intended to survive the performance thereof by either or both parties hereunder shall so survive the completion of performances and termination of this Agreement, including the making of any and all payments due hereunder.
- 19.17 Successors Bound – The conditions and agreements contained herein shall bind and inure to the benefit of **SBC-ILEC**, CLEC and their respective successors and, except as otherwise provided herein, assigns.
- 19.18 Conflict of Interest – CLEC represents that no employee or agent of **SBC-ILEC** has been or will be employed, retained, paid a fee, or otherwise has received or will receive any personal compensation or consideration from CLEC, or any of CLEC's employees or agents in connection with the arranging or negotiation of this Agreement or associated documents.
- 19.19 Non-Exclusive Remedies – No remedy herein conferred upon is intended to be exclusive of any other remedy in equity, provided by law, or otherwise, but each shall be in addition to every other such remedy.
- 19.20 Assignment – CLEC shall not assign or otherwise transfer this Agreement, neither in whole nor in part, or permit the use of any part of the dedicated collocation space by any other person or entity, without the prior written consent of **SBC-ILEC** which shall not be unreasonable withheld. Any purported assignment or transfer made without such consent shall be voidable at the option of **SBC-ILEC** including subleased or shared caged physical collocation arrangements.

20. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

- 20.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element.

APPENDIX DSL

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APPENDIX DSL

1.0 INTRODUCTION

- 1.1 SBC-ILEC agrees to provide CLEC with access to UNEs (including the unbundled xDSL Capable Loop offerings) in accordance with the rates, terms and conditions set forth in this xDSL Attachment and the general terms and conditions applicable to UNEs under this Agreement, for CLEC to use in conjunction with its desired xDSL technologies and equipment to provide xDSL services to its end user customers.
- 1.2 Nothing in this Attachment shall constitute a waiver by either Party of any positions it may have taken or will take in any pending regulatory or judicial proceeding or any subsequent interconnection agreement negotiations. This Attachment also shall not constitute a concession or admission by either Party and shall not foreclose either Party from taking any position in the future in any forum addressing any of the matters set forth herein.

2.0 DEFINITIONS

- 2.1 For purposes of this Attachment, a “loop” is defined as a transmission facility between a distribution frame (or its equivalent) in a central office and the loop demarcation point at an end user customer premises.
- 2.2 For purposes of this Attachment, a “subloop” is defined as any portion of the loop from SBC-ILEC’s F1/F2 interface to the demarcation point at the customer premise that can be accessed at a terminal in SBC-ILEC’s outside plant. An accessible terminal is a point on the loop where technicians can access the wire or fiber within the cable without removing a splice case to reach the wire within. The Parties recognize that this is only one form of subloop (defined as the F1/F2 interface to the customer premise) as set forth in the FCC’s UNE Remand Order. Additional subloop types may be negotiated and agreed to by the Parties consistent with the UNE Remand Order.
- 2.3 The term “Digital Subscriber Line” (“DSL”) describes various technologies and services. The “x” in “xDSL” is a place holder for the various types of DSL services, including, but not limited to ADSL (Asymmetric Digital Subscriber Line), HDSL (High-Speed Digital Subscriber Line), IDSL (ISDN Digital Subscriber Line), SDSL (Symmetrical Digital Subscriber Line), UDSL (Universal Digital Subscriber Line), VDSL (Very High-Speed Digital Subscriber Line), and RADSL (Rate-Adaptive Digital Subscriber Line). A “DSL-capable loop” is a loop that supports the transmission of DSL technologies

- 2.4 A “DSL-Capable Loop” is a loop that supports the transmission of DSL technologies.
- 2.5 A loop technology that is “presumed acceptable for deployment” is one that either complies with existing industry standards, has been successfully deployed by any carrier in any state without significantly degrading the performance of other services, or has been approved by the Federal Communications Commission (“FCC”), any state commission, or an industry standards body.
- 2.6 A “non-standard xDSL-based technology” is a loop technology that is not presumed acceptable for deployment under Section 2.5 of this Attachment. Deployment of non-standard xDSL-based technologies are allowed and encouraged by this Agreement.

3.0 GENERAL TERMS AND CONDITIONS RELATING TO UNBUNDLED XDSL-CAPABLE LOOPS

- 3.1 **SBC-ILEC** is not in any way permitted to limit xDSL capable loops in favor of provisioning ADSL.
- 3.2 **SBC-ILEC** will not impose limitations on the transmission speeds of xDSL services. **SBC-ILEC** will not restrict the CLECs services or technologies to a level at or below those provided by **SBC-ILEC**.
- 3.3 **SBC-ILEC** will provide a loop capable of supporting a technology presumed acceptable for deployment or non-standard xDSL technology as defined in this Attachment.
- 3.4 **SBC-ILEC** shall not deny a CLEC’s request to deploy any loop technology that is presumed acceptable for deployment, or one that is addressed in Section 4.5 of this Attachment, unless it has demonstrated to the Commission that CLEC's deployment of the specific loop technology will significantly degrade the performance of other advanced services or traditional voice band services in accordance with FCC orders. **SBC-ILEC** will provide CLEC with notice prior to seeking relief from the Commission under this Section.
- 3.5 In the event the CLEC wishes to introduce a technology that has been approved by another state commission or the FCC, or successfully deployed elsewhere, the CLEC will provide documentation describing that action to **SBC-ILEC** and the Commission before or at the time of their request to deploy that technology in Texas. The documentation should include the date of approval or deployment, any limitations included in its deployment, and a sworn attestation that the deployment did not

significantly degrade the performance of other services. The terms of this paragraph do not apply during the Trial Period referenced in Section 4.5 below.

3.6 Parties to this Attachment agree that unresolved disputes arising under this Attachment will be handled under the Dispute Resolution procedures set forth in this Agreement.

3.7 Liability

3.7.1 Each Party, whether a CLEC or **SBC-ILEC**, agrees that should it cause any non-standard xDSL technologies to be deployed or used in connection with or on **SBC-ILEC** facilities, that Party (“Indemnifying Party”) will pay all costs associated with any damage, service interruption or other telecommunications service degradation, or damage to the other Party’s (“Indemnitee”) facilities.

3.7.2 For any technology, CLEC’s use of any **SBC-ILEC** network element, or of its own equipment or facilities in conjunction with any **SBC-ILEC** network element, will not materially interfere with or impair service over any facilities of **SBC-ILEC**, its affiliated companies or connecting and concurring carriers involved in **SBC-ILEC** services, cause damage to **SBC-ILEC**’s plant, impair the privacy of any communications carried over **SBC-ILEC**’s facilities or create hazards to employees or the public. Upon reasonable written notice and after a reasonable opportunity to cure, **SBC-ILEC** may discontinue or refuse service if CLEC violates this provision, provided that such termination of service will be limited to CLEC’s use of the element(s) causing the violation. **SBC-ILEC** will not disconnect the elements causing the violation if, after receipt of written notice and opportunity to cure, the CLEC demonstrates that their use of the network element is not the cause of the network harm. If **SBC-ILEC** does not believe the CLEC has made the sufficient showing of harm, or if CLEC contests the basis for the disconnection, either Party must first submit the matter to dispute resolution under the Dispute Resolution Procedures set forth in this Agreement. Any claims of network harm by **SBC-ILEC** must be supported with specific and verifiable supporting information.

3.8 Indemnification

3.8.1 Covered Claim: Indemnifying Party will indemnify, defend and hold harmless Indemnitee from any claim for damages, including

but not limited to direct, indirect or consequential damages, made against Indemnitee by any telecommunications service provider or telecommunications user (other than claims for damages or other losses made by an end-user of Indemnitee for which Indemnitee has sole responsibility and liability), arising from, the use of such non-standard xDSL technologies by the Indemnifying Party.

- 3.8.2 Indemnifying Party is permitted to fully control the defense or settlement of any Covered Claim, including the selection of defense counsel. Notwithstanding the foregoing, Indemnifying Party will consult with Indemnitee on the selection of defense counsel and consider any applicable conflicts of interest. Indemnifying Party is required to assume all costs of the defense and any damages resulting from the use of any non-standard xDSL technologies in connection with or on Indemnitee's facilities and Indemnitee will bear no financial or legal responsibility whatsoever arising from such claims.
- 3.8.3 Indemnitee agrees to fully cooperate with the defense of any Covered Claim. Indemnitee will provide written notice to Indemnifying Party of any Covered Claim at the address for notice assigned herein within ten days of receipt, and, in the case of receipt of service of process, will deliver such process to Indemnifying Party not later than 10 business days prior to the date for response to the process. Indemnitee will provide to Indemnifying Party reasonable access to or copies of any relevant physical and electronic documents or records related to the deployment of non-standard xDSL technologies used by Indemnitee in the area affected by the claim, all other documents or records determined to be discoverable, and all other relevant documents or records that defense counsel may reasonably request in preparation and defense of the Covered Claim. Indemnitee will further cooperate with Indemnifying Party's investigation and defense of the Covered Claim by responding to reasonable requests to make its employees with knowledge relevant to the Covered Claim available as witnesses for preparation and participation in discovery and trial during regular weekday business hours. Indemnitee will promptly notify Indemnifying Party of any settlement communications, offers or proposals received from claimants.
- 3.8.4 Indemnitee agrees that Indemnifying Party will have no indemnity obligation, and Indemnitee will reimburse Indemnifying Party's defense costs, in any case in which Indemnifying Party's

technology is determined not to be the cause of any Indemnitee liability.

- 3.9 Claims Not Covered: No Party hereunder agrees to indemnify or defend any other Party against claims based on gross negligence or intentional misconduct.

4.0 UNBUNDLED XDSL-CAPABLE LOOP OFFERINGS

- 4.1 DSL-Capable Loops: For each of the loop types described in Sections 4.1.1 – 4.1.5 below, CLEC will, at the time of ordering, notify **SBC-ILEC** as to the type of PSD mask CLEC intends to use and will notify **SBC-ILEC** if and when a change in PSD mask is made.

4.1.1 2-Wire xDSL Loop: A 2-wire xDSL loop for purposes of this section, is a loop that supports the transmission of Digital Subscriber Line (DSL) technologies. The loop is a dedicated transmission facility between a distribution frame, or its equivalent, in a **SBC-ILEC** central office and the network interface device at the customer premises. A copper loop used for such purposes will meet basic electrical standards such as metallic conductivity and capacitive and resistive balance, and will not include load coils or excessive bridged tap (bridged tap in excess of 2,500 feet in length). The loop may retain existing repeaters at CLEC's option. The loop cannot be "categorized" based on loop length and limitations cannot be placed on the length of xDSL loops. A portion of a xDSL loop may be provisioned using fiber optic facilities and necessary electronics to provide service in certain situations. The rates set forth in Section 11.1 for the 2-Wire Analog Loop shall apply to this 2-Wire xDSL Loop.

4.1.2 2-Wire Digital Loop (e.g., ISDN/IDSL): A 2-Wire Digital Loop for purposes of this Section is 160 Kbps and supports Basic Rate ISDN (BRI) digital exchange services. The 2-Wire Digital Loop 160 Kbps supports usable bandwidth up to 160 Kbps. The rates for the 2-Wire Digital Loop are set forth in Section 11.1 below.

4.1.3 4-Wire xDSL Loop: A 4-wire xDSL loop for purposes of this section, is a loop that supports the transmission of Digital Subscriber Line (DSL) technologies. The loop is a dedicated transmission facility between a distribution frame, or its equivalent, in a **SBC-ILEC** central office and the network interface device at the customer premises. A copper loop used for such purposes will meet basic electrical standards such as metallic conductivity and capacitive and resistive balance, and will not

include load coils or excessive bridged tap (bridge tap in excess of 2,500 feet in length). The loop may retain existing repeaters at CLEC's option. The loop cannot be "categorized" based on loop length and limitations cannot be placed on the length of xDSL loops. A portion of an xDSL loop may be provisioned using fiber optic facilities and necessary electronics to provide service in certain situations. The rates set forth in Section 11.1 for the 4-Wire Analog Loop shall apply to this 4-Wire xDSL Loop.

- 4.1.4 4-Wire Digital Loop: A 4-Wire Digital Loop for purposes of this Section is a 1.544 Mbps loop that will support DS1 service including Primary Rate ISDN (PRI). The 4-Wire Digital Loop 1.544 Mbps supports usable bandwidth up to 1.544 Mbps. The rates for the 4-Wire Digital Loop are set forth in Section 11.1 below.
- 4.1.5 Sub-Loop: In locations where **SBC-ILEC** has deployed (1) Digital Loop Carrier ("DLC") systems and an uninterrupted copper loop is replaced with a fiber segment or shared copper in the distribution section of the loop; (2) Digital Added Main Line ("DAML") technology to derive two voice-grade POTS circuits from a single copper pair; or (3) entirely fiber optic facilities to the end user, **SBC-ILEC** will make the following options available to CLEC. In these three situations above, where spare copper facilities are available, and the facilities meet the necessary technical requirements for the provision of xDSL and allow CLEC to offer the same level of quality for advanced services, CLEC has the option of requesting that **SBC-ILEC** make copper facilities available (subject to Section 4.2 below). In addition, CLEC has the option of collocating a Digital Subscriber Line Access Multiplexer ("DSLAM") in **SBC-ILEC**'s RT at the fiber/copper interface point, pursuant to collocation terms and conditions. When CLEC collocates its DSLAM at **SBC-ILEC**'s RT, **SBC-ILEC** will provide CLEC with unbundled access to subloops to allow CLEC to access the copper wire portion of the loop. The xDSL subloops (consistent with Section 2.2 above) are defined as outlined in Sections 4.1.1 through 4.1.4 above, but only include the F2/distribution portion of the loop. Where CLEC is unable to install a DSLAM at the RT or obtain spare copper loops necessary to provision a xDSL service, and **SBC-ILEC** has placed a DSLAM in the RT, **SBC-ILEC** must unbundle and provide access to its DSLAM. **SBC-ILEC** is relieved of this requirement to unbundle its DSLAM only if it permits CLEC to collocate its DSLAMs in the RT on the same terms and conditions that apply to its own DSLAM. The unbundling requirement with respect to

DSLAMS would attach to such equipment transferred to **SBC-ILEC**'s advanced services affiliate. Sub loop pricing may be found in Section 11.1 below.

- 4.2 **SBC-ILEC** shall be under no obligation to provision xDSL-capable Loops in any instance where physical facilities do not exist. This shall not apply where physical facilities exist, but require conditioning. In that event, CLEC will be given the opportunity to evaluate the parameters of the xDSL service to be provided, and determine whether and what type of conditioning shall be performed at the request of the CLEC.
- 4.3 **SBC-ILEC** will not impose limitations on the transmission speeds of xDSL services. **SBC-ILEC** will not restrict the CLEC's services or technologies to a level at or below those provided by **SBC-ILEC**. For each loop, CLEC should at the time of ordering notify **SBC-ILEC** as to the type of PSD mask CLEC intends to use, and if and when a change in PSD mask is made, CLEC will notify **SBC-ILEC**. Likewise, **SBC-ILEC** should disclose to CLEC information with respect to the number of loops using advanced services technology within the binder and type of technology deployed on those loops. **SBC-ILEC** will use this information for the sole purpose of maintaining an inventory of advanced services present in the cable sheath. If the technology does not fit within a national standard PSD mask, CLEC shall provide **SBC-ILEC** with a technical description of the technology (including power mask) for the inventory purposes. **SBC-ILEC** will keep such information confidential and will take all measures to ensure that CLEC deployment information is neither intentionally nor inadvertently revealed to any part of **SBC-ILEC**'s retail operations, to any affiliate(s), or to any other CLEC without prior authorization from CLEC. Additional information on the use of PSD masks can be found in Section 9.1 below.
- 4.4 In the event that **SBC-ILEC** rejects a request by CLEC for provisioning of advanced services, including, but not limited to denial due to fiber, DLC, or DAML facility issues, **SBC-ILEC** will disclose to the requesting CLEC information with respect to the number of loops using advanced services technology within the binder and type of technology deployed on those loops, including the specific reason for the denial, within 48 hours of the denial. In no event shall the denial be based on loop length. If there is any dispute between the Parties with respect to this Section, **SBC-ILEC** will not deny the loop (subject to Section 3.4 above), but will continue to provision loops until the dispute is resolved in accordance with the Dispute Resolution procedures set forth in this Agreement.
- 4.5 **SBC-ILEC** will not deny a requesting CLEC's right to deploy new xDSL technologies that do not conform to the national standards and have not

yet been approved by a standards body (or otherwise authorized by the FCC, any state commission or which have not been successfully deployed by any carrier without significantly degrading the performance of other services) if the requesting CLEC can demonstrate to the Commission that the loop technology will not significantly degrade the performance of other advanced services or traditional voice band services.

4.5.1 Upon request by CLEC, **SBC-ILEC** will cooperate in the testing and deployment of new xDSL technologies or may direct the CLEC, at CLEC's expense, to a third party laboratory of CLEC's choice for such evaluation.

4.5.2 If it is demonstrated that the new xDSL technology will not significantly degrade the other advanced services or traditional voice based services, **SBC-ILEC** will provide a loop to support the new technology for CLEC as follows:

4.5.2.1 If the technology requires the use of a 2-Wire or 4-Wire xDSL loop [as defined in this Attachment], then **SBC-ILEC** will provide with the xDSL loop at the same rates listed for a 2-Wire or 4-Wire xDSL loop and associated loop conditioning as needed. **SBC-ILEC**'s ordering procedures will remain the same as for its 2-Wire or 4-Wire xDSL loop even though the xDSL loop is now capable of supporting a new xDSL technology.

4.5.2.2 In the unlikely event that a new xDSL technology requires a loop type that differs from that of a 2-Wire or 4-Wire loop [as defined in this Attachment], the Parties shall expend diligent efforts to arrive at an agreement as to the rates, terms and conditions for an unbundled loop capable of supporting the proposed xDSL technology. If negotiations fail, any dispute between the Parties concerning the rates, terms and conditions for an unbundled loop capable of supporting the proposed xDSL technology shall be resolved pursuant to the dispute resolution process provided for in this Agreement.

4.6 Technologies deployed on copper loops must be in compliance with applicable national industry standards; provided, however, CLEC can deploy technologies under Section 4.5 above for which applicable national standards have not been adopted.

4.7 If **SBC-ILEC** or another CLEC claims that a service is significantly degrading the performance of other advanced services or traditional voice

band services, then SBC-ILEC or that other CLEC must notify the causing carrier and allow that carrier a reasonable opportunity to correct the problem. Any claims of network harm must be supported with specific and verifiable supporting information. In the event that SBC-ILEC or a CLEC demonstrates to the Commission that a deployed technology is significantly degrading the performance of other advanced services or traditional voice band services, the carrier deploying the technology shall discontinue deployment of that technology and migrate its customers to technologies that will not significantly degrade the performance of other such services.

- 4.8 SBC-ILEC shall not impose its own standards for provisioning xDSL services, through Technical Publications or otherwise, until and unless approved by the Commission or the FCC prior to use.
- 4.9 SBC-ILEC shall not employ internal technical standards, through Technical Publications or otherwise, for its own retail xDSL that would adversely affect wholesale xDSL services or xDSL providers.

5. OPERATIONAL SUPPORT SYSTEMS: LOOP MAKE-UP INFORMATION AND ORDERING

- 5.1 General: SBC-ILEC will provide CLEC with nondiscriminatory access, whether that access is available by electronic or manual means, to its OSS functions as stated in the SBC Plan of Record filed with the FCC on December 7, 1999, or any subsequent revisions or additions to the Plan. This provision will not be construed as an admission by CLEC that the Plan of Record is sufficient. In the interim, manual loop make-up data will be provided as set forth below. In accordance with the FCC's UNE Remand order, CLEC will be given nondiscriminatory access to the same OSS functions that SBC-ILEC is providing any other CLEC and/or SBC-ILEC or its advanced services affiliate.
- 5.2 Loop Pre-Qualification: Subject to 5.1 above, SBC-ILEC's pre-qualification system will provide a near-real time response to CLEC queries. Until replaced with OSS access as provided in 5.1, SBC-ILEC will provide mechanized access to a loop length indicator via Verigate and Datagate for use with xDSL-based or other advanced services. The loop length indicator is an indication of the approximate loop length, based on a 26-gauge equivalent and is calculated on the basis of Distribution Area distance from the central office. This is an optional service to the CLEC.
- 5.3 Loop Qualification: Subject to 5.1 above, SBC-ILEC will develop and deploy enhancements to its existing Datagate and EDI interfaces that will allow CLECs, as well as SBC-ILEC's retail operations or its advanced

service subsidiary, to have real-time electronic access as a preordering function to the loop makeup information, subject to the following:

5.3.1 For loops ordered under 12,000 feet in length, **SBC-ILEC** will provide a One-Step Process so that no loop qualification shall be required;

5.3.2 In addition, no loop qualification shall be required for the 2-Wire Digital Loop (e.g., ISDN/IDSL) referenced in Section 4.1.2 above; and

5.3.3 If a CLEC elects to have **SBC-ILEC** provide loop makeup information through a manual process for xDSL loops not addressed in Sections 5.4.1 and 5.4.2 above, then the interval will be 3-5 business days, or the interval provided to **SBC-ILEC**'s affiliate, whichever is less.

5.4 Loop makeup data should include the following: (a) the actual loop length; (b) the length by gauge; and (c) the presence of repeaters, load coils, or bridged taps; and shall include, if noted on the individual loop record, (d) the total length of bridged taps, load coils, and repeaters; (e) the presence of pair-gain devices, DLC, and/or DAML, and (f) the presence of disturbers in the same and/or adjacent binder groups.

5.4.1 In accordance with the UNE Remand Order, where **SBC-ILEC** has not compiled loop qualification information for itself, **SBC-ILEC** is not required to conduct a plant inventory and construct a database on behalf of requesting carriers. If **SBC-ILEC** has manual access to this sort of information for itself, or any affiliate, **SBC-ILEC** will provide access to it to CLEC on a non-discriminatory basis. To the extent **SBC-ILEC** has access to this information in an electronic format, that same format should be made available to CLEC via an electronic interface. The Parties will meet and agree to the appropriate rate for such information if not included in this Agreement. If an agreement cannot be reached, **SBC-ILEC** will provide such information and the Parties will resolve the matter through the dispute resolution procedures set forth in this Agreement.

6.0 PROVISIONING

6.1 CLEC shall designate, at the CLEC's sole option, what loop conditioning **SBC-ILEC** is to perform in provisioning the xDSL loop or subloop on the loop order. Conditioning may be ordered on loop(s) or subloop(s) of any length at the Loop conditioning rates set forth in Section 11.4. The loop or

subloop will be provisioned to meet basic metallic and electrical characteristics such as electrical conductivity and capacitive and resistance balance.

- 6.2 The provisioning and installation interval for a xDSL-capable loop, where no conditioning is requested (including outside plant rearrangements that involve moving a workings service to an alternate pair as the only possible solution to provide a DSL-capable loop), on orders for 1-20 loops per order or per end-user location, will be 5 business days, or the provisioning and installation interval applicable to **SBC-ILEC**'s tariffed xDSL-based services, or its affiliate's, whichever is less. The provisioning and installation intervals for xDSL-capable loops where conditioning is requested or outside plant rearrangements are necessary, as defined above), on orders for 1-20 loops per order or per end-user customer location, will be 10 business days, or the provisioning and installation interval applicable to **SBC-ILEC**'s tariffed xDSL-based services or its affiliate's xDSL-based services where conditioning is required, whichever is less. Orders for more than 20 loops per order or per end-user location, where no conditioning is requested, will have a provisioning and installation interval of 15 business days, or as agreed upon by the Parties. Orders for more than 20 loops per order which require conditioning will have a provisioning and installation interval agreed by the parties in each instance. These provisioning intervals are applicable to every xDSL loop regardless of the loop length. The Parties will meet to negotiate and agree upon subloop provisioning intervals.
- 6.3 Subsequent to the initial order for a xDSL capable loop or subloop, additional conditioning may be requested on such loop at the rates set forth below and the applicable service order charges will apply; provided, however, when requests to add or modify conditioning are received within twenty-four (24) hours of the initial order for a xDSL-capable loop, no service order charges shall be assessed, but the due date may be adjusted as necessary as agreed to by the parties. The provisioning interval for additional requests for conditioning pursuant to this subsection will be the same as set forth above.
- 6.4 The CLEC, at its sole option, may request shielded cross-connects for central office wiring at rates set forth herein.
- 6.5 **SBC-ILEC** shall keep CLEC deployment information confidential from **SBC-ILEC**'s retail operations, any **SBC-ILEC** affiliate, or any other CLEC.

7.0 ACCEPTANCE TESTING

- 7.1 **SBC-ILEC** and CLEC agree to implement Cooperative Acceptance Testing for xDSL loop delivery.
- 7.2 Should CLEC desire Cooperative Acceptance Testing, CLEC shall request such testing on a per xDSL loop basis upon issuance of the Local Service Request (LSR). Cooperative Acceptance Testing will be conducted at the time of installation of the service request.
- 7.3 Acceptance Testing Procedure:
 - 7.3.1 Upon delivery of a loop to/for CLEC, **SBC-ILEC**'s field technician will call the Local Operations Center (LOC) and the LOC technician will call a toll free CLEC number to initiate performance of a series of cooperative tests.
 - 7.3.1.1 Except for ISDN loops that are provisioned through repeaters or digital loop carriers, the test requires the **SBC-ILEC** field technician to provide a solid short across the tip and ring of the circuit and then open circuit the loop.
 - 7.3.1.2 For ISDN (very low band symmetric) loops that are provisioned through repeaters or digital loop carriers, the **SBC-ILEC** field technician will not perform a short or open circuit.
 - 7.3.2 If the loop passes Cooperative Acceptance Test for loop continuity test parameters defined by this Agreement for xDSL loops, CLEC will provide **SBC-ILEC** with a confirmation number and **SBC-ILEC** will complete the order. CLEC will be billed for the Cooperative Acceptance Test as specified below under Acceptance Testing Billing.
 - 7.3.3 If the Cooperative Acceptance Test fails loop continuity test parameters defined by this Agreement for xDSL loops, the LOC technician will take reasonable steps to immediately resolve the problem with CLEC on the line including, but not limited to, calling the central office to perform work at such office. If the problem cannot be quickly resolved, **SBC-ILEC** will release the CLEC technician, and perform the work necessary to correct the situation. Once the loop is correctly provisioned, **SBC-ILEC** will contact CLEC to repeat the Cooperative Acceptance Test. When the aforementioned test parameters are met, CLEC will provide

SBC-ILEC with a confirmation number and **SBC-ILEC** will complete the order. **SBC-ILEC** will not complete an order that fails Acceptance Testing.

- 7.3.4 Since CLEC's test equipment cannot send signals through repeaters or digital loop carriers, CLEC will accept ISDN loops without testing the complete circuit. Consequently, **SBC-ILEC** agrees that should CLEC open a trouble ticket on such a loop within ten (10) business days (that is the fault of **SBC-ILEC**), **SBC-ILEC** will adjust CLEC's bill and refund the recurring charge of such a loop until **SBC-ILEC** has resolved the problem and closed the trouble ticket.
- 7.3.5 **SBC-ILEC** will be relieved of the obligation to perform Acceptance Testing on a particular loop and will, assume acceptance of the loop by CLEC when CLEC places the LOC on hold for over ten (10) minutes. In that case, **SBC-ILEC** may close the order utilizing existing procedures. If no trouble ticket is opened on that loop within 24 hours, **SBC-ILEC** may bill CLEC as if the Acceptance Test had been completed and the loop accepted, subject to Section B below. If, however, a trouble ticket is opened on the loop within 24 hours and the trouble resulted from **SBC-ILEC** error, CLEC will be credited for the cost of the acceptance test. Additionally, CLEC may subsequently request and **SBC-ILEC** will perform testing of such a loop under the terms and conditions of a repair request. If such loop is found by **SBC-ILEC** to not meet loop continuity test parameters defined herein, **SBC-ILEC** will not charge for acceptance testing done on the repair call.
- 7.3.6 If a trouble ticket is opened within 24 hours of a loop order completion, and the trouble is determined to be **SBC-ILEC**'s error, then the loop will not be counted as a successful completion for the purposes of the calculations discussed in Section B.1 below.
- 7.3.7 Both Parties will work together to implement Cooperative Acceptance Testing procedures that are efficient and effective. If the Parties mutually agree to additional testing, procedures and/or standards not covered by this Agreement or any commission-ordered tariff, the Parties will negotiate terms and conditions to implement such additional testing, procedures and/or standards. Additional charges may apply if any agreed-to changes require **SBC-ILEC** to expend additional time and expense.

7.4 Acceptance Testing Billing

7.4.1 CLEC will be billed for Acceptance Testing upon the effective date of this Agreement for loops that are installed correctly by the committed interval without the benefit of corrective action due to acceptance testing. In any calendar month after the first sixty (60) days of the agreement, CLEC may indicate that it believes that **SBC-ILEC** is failing to install loops with loop continuity and ordered conditioning eighty percent (80%) of the time within the committed intervals.

7.4.1.1 If sampling establishes that **SBC-ILEC** is correctly provisioning loops with continuity and ordered conditioning eighty percent (80%) of the time, **SBC-ILEC** may continue charging for Acceptance Testing for all loops that are properly installed the first time. If **SBC-ILEC** is not correctly provisioning loops eighty percent (80%) of the time, or greater, then CLEC will not be billed for Acceptance Testing for the next 90 days. Immediately after the effective date of this agreement, the Parties will negotiate in good faith to agree to a method for sampling 100 random install orders; provided, however, the Parties agree that none of the orders included in such sampling shall be orders placed within the first thirty (30) days of CLEC's entry into any Metropolitan Statistical Area ("MSA").

7.4.1.1.1 ISDN Loops that have trouble tickets (that are **SBC-ILEC**'s fault) opened within 10 business days will be considered failures.

7.4.1.1.2 Loops that are successfully installed as a result of corrective action taken after acceptance testing will be considered failures.

7.4.1.2 In any calendar month after the 90 day no charge period, **SBC-ILEC** may request that another random sample of 100 install orders be reviewed. If the sample determines **SBC-ILEC** is provisioning loops correctly eighty percent (80%) of the time or greater, billing will resume.

7.4.1.3 Even if **SBC-ILEC** is in period which it may bill for Acceptance Testing, **SBC-ILEC** will not bill for the Acceptance Testing for loop installs that did not pass, the first time, the test parameters defined by this Agreement for

xDSL loops. **SBC-ILEC** will not bill for loop repairs when the repair was **SBC-ILEC** problem.

7.4.1.4 Beginning November 1, 2000, **SBC-ILEC** delivery commitment changes to 90%.

7.4.2 The charges for Acceptance Testing are outlined below. If requested by CLEC, Overtime or Premium time charges will apply for Acceptance Testing requests in off-hours at overtime time charges calculated at one and one half times the standard price and premium time being calculated at two times the standard price. If the tariff rate changes, the parties will negotiate in good faith to determine if the tariff rate changes should apply to acceptance testing.

REGION	TARIFF	USOC	FIRST HALF HR./FRACTION	ADDITIONAL
Ameritech	FCC No. 2; Sec. 13.3.4 (C)(1)(a)	UBCX+	\$40.92	\$22.60
Nevada Bell	FCC No. 1; Sec. 13.3.5 (B)(1)	UBC++	*\$40.21/\$32.72	N/A
Pacific Bell	FCC No. 128; Sec. 13.3.5 (C)(1)(a)	UBC++	\$44.00	\$23.00
SNET	Connecticut Access Service; Sec. 6.3.1 (B)	UBCX+	\$57.36	\$26.37
Southwestern Bell	FCC No. 73; Sec. 13.4.8 (A)	UBCX+	\$33.51	\$21.32

* Nevada Bell Charges represent I/R Technicians and Central Office Maintenance respectively.

7.4.3 Repairs

7.4.3.1 The parties will negotiate in good faith to arrive at terms and conditions for acceptance testing on repairs

8.0 SERVICE QUALITY AND MAINTENANCE

8.1 **SBC-ILEC** will not guarantee that the local loop(s) ordered will perform as desired by CLEC for xDSL-based or other advanced services, but will

guarantee basic metallic loop parameters, including continuity and pair balance. CLEC-requested testing by **SBC-ILEC** beyond these parameters will be billed on a time and materials basis at Access Tariff 73 rates.¹

- 8.2 Maintenance, other than assuring loop continuity, line balance, and verifying suitability for POTS, on unconditioned or partially conditioned loops in excess of 12,000 feet, will only be provided on a time and material basis as set out elsewhere in this Agreement. On loops where CLEC has requested that no conditioning be performed, **SBC-ILEC**'s maintenance will be limited to verifying loop suitability based on POTS design. For loops having had partial or extensive conditioning performed at CLEC's request, **SBC-ILEC** will verify continuity, the completion of all requested conditioning, and will repair at no charge to CLEC any gross defects which would be unacceptable based on current POTS design criteria and which do not result from the loop's modified design.
- 8.3 Each xDSL-Capable Loop offering provided by **SBC-ILEC** to CLEC will be at least equal in quality and performance as that which **SBC-ILEC** provides to itself or to an affiliate.

9.0 SPECTRUM MANAGEMENT

- 9.1 CLEC will advise **SBC-ILEC** of the Power Spectral Density ("PSD") mask approved or proposed by T1.E1 that reflects the service performance parameters of the technology to be used. The CLEC, at its option and without further disclosure to **SBC-ILEC**, may provide any service compliant with that PSD mask so long as it stays within the allowed service performance parameters. At the time of ordering a xDSL-capable loop, CLEC will notify **SBC-ILEC** as to the type of PSD mask CLEC intends to use on the ordering form, and if and when a change in PSD mask is made, CLEC will notify **SBC-ILEC** as set forth in Section 4.3 above. CLEC will abide by standards pertinent for the designated PSD mask type.
- 9.2 **SBC-ILEC** agrees that as a part of spectrum management, it will maintain an inventory of the existing services provisioned on the cable. **SBC-ILEC** will not use Selective Feeder Separation (SFS) and will remove any restrictions imposed by **SBC-ILEC** on use of pairs for non-ADSL xDSL services. **SBC-ILEC** will not deny any loops on the basis of binder group management designations or business rules created in **SBC-ILEC** LFACS and LEAD databases or limit the deployment of xDSL services to certain pair ranges, with the exception of binder groups containing AMI T1 services. **SBC-ILEC** may not segregate xDSL technologies into

¹ See also Award page 105-106 on this topic.

designated binder groups without Commission review and approval. Where **SBC-ILEC** has already implemented BGM or reserved loop complements, **SBC-ILEC** must open those binder groups to all xDSL services and all xDSL providers. **SBC-ILEC** shall not deny CLEC a loop based upon spectrum management issues, subject to 9.3 below. In all cases, **SBC-ILEC** will manage the spectrum in a competitively neutral manner consistent with all relevant industry standards regardless of whether the service is provided by a CLEC or by **SBC-ILEC**, as well as competitively neutral as between different xDSL services. Where disputes arise, **SBC-ILEC** and CLEC will put forth a good faith effort to resolve such disputes in a timely manner. As a part of the dispute resolution process, **SBC-ILEC** will, upon request from a CLEC, disclose within 3-5 business days information with respect to the number of loops using advanced services technology within the binder group and the type of technology deployed on those loops so that the involved parties may examine the deployment of services within the affected loop plant.

- 9.3 In the event that the FCC or the industry establishes long-term standards and practices and policies relating to spectrum compatibility and spectrum management that differ from those established in this Agreement, **SBC-ILEC** and CLEC agree to comply with the FCC and/or industry standards, practices and policies and will establish a mutually agreeable transition plan and timeframe for achieving and implementing such industry standards, practices and policies. If there is any dispute between the Parties with respect to this Section, **SBC-ILEC** will not deny the loop (subject to Section 3.4 above), but will continue to provision loops until the dispute is resolved in accordance with the Dispute Resolution procedures set forth in this Agreement.
- 9.4 Within thirty (30) days after general availability of equipment conforming to applicable industry standards or the mutually agreed upon standards developed by the industry in conjunction with the Commission or FCC, if **SBC-ILEC** and/or CLEC is providing xDSL technologies deployed under Section 4.0 above, or other advanced services for which there is no standard, then **SBC-ILEC** and/or CLEC must bring the process of bringing its deployed xDSL technologies and equipment into compliance with such standards at its own expense.

10.0 RESERVATION OF RIGHTS

- 10.1 The Parties acknowledge and agree that the provision of these DSL-Capable Loops and the associated rates, terms and conditions set forth above are subject to any legal or equitable rights of review and remedies (including agency reconsideration and court review). If any reconsideration, agency order, appeal, court order or opinion, stay,

injunction or other action by any state or federal regulatory body or court of competent jurisdiction stays, modifies, or otherwise affects any of the rates, terms and conditions herein, specifically including those arising with respect to Federal Communications Commission orders (whether from the Memorandum Opinion and Order, and Notice of Proposed Rulemaking, FCC 98-188 (rel. August 7, 1998), in CC Docket No. 98-147, or the FCC's First Report and Order and Further Notice of Proposed Rulemaking, FCC 99-48 (rel. March 31, 1999), in CC Docket 98-147 or the FCC's Third Report and Order and Fourth Further Notice of Proposed Rulemaking in CC Docket No. 96-96 (FCC 99-238), or any other proceeding, the Parties shall expend diligent efforts to arrive at an agreement on conforming modifications to this Agreement. If negotiations fail, disputes between the Parties concerning the interpretation of the actions required or the provisions affected shall be handled under the Dispute Resolution procedures set forth in this Agreement.

11. LINE SHARING

- 11.1 The Parties agree to negotiate an Agreement addressing issues relating to line sharing in connection with deployment of Advanced Services by the Parties. Both Parties agree to negotiate language compliant with the FCC's Third Report and Order in CC Docket No. 98-147 (released December 9, 1999) that unbundles the high frequency portion of the loop.
- 11.2 If the Parties fail to reach agreement within thirty (30) days of the written request for negotiations, either Party may invoke the Alternative Dispute Resolution process set in other portions of this agreement.

12. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

- 12.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element.

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**APPENDIX DIRECT
(DIRECT ACCESS AGREEMENT
FOR LOCAL DIRECTORY ASSISTANCE LISTINGS)**

1. INTRODUCTION

- 1.1 This Appendix sets forth terms and conditions for electronic access to the Directory Assistant data-base provided by the applicable SBC Communications Inc. (SBC) owned Incumbent Local Exchange Carrier (ILEC) and CLEC.
 - 1.1.1 Southern New England Telephone (**SNET**) will provide electronic access to its Directory Assistance (DA) database through the FCC 39 Access Tariff.
- 1.2 SBC Communications Inc. (SBC) means the holding company which owns the following ILECs: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, Nevada Bell Telephone Company, The Ohio Bell Telephone Company, Pacific Bell Telephone Company, The Southern New England Telephone Company, Southwestern Bell Telephone Company and/or Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin.
- 1.3 As used herein, **SBC-ILEC** means the applicable above listed ILECs doing business in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Oklahoma, Texas and Wisconsin.
- 1.4 As used herein, **SBC-SWBT** means the applicable above listed ILECs doing business in Arkansas, Kansas, Missouri, Oklahoma and Texas.
- 1.5 As used herein, **SBC-AMERITECH** means the applicable above listed ILECs doing business in Illinois, Indiana, Michigan, Ohio and Wisconsin.
- 1.6 As used herein, **PACIFIC** means the applicable above listed ILECs doing business in California.
- 1.7 As used herein, **NEVADA** means the applicable above listed ILECs doing business in Nevada.
- 1.8 As used herein, **SNET** means the applicable above listed ILECs doing business in Connecticut.
- 1.9 The Prices at which **SBC-ILEC** agrees to provide electronic access to its Directory Assistance (DA) database are contained in the applicable Appendix Pricing and/or the applicable Commissioned ordered tariff where stated.

2. DEFINITIONS

- 2.1 **“Automated Message According (AMA)”** – Billing detail recordings in the switch.
- 2.2 **“Call Processing Data Link - (CPDL)”** - CPDL is a proprietary, licensable interface that utilizes a standard format message protocol for transport of messages between Directory One Call Control and a switching entity.
- 2.3 **“Data Terminating Equipment (DTE)”** - A terminal attached to a data network as an End User node.
- 2.4 **“Nortel Digital Multiplexing Switch (DMS 200)”** - DMS performs base call processing functions and supports service capabilities.
- 2.5 **“IBM RISC 6000 Processor”** – The IBM platform that enables database search capabilities.
- 2.6 **“Nortel Directory One (D1)”** - D1 offers directory search applications built on a standard operating software environment.
- 2.7 **“Nortel Directory One Call Control”** - Allows bi-directional call control capability between the TOPS switch and the D1 network.
- 2.8 **“Electronic White Pages (EWP)”** - EWP allows telephone companies to offer fully customized electronic directory assistance services for all types of users.
- 2.9 **“Nortel Interactive Voice System (IVS)”** - Peripheral off the switch that provides interactive audio.
- 2.10 **“Nortel Multi Purpose Position (MP, MPX or MPX-IWS)”** - Operator Workstations.
- 2.11 **“Non-Published Number (NP)”** - A telephone number that at the request of the telephone subscriber, is neither published in a telephone directory nor provided by an Operator.
- 2.12 **“Operator Service Center (OSC)”** - Physical location of the Operators/workstations.
- 2.13 **“Published Number”** - A telephone number that is published in a telephone directory and is available upon request by calling an **SBC-12STATE** DA Operator.

- 2.14 “**Nortel Queue Management System (QMS)**” - Supports up to 255 unique queues on calls to operator positions.
- 2.15 “**Nortel Traffic Operating Position System (TOPS)**” - Performs base call processing functions and support service capabilities.
- 2.16 “**Nortel/IBM Protocol**” – Allows communication between Nortel Switch and IBM database.
- 2.17 “**IBM Platform**” – Offers directory search applications built on a standard operating software environment.

3. **SERVICE**

- 3.1 Direct Access allows CLECs access to **SBC-12STATE**'s Directory Assistance (DA) database (which includes residence, business, and government listings) for the sole purpose of providing DA to CLEC's End User. This service shall allow the CLEC to obtain listed name, address, zip code and telephone numbers, except that access to non-published telephone numbers or other information that the customer has asked to make unavailable is not allowed, with the exception of customer name and address **SBC-12STATE** will provide CLECs nondiscriminatory access to the same directory listing information available to its own directory assistance operators.
- 3.2 Where technically feasible and/or available, CLEC may receive Direct Access from **SBC-12STATE**'s host switches via a CLEC Nortel DMS200 TOPS Host Switch, a LUCENT 5ESS OSPS switch or any other Operator assistance switch type with Call Processing Data Link (CDPL). CDPL is a proprietary, licensable interface that utilizes a standard format message protocol for transport of messages between Nortel Directory One Call Control and a switching entity. CPDL provides the protocol by which the CLEC switch may provide auto and offer DACC.

4. **RESPONSIBILITIES OF SBC-12STATE**

- 4.1 **SBC-12STATE** shall provide and maintain its own Directory Assistance platform equipment to furnish DA services to CLEC for all **SBC-12STATE** listings.
- 4.2 **SBC-12STATE** shall provide DA listings to CLEC from its current DA records and in accordance with **SBC-12STATE**'s methods, practices, and procedures.
- 4.3 **SBC-12STATE** shall provide CLEC access to the same listing information that is available to its own operators.

- 4.4 **SBC-12STATE** shall maintain the same level of system performance for CLEC as it provides to itself.

5. RESPONSIBILITIES OF CLEC

- 5.1 CLEC shall submit requests for Direct Access in writing to **SBC-12STATE**. Requests for Direct Access will be pursuant to the Bona Fide Request (BFR) Process as outlined in the attached procedures. The FCC ruled that OS/DA were not UNEs.
- 5.2 When CLEC utilizes a switch other than those specified in TR-BX.25, the CLEC must obtain CPDL/D1 certification of their switch from NORTEL. The CLEC shall bear all costs of obtaining any vendor certification including payment of any applicable vendor license fees. **SBC-7STATE** shall supply Nortel D1 hardware and software; i.e., two (2) ADAX cards per 9,000 Busy Hour calls. **SBC-7STATE** shall bear the cost of this hardware and software, but the CLEC will be responsible for Engineering, Furnish and Installation charges.
- 5.2.1 **SBC-AMERITECH** – The IBM RISC 6000 does not support the CDPL technology.

6. RESPONSIBILITIES OF BOTH PARTIES

- 6.1 The CLEC providing the circuit between CLEC's office and **SBC-12STATE**'s office shall make such circuits available for use in connection with the DA services covered herein. When the total traffic exceeds the capability of the existing circuits, additional circuits will be provided by the CLEC.
- 6.2 Where applicable, if additional ADAX cards and ASN Routers (with sync and token ring cards) are necessary, they will be provided by **SBC-12STATE**, and CLEC will reimburse **SBC-12STATE** for the cost, plus Engineering, Furnish and Installation.

7. LIABILITY

- 7.1 The limitation of liability and indemnification provisions of the Agreement shall govern performance under this Appendix CLEC also agrees to release, defend, indemnify, and hold harmless **SBC-12STATE** from any claim, demand or suit that asserts any infringement or invasion of privacy or confidentiality of any person or persons caused or claimed to be caused, directly, or indirectly, by **SBC-12STATE** employees and equipment associated with provision of the DA Services. This provision includes but is not limited to suits arising from disclosure of the telephone number, address, or name associated with the telephone called or the telephone used to call the DA Services.

8. BILLING

8.1 **SBC-12STATE** shall bill through the appropriate **SBC-12STATE** regional Mechanized Bill Process.

9. USE OF SUBSCRIBER LISTING INFORMATION

9.1 CLEC is authorized to use the subscriber listing information accessed and provided pursuant to this Appendix for the sole purpose of providing local DA for its own End User customers.

10. ASSIGNMENT

10.1 The subscriber listing information accessed shall remain the property of **SBC-12STATE**. CLEC shall not download, store, print or otherwise extract the DA listing information made available through Direct Access nor shall the CLEC authorize any other company or any person to use any subscriber listing information for any purpose. Each party shall take appropriate measures to guard against any unauthorized use of the listings provided to it hereunder, whether by the other party, its agents or employees.

11. TERM OF CONTRACT AND RATE STRUCTURE

11.1 Upon CLEC's request, and pursuant to the terms and conditions herein, **SBC-12STATE** will set rates and other appropriate criteria for provision of Direct Access to CLEC pursuant to the BFR process.

11.2 The following types of rates shall apply to Direct Access.

11.2.1 Service Establishment

11.2.1.1 CLEC shall pay a Direct Access Service Establishment Charge (a non-recurring charge) applied at the time a CLEC orders Direct Access.

11.2.2 Direct Access Database Service

11.2.2.1 CLEC shall pay a monthly recurring charge for Direct Access Database Service which provides for database security and administration and ongoing support.

11.2.3 Direct Access Per Search

11.2.3.1 Where applicable, CLEC shall pay a Direct Access Per Search charge for each CLEC subscriber listing search queried from **SBC-12STATE**'s listing database.

12. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

12.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element.

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**APPENDIX DA
(DIRECTORY ASSISTANCE SERVICE)**

1. INTRODUCTION

- 1.1 This Appendix sets forth the terms and conditions for Directory Assistance (DA) Services for CLEC provided by the applicable SBC Communications Inc. (SBC) owned Incumbent Local Exchange Carrier (ILEC) and CLEC.
- 1.2 SBC Communications, Inc. (SBC) means the holding company which owns the following ILECs: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, Nevada Bell Telephone Company, The Ohio Bell Telephone Company, Pacific Bell Telephone Company, The Southern New England Telephone Company, Southwestern Bell Telephone Company and/or Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin.
- 1.3 As used herein, **SBC-ILEC** means the applicable above listed ILECs doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.4 As used herein, **SBC-12STATE** means an ILEC doing business in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.5 As used herein, **SBC-7STATE** means an ILEC doing business in Arkansas, California, Kansas, Missouri, Nevada, Oklahoma and Texas.
- 1.6 As used herein, **SBC-SWBT** means an ILEC doing business in Arkansas, Kansas, Missouri, Oklahoma, and Texas.
- 1.7 As used herein, **SBC-AMERITECH** means an ILEC doing business in Illinois, Indiana, Michigan, Ohio, and Wisconsin.
- 1.8 As used herein, **PACIFIC** means an ILEC doing business in California.
- 1.9 As used herein, **NEVADA** means an ILEC doing business in Nevada.
- 1.10 As used herein, **SNET** means an ILEC doing business in Connecticut.
- 1.11 The prices at which **SBC-ILEC** agrees to provide CLEC with Directory Services are contained in the applicable Appendix Pricing and/or the applicable Commissioned ordered tariff where stated.

2. SERVICES

- 2.1 Where technically feasible and/or available, **SBC-ILEC** will provide the following DA Services:
- 2.1.1 **DIRECTORY ASSISTANCE (DA)**
Consists of providing subscriber listing information (name, address, and published telephone number or an indication of “non-published status”) where available to CLEC’s End Users who dial 411, 1/0+411, 555-1212, 1/0+555-1212, or 1/0+NPA-555-1212.
- 2.1.2 **DIRECTORY ASSISTANCE CALL COMPLETION (DACC) or Express Call Completion (ECC)**
A service in which a local or an intraLATA call to the requested number is completed on behalf of CLEC’s End User, utilizing an automated voice system or with operator assistance.
- 2.1.3 **DIRECTORY ASSISTANCE Nationwide Listing Service (NLS)**
A service in which listed telephone information (name, address, and telephone numbers) is provided for residential, business and government accounts throughout the 50 states to CLEC End Users. CLEC acknowledges that the Federal Communications Commission has issued an order that could affect **SBC-12 STATE** ability to offer NLS and that **SBC-12STATE** may have to stop providing NLS at anytime. CLEC releases **SBC-12STATE** from any and all claims, costs, damages, liabilities, losses, and expenses (including reasonable attorney fees), if **SBC-12STATE** stops providing NLS. CLEC also agrees to indemnify, defend, and hold harmless **SBC-12STATE** from any and all third party claims, costs, damages, liabilities, losses, and expenses (including reasonable attorney fees), arising from **SBC-12STATE** decision to stop providing NLS.

3. DEFINITIONS

- 3.1 The following terms are defined as set forth below:
- 3.1.1 **“Call Branding”** -The procedure of identifying a provider’s name audibly and distinctly to the End User at the beginning of each DA Services call.
- 3.1.2 **“Non-List Telephone Number or DA only Telephone Number”** - A telephone number that, at the request of the telephone subscriber, is not published in a telephone directory, but is available from a DA operator.
- 3.1.3 **“Non-Published Number”** - A telephone number that, at the request of the telephone subscriber, is neither published in a telephone directory nor available from a DA operator.

3.1.4 “**Published Number**” - A telephone number that is published in a telephone directory and is available upon request by calling a DA operator.

4. CALL BRANDING

4.1 Where technically feasible and/or available, **SBC-ILEC** will brand DA in CLEC’s name based upon the criteria outlined below:

4.1.1 Where **SBC-ILEC** provides CLEC Operator Services (OS) and DA services via the same trunk, both the OS and DA calls will be branded with the same brand. Where **SBC-ILEC** is only providing DA service on behalf of the CLEC, the calls will be branded.

4.1.2 CLEC name used in branding calls may be subject to Commission regulations and should match the name in which CLEC is certified.

4.1.3 **SBC-SWBT/SNET/SBC-AMERITECH** - CLEC will provide written specifications of its company name to be used by **SBC-SWBT/SNET/SBC-AMERITECH** to create CLEC specific branding messages for its DA calls in accordance with the process outlined in the Operator Services OS/DA Questionnaire (OSQ). CLEC attests that it has been provided a copy of the Operator Services OS/DA Questionnaire (OSQ).

4.1.4 **PACIFIC/NEVADA** - CLEC will provide recorded announcement(s) of its company name to be used to brand the CLEC’s DA calls in accordance with the process outlined in the Operator Services OS/DA Questionnaire (OSQ). CLEC attests that it has been provided a copy of the Operator Services OS/DA Questionnaire (OSQ).

4.1.5 A CLEC purchasing **SBC-ILEC** unbundled local switching is responsible for maintaining CLEC’s End User customer records in **SBC-ILEC** Line Information Database (LIDB) as described in Appendix LIDB. CLEC’s failure to properly administer customer records in LIDB may result in branding errors.

4.1.6 Multiple Brands:

4.1.6.1 **SBC-7STATE** can support multiple brands on a single trunk group for a facilities-based CLEC if all End User customer records for all carriers utilizing the same trunk group are maintained in **SBC-7STATE**'s LIDB.

4.1.7 Branding Load Charges:

4.1.7.1 **SBC-SWBT** - An initial non-recurring charge applies per state, per brand, per Operator assistance switch, for the establishment of CLEC specific branding. An additional non-recurring charge applies per state, per brand, per Operator assistance switch for each subsequent change to the branding announcement. In addition, a per call charge applies for every DA call handled by **SBC-SWBT** on behalf of CLEC when such services are provided in conjunction with: i) the purchase of **SBC-SWBT** unbundled local switching; or ii) when multiple brands are required on a single Operator Services trunk.

4.1.7.2 **PACIFIC/NEVADA** – An initial non-recurring charge applies per state, per brand, per Operator assistance switch, for the establishment of CLEC specific branding. An additional non-recurring charge applies per state, per brand, per Operator assistance switch for each subsequent change to the branding announcement.

4.1.7.3 **SNET** – An initial non-recurring charge applies per brand, per load, per Operator assistance switch for the establishment of CLEC specific branding. An additional non-recurring charge applies per brand, per load, per Operator assistance switch for each subsequent change to the branding announcement.

4.1.7.4 **SBC-AMERITECH** – An initial non-recurring charge applies per brand, per Operator Assistance Switch, per trunk group for the establishment of CLEC specific branding. An additional non-recurring charge applies per brand, per Operator assistance switch, per trunk group for each subsequent change to the branding announcement.

5. DIRECTORY ASSISTANCE (DA) RATE/REFERENCE INFORMATION

- 5.1 Where technically feasible and/or available, **SBC-ILEC** will provide CLEC DA Rate/Reference Information based upon the criteria outlined below:
- 5.1.1 CLEC will furnish DA Rate and Reference Information in a mutually agreed to format or media thirty (30) calendar days in advance of the date when the DA Services are to be undertaken.
 - 5.1.2 CLEC will inform **SBC-ILEC**, in writing, of any changes to be made to such Rate/Reference Information fourteen (14) calendar days prior to the effective Rate/Reference change date. CLEC acknowledges that it is responsible to provide **SBC-ILEC** updated Rate/Reference Information fourteen (14) calendar days in advance of when the updated Rate/Reference Information is to become effective.
 - 5.1.3 An initial non-recurring charge will apply per state, per Operator assistance switch for loading of CLEC's DA Rate/Reference Information. An additional non-recurring charge will apply per state, per Operator assistance switch for each subsequent change to either the CLEC's DA Services Rate or Reference Information.
 - 5.1.4 When an **SBC-ILEC** Operator receives a rate request from a CLEC End User, **SBC-ILEC** will quote the applicable DA rates as provided by CLEC.
 - 5.1.4.1 **PACIFIC/NEVADA/SBC-AMERITECH** – In the interim, when an Operator receives a rate request from a CLEC End User, **PACIFIC/NEVADA/SBC-AMERITECH** will transfer the CLEC End User to a customer care number specified by the CLEC in the OSQ. When **PACIFIC/NEVADA/SBC-AMERITECH** has the capability to quote specific CLEC rates and reference information the parties agree that the transfer option will be eliminated.

6. RESPONSIBILITIES OF THE PARTIES

- 6.1 CLEC agrees that due to customer quality and work force schedule issues, **SBC-ILEC** will be the sole provider of DA Services for CLEC's local serving area(s).
- 6.2 CLEC will be responsible for providing the equipment and facilities necessary for signaling and routing calls with Automatic Number Identification (ANI) to each **SBC-ILEC** Operator assistance switch. Should CLEC seek to obtain interexchange DA Service from **SBC-ILEC**, CLEC is responsible for ordering the necessary facilities under the appropriate interstate or intrastate Access Service Tariffs. Nothing in this Agreement in any way changes the manner in

which an interexchange Carrier obtains access service for the purpose of originating or terminating interexchange traffic.

- 6.2.1 **PACIFIC/NEVADA** - Services that require ANI, such as branding and call completion, can not be provided when CLEC utilizes a LISA trunking arrangement. LISA trunks for DA will be eliminated when **PACIFIC/NEVADA**'s 5ACD switches are eliminated. At such time, CLEC will be responsible for providing direct trunks to each **PACIFIC/NEVADA** Operator assistance switch.
- 6.3 Facilities necessary for the provision of DA Services shall be provided by the Parties hereto, using standard trunk traffic engineering procedures to insure that the objective grade of service is met. Each Party shall bear the costs for its own facilities and equipment.
- 6.4 CLEC will furnish to **SBC-ILEC** a completed OSQ thirty (30) calendar days in advance of the date when the DA Services are to be undertaken.
- 6.5 CLEC will provide **SBC-ILEC** updates to the OSQ fourteen (14) calendar days in advance of the date when changes are to become effective.
- 6.6 CLEC will send the DA listing records to **SBC-ILEC** for inclusion in **SBC-ILEC** DA database via electronic gateway as described in Appendix WP.
- 6.7 CLEC agrees that **SBC-ILEC** may utilize CLEC's End User's listings contained in **SBC-ILEC** directory assistance database in providing existing and future **SBC-ILEC** directory assistance or DA related services.
- 6.8 CLEC further agrees that **SBC-ILEC** can release CLEC's directory assistance listings stored in **SBC-ILEC** directory assistance database to competing providers.

7. METHODS AND PRACTICES

- 7.1 **SBC-ILEC** will provide DA Services to CLEC's End Users in accordance with **SBC-ILEC** DA methods and practices that are in effect at the time the DA call is made, unless otherwise agreed in writing by both parties.

8. PRICING

8.1 Pricing for DA Services shall be based on the rates specified in Appendix Pricing. Beyond the specified term of this Appendix, **SBC-ILEC** may change the prices for the provision of DA Services upon one hundred-twenty (120) calendar days' notice to CLEC.

9. MONTHLY BILLING

9.1 For information regarding billing, non-payment, disconnection, and dispute resolution, see the General Terms and Conditions of this Agreement.

9.2 **SBC-ILEC** will accumulate and provide CLEC such data as necessary for CLEC to bill its End Users.

10. LIABILITY

10.1 The provisions set forth in the General Terms and Conditions of this Agreement, including but not limited to those relating to limitation of liability and indemnification, shall govern performance under this Appendix.

10.2 CLEC also agrees to release, defend, indemnify, and hold harmless **SBC-ILEC** from any claim, demand or suit that asserts any infringement or invasion of privacy or confidentiality of any person or persons caused or claimed to be caused, directly, or indirectly, by **SBC-ILEC** employees and equipment associated with provision of DA Services, including but not limited to suits arising from disclosure of the telephone number, address, or name associated with the telephone called or the telephone used to call DA Services.

11. TERMS OF APPENDIX

11.1 This Appendix will continue in force for the length of the Interconnection Agreement, but no less than twelve (12) months. At the expiration of the term of the Interconnection Agreement to which this Appendix is attached, or twelve months, whichever ever occurs later, either Party may terminate this Appendix upon one hundred-twenty (120) calendar days written notice to the other Party.

11.2 If CLEC terminates this Appendix prior to the expiration of the term of this Appendix, CLEC shall pay SWBT, within thirty (30) days of the issuance of any bills by **SBC-ILEC**, all amounts due for actual services provided under this Appendix, plus estimated monthly charges for the unexpired portion of the term. Estimated charges will be based on an average of the actual monthly service provided by **SBC-ILEC** pursuant to this Appendix prior to its termination.

12. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

- 12.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element.

APPENDIX DAL

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**APPENDIX DAL
(LOCAL DIRECTORY ASSISTANCE LISTINGS)**

1. INTRODUCTION

- 1.1 This Appendix sets forth terms and conditions for which Parties agrees to license its subscriber listing information applicable SBC Communications Inc. (SBC) owned Incumbent Local Exchange Carrier (ILEC) and CLEC.
- 1.2 SBC Communications Inc. (SBC) means the holding company which owns the following ILECs: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, Nevada Bell Telephone Company, The Ohio Bell Telephone Company, Pacific Bell Telephone Company, The Southern New England Telephone Company, Southwestern Bell Telephone Company and/or Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin.
- 1.3 As used herein, SBC-ILEC means the applicable above listed ILEC(s) doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.4 As used herein, SBC-SWBT means the applicable above listed ILEC(s) doing business in Arkansas, Kansas, Missouri, Oklahoma, and Texas.
- 1.5 As used herein, SBC-AMERITECH means the applicable above listed ILEC(s) doing business in Illinois, Indiana, Michigan, Ohio, and Wisconsin.
- 1.6 The prices at which SBC-ILEC agrees to provide CLEC with Directory Assistance Listing (DAL) are contained in the applicable Appendix Pricing and/or the applicable Commissioned ordered tariff where stated.

2. GENERAL TERMS AND CONDITIONS

- 2.1 Where technically feasible and/or available, SBC-ILEC will provide Directory Assistance (listing information referred to as Directory Assistance Listing (DAL) in SBC-SWBT, Directory Assistance Listing Information Service (DALIS) in Pacific and Dialing Parity Directory Listings in SBC-AMERITECH (herein after collectively referred to as DAL):
 - 2.1.1 SBC-ILEC owns and maintains the database containing directory assistance listing information (name, address and published telephone number, or an indication of "non-published status") of telephone subscribers.

- 2.1.2 **SBC-ILEC** uses the directory assistance listing information in its database to provide directory assistance (DA) service to End User who call **SBC-ILEC**'s DA to obtain such information.
- 2.1.3 Inasmuch as **SBC-ILEC** provides DA service under contract for Independent Local Exchange Carriers (ILECs) and Competitive Local Exchange Carriers, (CLECs), **SBC-ILEC**'s database also contains directory assistance listing information for other ILEC and CLEC End Users.
- 2.1.4 CLEC wishes to provide DA service to its End Users located in the CLEC's service area, and therefore, wishes to load its database with directory assistance listing information pertaining to **SBC-ILEC**'s subscribers residing in CLEC's service area(s).
- 2.1.5 **SBC-ILEC** agrees to license requested directory assistance listing information contained in its database, under the following terms and conditions:
- 2.1.5.1 **SBC-ILEC** shall license its directory assistance listing information as defined in Exhibit A.
- 2.1.5.2 **SBC-ILEC** shall provide directory assistance listing information in a mutually acceptable format.
- 2.1.5.3 **SBC-ILEC** shall provide directory assistance listing information to CLEC via a mutually acceptable mode of transmission. Once the mode of transmission has been determined, **SBC13-STATE** will provide to CLEC the initial load of directory assistance listing information in a mutually agreed upon timeframe.

2.2 USE OF DIRECTORY ASSISTANCE LISTING INFORMATION

- 2.2.1 CLEC may use the directory assistance listing information licensed and provided pursuant to this Appendix for the sole purpose of providing local DA services to Licensee's End Users residing in Licensor's service area.
- 2.2.2 Upon termination of the Agreement, CLEC shall cease using, for any purpose whatsoever, the directory assistance listing information provided hereunder by **SBC-ILEC**, and shall extract and expunge all copies or any portions thereof from files and records and provide a certification from an officer of the company that all actions have been performed.
- 2.2.3 In the event a telephone service subscriber has a "non-published" listing, a "non-published" classification will be identified in lieu of the telephone

number information and will be considered part of the Listing Information. The last name, first name, street number, street name, community, and zip code will be provided as part of the Listing Information. The information provided for non-published customers can only be used for two purposes. First, the non-published status may be added to the listing in CLEC's database for the sole purpose of adding/correcting the non-published status of the listings in the database. Second, addresses for non-published customers may be used for verification purposes. If a caller provides the address for a requested listing, CLEC may verify the listing by matching the caller-provided address with the address in CLEC's dates. CLEC may not provide the address information of a requested listing of a non-published subscriber to a caller under any circumstances. CLEC can notify the customer that the requested listing is non-published.

3. ASSIGNMENT

3.1 The directory assistance listing information shall remain the property of SBC-ILEC. The CLEC shall not sublicense, assign, sell or transfer the directory assistance listing information licensed hereunder, nor shall CLEC authorize any other company or any person to use the directory assistance listing information for any other purpose. CLEC shall take appropriate measures to guard against any unauthorized use of the listings provided to it hereunder (at least the same measures it takes to protect its own listings from unauthorized use), whether by CLEC, its agents, employees or others.

4. BREACH OF CONTRACT

4.1 In the event a Party is found to have materially breached this Appendix, such breach shall be remedied immediately and the non-breaching Party shall have the right to terminate the breaching party's license, without terminating its own rights hereunder, upon fourteen (14) calendar days notice, until the other Party's breach is remedied. Further should CLEC breach this agreement, it shall immediately cease use of SBC-ILEC's directory assistance listing information.

5. LIABILITY

5.1 SBC-ILEC makes no express or implied warranties whatsoever regarding the accuracy of the directory assistance listing information provided to CLEC. CLEC agrees to accept the directory assistance listing information on an "as-is" basis with all faults, errors and omissions, if any. SBC-ILEC makes no warranty, expressed or implied, with respect to any listings or the information contained therein, including but not limited to warranties for merchantability or fitness for a particular purpose.

- 5.2 CLEC hereby releases SBC-ILEC from any and all liability for damages due to errors or omissions in the directory assistance listing information provided under this Appendix, or by reason of delay in providing the directory assistance listing information, including, but not limited to, special, indirect, consequential, punitive or incidental damages.
- 5.3 CLEC shall indemnify, protect, save harmless and defend SBC-ILEC (or SBC-ILEC's officers, employees, agents, assigns and representatives) from and against any and all losses, liability, damages and expense arising out of any demand, claim, suit or judgment by a third party in any way related to SBC-ILEC Appendix, and every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement or any other appendices or attachments to this Agreement which are supplying directory assistance listing information, or any actual error or omission. CLEC shall so indemnify regardless of whether the demand, claim or suit by the third party is brought jointly against CLEC and SBC-ILEC, and/or against SBC-ILEC alone. However, if such demand, claim or suit specifically alleges that an error or omission appears in DA listing information, SBC-ILEC may, at its option, assume and undertake its own defense, or assist in the defense of CLEC, in which event CLEC shall reimburse SBC-ILEC for reasonable attorney's fees and other expenses incurred by it in handling and defending such demand, claim and/or suit. CLEC shall not enter into any settlement of any such demand, claim or suit without the prior written consent of SBC-ILEC.

6. TERM OF APPENDIX

- 6.1 This Appendix will continue in force for the length of the Interconnection Agreement, but no less than twelve (12) months. At the expiration of the term of the Interconnection Agreement to which this Appendix is attached, or twelve (12) months, whichever occurs later either Party may terminate this Appendix upon one hundred-twenty (120) calendar day's written notice to the other Party.

7. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

- 7.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element.

APPENDIX 911

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APPENDIX 911

TERMS AND CONDITIONS FOR PROVIDING CONNECTION TO E911 UNIVERSAL EMERGENCY NUMBER SERVICE

1. INTRODUCTION

- 1.1 This Appendix sets forth terms and conditions for E911 Service provided by the applicable SBC Communications Inc. (SBC) owned Incumbent Local Exchange Carrier (ILEC) and CLEC.
- 1.2 SBC Communications Inc. (SBC) means the holding company which owns the following ILECs: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, Nevada Bell Telephone Company, The Ohio Bell Telephone Company, Pacific Bell Telephone Company, The Southern New England Telephone Company, Southwestern Bell Telephone Company and/or Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin.
- 1.3 As used herein, SBC-ILEC means the applicable above listed ILEC doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.4 As used herein, SBC-AMERITECH means the applicable above listed ILEC doing business in Illinois, Indiana, Michigan, Ohio, and Wisconsin.
- 1.5 As used herein, SBC-PACIFIC means the applicable above listed ILEC doing business in California.
- 1.6 As used herein, SBC-NEVADA means the applicable above listed ILEC doing business in Nevada.
- 1.7 The prices at which SBC-ILEC agrees to provide CLEC with E911 Service are contained in the applicable Appendix Pricing and/or the applicable Commissioned ordered tariff where stated.

2. DEFINITIONS

- 2.1 “**911 Trunk**” means a trunk capable of transmitting Automatic Number Identification (ANI) associated with a call to 911 from CLEC’s End Office to the E911 system.

- 2.2 **“Automatic Location Identification” or “ALI”** means the automatic display at the PSAP of the caller’s telephone number, the address/location of the telephone and, in some cases, supplementary emergency services information.
- 2.3 **“Automatic Number Identification” or “ANI”** means the telephone number associated with the access line from which a call to 911 originates.
- 2.4 **“Company Identifier” or “Company ID”** means a three to five (3 to 5) character identifier chosen by the Local Exchange Carrier that distinguishes the entity providing dial tone to the End-User. The Company Identifier is maintained by NENA in a nationally accessible database.
- 2.5 **“Database Management System” or “DBMS”** means a system of manual procedures and computer programs used to create, store and update the data required to provide Selective Routing and/or Automatic Location Identification for 911 systems.
- 2.6 **“E911 Customer”** means a municipality or other state or local government unit, or an authorized agent of one or more municipalities or other state or local government units to whom authority has been lawfully delegated to respond to public emergency telephone calls, at a minimum, for emergency police and fire services through the use of one telephone number, 911.
- 2.7 **“E911 Universal Emergency Number Service” (also referred to as “Expanded 911 Service” or “Enhanced 911 Service”)** or **“E911 Service”** means a telephone exchange communications service whereby a public safety answering point (PSAP) answers telephone calls placed by dialing the number 911. E911 includes the service provided by the lines and equipment associated with the service arrangement for the answering, transferring, and dispatching of public emergency telephone calls dialed to 911. E911 provides completion of a call to 911 via dedicated trunking facilities and includes Automatic Number Identification (ANI), Automatic Location Identification (ALI), and/or Selective Routing (SR).
- 2.8 **“Emergency Services”** means police, fire, ambulance, rescue, and medical services.
- 2.9 **“Emergency Service Number” or “ESN”** means a three to five digit number representing a unique combination of emergency service agencies (Law Enforcement, Fire, and Emergency Medical Service) designated to serve a specific range of addresses within a particular geographical area. The ESN facilitates selective routing and selective transfer, if required, to the appropriate PSAP and the dispatching of the proper service agency(ies).
- 2.10 **“National Emergency Number Association” or “NENA”** means the National Emergency Number Association is a not-for-profit corporation established in

1982 to further the goal of “One Nation-One Number”. NENA is a networking source and promotes research, planning, and training. NENA strives to educate, set standards and provide certification programs, legislative representation and technical assistance for implementing and managing 911 systems.

- 2.11 **“Public Safety Answering Point” or “PSAP”** means an answering location for 911 calls originating in a given area. The E911 Customer may designate a PSAP as primary or secondary, which refers to the order in which calls are directed for answering. Primary PSAPs answer calls; secondary PSAPs receive calls on a transfer basis. PSAPs are public safety agencies such as police, fire, emergency medical, etc., or a common bureau serving a group of such entities.
- 2.12 **“Selective Routing” and “Selective Router” or “SR”** means the routing and equipment used to route a call to 911 to the proper PSAP based upon the number and location of the caller. Selective routing is controlled by an ESN, which is derived from the location of the access line from which the 911 call was placed.

3. **SBC-ILEC RESPONSIBILITIES**

- 3.1 **SBC-ILEC** shall provide and maintain such equipment at the E911 SR and the DBMS as is necessary to perform the E911 services set forth herein when **SBC-ILEC** is the 911 Service Provider. **SBC-ILEC** shall provide 911 Service to CLEC as described this section in a particular Rate Center in which CLEC is authorized to provide local telephone exchange service and **SBC-ILEC** is the 911 Service Provider. This shall include the following:

3.2 Call Routing

- 3.2.1 **SBC-ILEC** will transport 911 calls from each CLEC point of interconnection (POI) to the SR office of the E911 system, where **SBC-ILEC** is the 911 Service Provider.
- 3.2.2 **SBC-ILEC** will switch 911 calls through the SR to the designated primary PSAP or to designated alternate locations, according to routing criteria specified by the PSAP.

SBC-ILEC will forward the calling party number (ANI) it receives from CLEC and the associated 911 Address Location Identification (ALI) to the PSAP for display. If no ANI is forwarded by CLEC, **SBC-ILEC** will forward an Emergency Service Central Office (ESCO) identification code for display at the PSAP. If ANI is forwarded by the CLEC, but no ANI record is found in the E911 DBMS, **SBC-13-STATE** will report this “No Record Found” condition to the CLEC in accordance with NENA standards.

3.3 Facilities and Trunking

- 3.3.1 **SBC-ILEC** shall provide and maintain sufficient dedicated E911 trunks from **SBC-ILEC**'s SR to the PSAP of the E911 Customer, according to provisions of the appropriate state Commission-approved tariff and documented specifications of the E911 Customer.
 - 3.3.2 **SBC-ILEC** will provide facilities to interconnect the CLEC, as specified in the local state tariff. Additionally, when diverse facilities are requested by CLEC, **SBC-ILEC** will provide such diversity where technically feasible, at standard local state tariff rates.
 - 3.3.3 Upon written request by CLEC, **SBC-ILEC** shall, in a timely fashion, provide CLEC with a description of the geographic area (or Rate Center) and PSAPs served by the E911 SR based upon the standards set forth in the May 1997 NENA Recommended Standards for Local Service Provider Interconnection Information Sharing, or any subsequent revision(s) thereto.
 - 3.3.4 **SBC-ILEC** and CLEC will cooperate to promptly test all trunks and facilities between CLEC's network and the **SBC-ILEC** SR(s).
- 3.4 Database
- 3.4.1 Where **SBC-ILEC** manages the E911 database, **SBC-ILEC** shall store the CLEC's End User 911 Records [that is, the name, address, and associated telephone number(s) for each of CLEC's End Users served by CLEC's exchange(s)] in the electronic data processing database for the E911 DBMS. CLEC or its representative(s) is responsible for electronically providing End User 911 Records and updating this information.
 - 3.4.2 **SBC-ILEC** shall coordinate access to the **SBC-ILEC** E911 DBMS for the initial loading and updating of CLEC End User 911 Records.
 - 3.4.3 **SBC-ILEC**'s ALI database shall accept electronically transmitted files that are based upon NENA standards. Manual entry shall be allowed only in the event that DBMS is not functioning properly.
 - 3.4.4 **SBC-ILEC** will update CLEC's End User 911 Records in the E911 DBMS. **SBC-ILEC** will then provide CLEC an error and status report. This report will be provided in a timely fashion and in accordance with the methods and procedures described in the documentation to be provided to the CLEC.
 - 3.4.5 **SBC-ILEC** shall provide the CLEC with a file containing the Master Street Address Guide (MSAG) for the CLEC's respective exchanges or communities. The MSAG will be provided on a routine basis but only for

those areas where CLEC is authorized to do business as a local exchange service provider and SBC-ILEC is the 911 service provider.

- 3.4.6 Where SBC-ILEC manages the DBMS, SBC-ILEC shall establish a process for the management of NPA splits by populating the DBMS with the appropriate NPA codes.

4. CLEC RESPONSIBILITIES

4.1 Call Routing

- 4.1.1 CLEC will transport 911 calls from each point of interconnection (POI) to the SBC-ILEC SR office of the E911 system, where SBC-ILEC is the 911 Service Provider.
- 4.1.2 CLEC will forward the ANI information of the party calling 911 to the SBC-ILEC 911 Selective Router.

4.2 Facilities and Trunking

- 4.2.1 CLEC shall provide interconnection with each SBC-ILEC 911 Selective Router that serves the exchange areas in which CLEC is authorized to and will provide telephone exchange service.
- 4.2.2 CLEC acknowledges that its End Users in a single local calling scope may be served by different SRs and CLEC shall be responsible for providing facilities to route 911 calls from its End Users to the proper E911 SR.
- 4.2.3 CLEC shall provide a minimum of two (2) one-way outgoing E911 trunk(s) dedicated for originating 911 emergency service calls from the point of interconnection (POI) to each SBC-ILEC 911 Selective Router, where applicable. Where SS7 connectivity is available and required by the applicable 911 Customer, the Parties agree to implement Common Channel Signaling trunking rather than CAMA MF trunking.
- 4.2.4 In SBC-AMERITECH only, the CLEC is responsible for providing a separate 911 trunk group for each county or other geographic area that it serves if the 911 Customer for such county or geographic area has a specified varying default routing condition. In addition, 911 traffic originating in one (1) NPA (area code) must be transmitted over a separate 911 trunk group from 911 traffic originating in any other NPA (area code) 911.
- 4.2.5 CLEC shall maintain transport capacity sufficient to route traffic over trunks between the CLEC switch and the SBC-ILEC SR.

- 4.2.6 CLEC shall provide sufficient trunking and facilities to route CLEC's originating 911 calls to the designated **SBC-ILEC** 911 SR. CLEC is responsible for requesting that trunking and facilities be routed diversely for 911 connectivity.
- 4.2.7 CLEC is responsible for determining the proper quantity of trunks and facilities from its switch(es) to the **SBC-ILEC** 911 SR.
- 4.2.8 CLEC shall engineer its 911 trunks to attain a minimum P.01 grade of service as measured using the "busy day/busy hour" criteria or, if higher, at such other minimum grade of service as required by Applicable Law or duly authorized Governmental Authority.
- 4.2.9 CLEC shall monitor its 911 circuits for the purpose of determining originating network traffic volumes. If CLEC's traffic study indicates that additional circuits are needed to meet the current level of 911 call volumes, CLEC shall request additional circuits from **SBC-ILEC**.
- 4.2.10 CLEC will cooperate with **SBC-ILEC** to promptly test all 911 trunks and facilities between CLEC's network and the **SBC-ILEC** 911 Selective Router(s) to assure proper functioning of 911 service. CLEC agrees that it will not pass live 911 traffic until successful testing is completed by both parties.
- 4.2.11 CLEC is responsible for the isolation, coordination and restoration of all 911 network maintenance problems to CLEC's demarcation (for example, collocation). **SBC-ILEC** will be responsible for the coordination and restoration of all 911 network maintenance problems beyond the demarcation (for example, collocation). CLEC is responsible for advising **SBC-ILEC** of the circuit identification and the fact that the circuit is a 911 circuit when notifying **SBC-ILEC** of a failure or outage. The Parties agree to work cooperatively and expeditiously to resolve any 911 outage. **SBC-ILEC** will refer network trouble to CLEC if no defect is found in **SBC-ILEC**'s 911 network. The Parties agree that 911 network problem resolution will be managed expeditiously at all times.

4.3 Database

- 4.3.1 Once E911 trunking has been established and tested between CLEC's End Office and all appropriate SR, CLEC or its representatives shall be responsible for providing CLEC's End User 911 Records to **SBC-ILEC** for inclusion in **SBC-ILEC**'s DBMS on a timely basis. **SBC-ILEC** and CLEC shall arrange for the automated input and periodic updating of CLEC's End User 911 Records.

- 4.3.2 CLEC or its agent shall provide initial and ongoing updates of CLEC's End User 911 Records that are MSAG-valid in electronic format based upon established NENA standards.
 - 4.3.3 CLEC shall adopt use of a Company ID on all CLEC End User 911 Records in accordance with NENA standards. The Company ID is used to identify the carrier of record in facility configurations.
 - 4.3.4 CLEC is responsible for providing **SBC-ILEC** updates to the ALI database; in addition, CLEC is responsible for correcting any errors that may occur during the entry of their data to the **SBC-ILEC** 911 DBMS.
 - 4.3.5 The CLEC shall reimburse **SBC-ILEC** for any additional database charges incurred by **SBC-ILEC** for errors in ALI data updates caused by CLEC or its third-party agent.
 - 4.3.6 CLEC shall be solely responsible for providing test records and conducting call-through testing on all new exchanges.
- 4.4 Other
- 4.4.1 CLEC is responsible for collecting from its End Users and remitting to the appropriate municipality or other governmental entity any applicable 911 surcharges assessed on the local service provider and/or End Users by any municipality or other governmental entity within whose boundaries the CLEC provides local exchange service.

5. RESPONSIBILITIES OF BOTH PARTIES

- 5.1 Jointly coordinate the provisioning of transport capacity sufficient to route originating 911 calls from the CLEC's POI to the designated SBC-ILEC 911 Selective Router(s).

6. METHODS AND PRACTICES

- 6.1 With respect to all matters covered by this Appendix, each Party will comply with all of the following to the extent that they apply to E911 Service: (i) all FCC and applicable state Commission rules and regulations, (ii) any requirements imposed by any Governmental Authority other than a Commission, (iii) the terms and conditions of SBC-ILEC's Commission-ordered tariff(s) and (iv) the principles expressed in the recommended standards published by NENA.
- 6.2 SBC-ILEC will adhere to the March 1997 NENA recommended Standards for Local Service Providers relating to provision of dedicated trunks from the End User's End Office Switch to SBC-ILEC's Selective Routing. SBC-ILEC will only exceed the NENA recommended Minimum Trunking Requirements for such trunks under extenuating circumstances and with the prior written approval of the public safety entity that is the E911 Customer as defined in Section 2.6.

7. CONTINGENCY

- 7.1 The terms and conditions of this Appendix represent a negotiated plan for providing E911 Service.
- 7.2 The Parties agree that the E911 Service is provided for the use of the E911 Customer, and recognize the authority of the E911 Customer to establish service specifications and grant final approval (or denial) of service configurations offered by SBC-ILEC and CLEC. These specifications shall be documented in Exhibit I, CLEC Serving Area Description and E911 Interconnection Details. CLEC shall complete its portion of Exhibit I and submit it to SBC-ILEC not later than forty-five (45) days prior to the passing of live traffic. SBC-ILEC shall complete its portion of Exhibit I and return Exhibit I to CLEC not later than thirty (30) days prior to the passing of live traffic.
- 7.3 CLEC must obtain documentation of approval of the completed Exhibit I from the appropriate E911 Customer(s) that have jurisdiction in the area(s) in which CLEC's End Users are located CLEC shall provide documentation of all requisite approval(s) to SBC-ILEC prior to use of CLEC's E911 connection for actual emergency calls.
- 7.4 Each Party has designated a representative who has the authority to complete additional Exhibit(s) I to this Appendix when necessary to accommodate

expansion of the geographic area of CLEC into the jurisdiction of additional PSAP(s) or to increase the number of CAMA trunks. CLEC must obtain approval of each additional Exhibit I, as set forth in Section 7.2, and shall furnish documentation of all requisite approval(s) of each additional Exhibit I in accordance with Section 7.2.

- 7.5 In **PACIFIC, NEVADA**, and **SBC-AMERITECH**; the state specific forms shall be submitted in lieu of the Exhibit 1 referenced in Sections 7.1, 7.2 and 7.4 hereof.

8. BASIS OF COMPENSATION

- 8.1 Rates for access to E911 Services are set forth in **SBC-ILEC**'s Appendix Pricing or applicable state Commission-approved tariff.
- 8.2 Charges shall begin on the date that E911 Service is turned on for live traffic.

9. LIABILITY

- 9.1 **SBC-ILEC**'s liability and potential damages, if any, for its gross negligence, recklessness or intentional misconduct, is not limited by any provision of this Appendix. **SBC-ILEC** shall not be liable to CLEC, its End Users or its E911 calling parties or any other parties or persons for any Loss arising out of the provision of E911 Service or any errors, interruptions, defects, failures or malfunctions of E911 Service, including any and all equipment and data processing systems associated therewith. Damages arising out of such interruptions, defects, failures or malfunctions of the system after **SBC-ILEC** has been notified and has had reasonable time to repair, shall in no event exceed an amount equivalent to any charges made for the service affected for the period following notice from CLEC until service is restored.
- 9.2 CLEC's liability and potential damages, if any, for its gross negligence, recklessness or intentional misconduct is not limited by any provision of this Appendix. In the event CLEC provides E911 Service to **SBC-ILEC**, CLEC shall not be liable to **SBC-ILEC**, its End Users or its E911 calling parties or any other parties or persons for any Loss arising out of the provision of E911 Service or any errors, interruptions, defects, failures or malfunctions of E911 Service, including any and all equipment and data processing systems associated therewith. Damages arising out of such interruptions, defects, failures or malfunctions of the system after CLEC has been notified and has had reasonable time to repair, shall in no event exceed an amount equivalent to any charges made for the service affected for the period following notice from **SBC-ILEC** until service is restored.
- 9.3 CLEC agrees to release, indemnify, defend and hold harmless **SBC-ILEC** from any and all Loss arising out of **SBC-ILEC**'s provision of E911 Service hereunder

or out of CLEC's End Users' use of the E911 Service, whether suffered, made, instituted or asserted by CLEC, its End Users, or by any other parties or persons, for any personal injury or death of any person or persons, or for any loss, damage or destruction of any property, whether owned by CLEC, its End Users or others, unless the act or omission proximately causing the Loss constitutes gross negligence, recklessness or intentional misconduct of SBC-ILEC.

- 9.4 CLEC also agrees to release, indemnify, defend and hold harmless SBC-ILEC from any and all Loss involving an allegation of the infringement or invasion of the right of privacy or confidentiality of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of the E911 Service features and the equipment associated therewith, including by not limited to the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing E911 Service provided hereunder, unless the act or omission proximately causing the Loss constitutes the gross negligence, recklessness or intentional misconduct of SBC-ILEC.

10. MUTUALITY

- 10.1 CLEC agrees that to the extent it offers the type of services covered by this Appendix to any company, that should SBC-ILEC request such services, CLEC will provide such services to SBC-ILEC under terms and conditions comparable to the terms and conditions contained in this Appendix.

11. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

- 11.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element.

APPENDIX FCC MERGER CONDITIONS

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APPENDIX MERGER CONDITIONS

1. MERGER CONDITIONS

- 1.1 For purposes of this Appendix only **SBC-ILEC** is defined as one of the following ILECs as appropriate to the underlying Agreement (without reference to this Appendix) in those geographic areas where the referenced SBC owned Company is the ILEC: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, Nevada Bell Telephone Company, The Ohio Bell Telephone Company, Pacific Bell Telephone Company, The Southern New England Telephone Company, Southwestern Bell Telephone Company, and/or Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin.
- 1.1.1 As used herein, **SBC-AMERITECH** means the applicable listed ILEC(s) doing business in Illinois, Indiana, Michigan, Ohio and Wisconsin
- 1.1.2 As used herein, **SBC-ILEC** means an ILEC doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas and Wisconsin.
- 1.1.3 As used herein, **SBC-8STATE** means an ILEC doing business in Arkansas, California, Connecticut, Kansas, Missouri, Nevada, Oklahoma, Texas.
- 1.2 **SBC-ILEC** will provide to CLEC certain items as set out in the Conditions for FCC Order Approving **SBC/Ameritech** Merger, CC Docket No. 98-141 (FCC Merger Conditions), including certain carrier-to-carrier promotions for use by CLEC to provision local service to residential end user customers on terms and conditions described in the FCC Merger Conditions, an alternative dispute resolution ("ADR") process designed to resolve carrier-to-carrier disputes before such disputes become formal complaints before the Commission and other items as specified herein.
- 1.3 The Parties agree to abide by and incorporate by reference into this Appendix the FCC Merger Conditions.
- 1.4 This Appendix terminates the earlier of (1) the date this Agreement itself terminates without reference to this Appendix or (2) the date **SBC-ILEC** obligations cease under the FCC Merger Conditions

2. DEFINED TERMS; DATES OF REFERENCE

- 2.1 Unless otherwise defined in this Appendix, capitalized terms shall have the meanings assigned to such terms in the Agreement without reference to this Appendix and in the FCC Merger Conditions.
- 2.2 For purposes of calculating the intervals set forth in the FCC Merger Conditions concerning carrier to carrier promotions:
 - 2.2.1 the Merger Closing Date is October 8, 1999; and
 - 2.2.2 the Offering Window begins November 7, 1999.
- 2.3 "FCC Merger Conditions" means the Conditions for FCC Order Approving SBC/Ameritech Merger, CC Docket No. 98-141.

3. DISCOUNTED SURROGATE LINE SHARING CHARGES

- 3.1 Pursuant to the terms and conditions, at the times specified, and in the geographic areas identified all as set out in section 14 of the FCC Merger Conditions, and subject to CLEC's qualification and compliance with the provisions of the FCC Merger Conditions, **SBC-ILEC** will provide unbundled local loops to CLEC for the purpose of providing Advanced Services (such as ADSL) where such loops are not used to also provide voice grade services and all other provisions in the FCC Merger Conditions are met at 50% of the lowest monthly recurring charge, 50% of the lowest non-recurring line or service connection charge, and 100% of the lowest non-recurring service order charges (i.e. there is no discount for service order charges) for the unbundled local loop then effective that has been established by the state commission pursuant to 252(d)(1) of the Act.
- 3.2 If CLEC does not qualify to order the unbundled local loops for the purpose of providing Advanced Services (such as ADSL) as set forth in the FCC Merger Conditions, **SBC-ILEC**'s provision, if any, and CLEC's payment for unbundled Local Loops for the purpose of providing Advanced Services (such as ADSL) shall continue to be governed by the terms currently contained in this Agreement without reference to this Appendix. Unless **SBC-ILEC** receives thirty (30) days advance written notice with instructions to terminate the discounted surrogate line sharing charges or to convert such line to an available alternative arrangement provided by **SBC-ILEC**, then upon expiration of any discounted surrogate line sharing charges, the line shall automatically convert to an appropriate **SBC-ILEC** product/service offering pursuant to the terms and conditions of the Agreement or, in the absence of terms and conditions in the Agreement, the applicable tariff. Where there are no terms for such offering in the Agreement without reference to this Appendix and there is no applicable tariff, the Parties shall meet within 30 days of a written request to negotiate mutually acceptable rates, terms and

conditions that shall apply retroactively. If the Parties are unable to reach agreement within 60 days of the written request to negotiate, any outstanding disputes shall be handled in accordance with the Dispute Resolution procedures in the Agreement.

4. OSS: CHANGE MANAGEMENT PROCESS

- 4.1 Upon request by CLEC, within one month of the Merger Closing Date, **SBC-ILEC** and CLEC shall begin to negotiate along with other interested CLECs a uniform change management process for implementation in the **SBC-ILEC** Service-Area to the extent required by paragraph 32 of the FCC Merger Conditions. For purposes of this Paragraph, “change management process” means the documented process that **SBC-ILEC** and the CLECs follow to facilitate communication about OSS changes, new interfaces and retirement of old interfaces, as well as the implementation timeframes; which includes such provisions as a 12-month developmental view, release announcements, comments and reply cycles, joint testing processes and regularly scheduled change management meetings. **SBC-ILEC** will follow the uniform change management process agreed upon with interested CLECs.

5. OSS: ELIMINATION OF CERTAIN FLAT-RATE MONTHLY CHARGES

- 5.1 Effective with the first billing cycle that begins after the Merger Closing date, **SBC-ILEC** hereby eliminates in the **SBC-ILEC** Service Area, on a going-forward basis, all flat-rate monthly charges for access to the Remote Access Facility and the Information Services Call Center. The intent of this Paragraph is to eliminate the flat-rate monthly charges (amounting to approximately \$3600 per month per CLEC per State) that **SBC-ILEC** charged CLECs prior to the Merger Closing Date. Effective with the first billing cycle that begins after the Merger Closing date, **SBC-ILEC** also hereby eliminates in the **SBC-ILEC** Service Area, on a going-forward basis, any flat-rate monthly charges for access to standard, non-electronic order processing facilities that are used for orders of 30 lines or less. This Paragraph does not limit **SBC-ILEC**'s right to charge CLEC for the cost of processing service orders received by electronic or non-electronic means, whether on an electronic or non-electronic basis; to charge CLEC for the cost of providing loop make-up information, or to recover the costs of developing and providing OSS through the pricing of UNEs or resold services, in accordance with applicable federal and state pricing requirements

6. **ADVANCED SERVICES OSS DISCOUNTS**

- 6.1 **SBC-ILEC** will, subject to CLEC's qualification and compliance with the provisions of the FCC Merger Conditions, provide CLEC a discount of 25% from recurring and nonrecurring charges (including 25% from the Surrogate Line Sharing Charges, if applicable) that otherwise would be applicable for unbundled local loops used to provide Advanced Services in the same relevant geographic area under the conditions and for the period of time outlined in the FCC Merger Conditions.
- 6.2 If CLEC does not qualify for the promotional unbundled Local Loop discounts set forth in the FCC Merger Conditions, **SBC-ILEC**'s provision, if any, and CLEC's payment for unbundled Local Loops shall continue to be governed by the terms currently contained in this Agreement without reference to this Appendix. Unless **SBC-ILEC** receives thirty (30) days advance written notice with instructions to terminate loops used to provide Advanced Services or to convert such loops to an available alternative service provided by **SBC-ILEC**, then upon expiration of discounts for loops used to provide Advanced Services, the loops shall automatically convert to an appropriate **SBC-ILEC** product/service offering pursuant to the terms and conditions of the Agreement without reference to this Appendix or, in the absence of terms and conditions in the Agreement, the applicable tariff. Where there are no terms for such offering in the Agreement without reference to this Appendix and there is no applicable tariff, the Parties shall meet within 30 days of a written request to do so to negotiate mutually acceptable rates, terms and conditions that shall apply retroactively. If the Parties are unable to reach agreement within 60 days of the written request to negotiate, any outstanding disputes shall be handled in accordance with the Dispute Resolution procedures in the Agreement.

7. **PROMOTIONAL DISCOUNTS ON UNBUNDLED LOCAL LOOPS USED FOR RESIDENTIAL SERVICES**

- 7.1 **SBC-ILEC** will provide CLEC access to unbundled 2-Wire Analog Loop(s) for use by CLEC in providing local service to residential end user customers at the rates and on the terms and conditions set forth in the FCC Merger Conditions for the period specified therein. Such provision of loops is subject to CLEC's qualification and compliance with the provisions of the FCC Merger Conditions.
- 7.2 If CLEC does not qualify for the promotional unbundled Loop discounts set forth in the FCC Merger Conditions, **SBC-ILEC**'s provision, if any, and CLEC's payment for unbundled Loops shall continue to be governed by Appendix UNE as currently contained in this Agreement without reference to this Appendix. Unless **SBC-ILEC** receives thirty (30) days advance written notice with instructions to terminate the unbundled Local Loop provided with the Promotional Discount or to convert such service to an available alternative service provided by **SBC-**

ILEC, then upon expiration of the Promotional Discount for any unbundled Local Loop, the loop shall automatically convert to an appropriate **SBC-ILEC** product/service offering pursuant to the terms and conditions of the Agreement without reference to this Appendix or, in the absence of terms and conditions in the Agreement, the applicable tariff. Where there are no terms for such offering in the Agreement without reference to this Appendix and there is no applicable tariff, the Parties shall meet within 30 days of a written request to do so to negotiate mutually acceptable rates, terms and conditions that shall apply retroactively. If the Parties are unable to reach agreement within 60 days of the written request to negotiate, any outstanding disputes shall be handled in accordance with the Dispute Resolution procedures in the Agreement.

8. **PROMOTIONAL DISCOUNTS ON RESALE**

8.1 **SBC-ILEC** will provide CLEC promotional resale discounts on telecommunications services that **SBC-ILEC** provides at retail to subscribers who are not telecommunications carriers, where such services are resold to residential end user customers at the rates and on the terms and conditions set forth in the FCC Merger Conditions for the period specified therein. Such provision of promotional resale discounts is subject to CLEC's qualification and compliance with the provisions of the FCC Merger Conditions.

8.2 If CLEC does not qualify for the promotional resale discounts set forth in the FCC Merger Conditions, **SBC-ILEC**'s provision, if any, and CLEC's payment for promotional resale discounts shall continue to be governed by Appendix Resale as currently contained in the Agreement without reference to this Appendix. Unless SBC receives thirty (30) days advance written notice with instructions to terminate service provided via a Promotional discount on resale or to convert such service to an available alternative service provided by **SBC-ILEC**, then upon expiration of any Promotional discount, the service shall automatically convert to an appropriate **SBC-ILEC** product/service offering pursuant to the terms and conditions of the Agreement or, in the absence of terms and conditions in the Agreement, the applicable tariff. Where there are no terms for such offering in the Agreement without reference to this Appendix and there is no applicable tariff, the Parties shall meet within 30 days of a written request to do so to negotiate mutually acceptable rates, terms and conditions that shall apply retroactively. If the Parties are unable to reach agreement within 60 days of the written request to negotiate, any outstanding disputes shall be handled in accordance with the Dispute Resolution procedures in the Agreement.

9. **PROMOTIONAL UNE PLATFORM**

9.1 **SBC-ILEC** will provide to CLEC, at the rates, terms and conditions and for the period of time contained in the FCC Merger Conditions, promotional end-to-end combinations of UNEs (the “promotional UNE platform”) to enable CLEC to

provide residential POTS service and residential Basic Rate Interface ISDN service. The promotional UNE platform may be used to provide exchange access services in combination with these services. For purposes of this Paragraph, the promotional UNE platform is a combination of all network elements used to provide residential POTS service and residential Basic Rate Interface ISDN service and available under FCC Rule 51.319, as in effect on January 24, 1999. When **SBC-ILEC** provides the promotional UNE platform, CLEC will pay a sum equal to the total of the charges (both recurring and nonrecurring) for each individual UNE and cross connect in the existing assembly. Where a new assembly is required, CLEC will pay an additional charge to compensate **SBC-ILEC** for creating such new assembly. The assembly charge will be established pursuant to section 252(d)(1) of the Telecommunications Act by agreement of the parties or by the appropriate state commission. Should CLEC's order require an assembly charge prior to establishment of such charge, **SBC-ILEC** will bill and CLEC will pay after such charge is established. Provision of the promotional UNE platform is subject to CLEC's qualification and compliance with the provisions of the FCC Merger Conditions.

- 9.2 If CLEC does not qualify for the promotional UNE platform set forth in the FCC Merger Conditions, or if the promotional UNE platform is no longer available for any reason, **SBC-ILEC**'s provision and CLEC's payment for the new or embedded base customers' unbundled network elements, cross connects or other items, and combining charges, if any, used in providing the promotional UNE platform shall be governed by the rates, terms, and conditions as currently contained in the Agreement without reference to this Appendix. Should such provisions not be contained in the Agreement without reference to this Appendix, **SBC-ILEC**'s provision and CLEC's payment will be at the price level of an analogous resale service or the applicable tariff. Where there are no terms for an analogous resale service in the Agreement without reference to this Appendix and there is no applicable tariff, the Parties shall meet within 30 days of a written request to do so to negotiate mutually acceptable rates, terms and conditions that shall apply retroactively. If the Parties are unable to reach agreement within 60 days of the written request to negotiate, any outstanding disputes shall be handled in accordance with the Dispute Resolution procedures in the Agreement.
- 9.3 Notwithstanding 9.1 and 9.2 above, **SBC-AMERITECH** shall provide a Promotional UNE Platform which shall consist of a) an Unbundled Local Loop; and b) Unbundled Local Switching with Interim Shared Transport, both as defined and offered in this Agreement. The Promotional UNE Platform shall consist of the functionality provided by: 1) an Unbundled Local Loop and 2) ULS-IST purchased under the provisions of this Amendment (and not from any other source). If the unbundled Local Loop offering or the ULS-IST offering in this Amendment changes, the Promotional UNE Platform will automatically change to the same extent.

9.3.1 **SBC-AMERITECH** will provide The Promotional UNE Platform in accordance with the terms and conditions as listed on the "Combined Platform Offering" Unbundling Elements Ordering Guide document on **SBC-AMERITECH**'s TCNet.

10. LOOP CONDITIONING CHARGES

10.1 In accordance with paragraph 21 of the FCC Merger Conditions **SBC-ILEC** will provide to CLEC at the rates, terms and conditions and for the period of time contained in the FCC Merger Conditions conditioning services for xDSL loops for purposes of CLEC providing Advanced Services (as that term is defined in the FCC Merger Conditions). Such conditioning services will be provided subject to true up as set out in paragraph 21. CLEC will identify to **SBC-ILEC** the rate to be charged subject to true-up not less than 30 days before ordering xDSL loop conditioning to which said rate will apply. During this interim period and subject to true-up, unbundled loops of less than 12,000 feet (based on theoretical loop length) that could be conditioned to meet the minimum requirements defined in the associated **SBC-ILEC** technical publications through the removal of load coils, bridged taps, and/or voice grade repeaters will be conditioned at no charge. Where **SBC-ILEC** identifies conditioning (with associated conditioning charges) that is necessary for an unbundled loop ordered by CLEC to provide Advanced Services, **SBC-ILEC** will obtain CLEC's authorization to perform, and agreement to pay for, each type of conditioning before proceeding with any conditioning work.

11. ALTERNATE DISPUTE RESOLUTION

11.1 In addition to the foregoing, upon CLEC's request, the Parties shall adhere to and implement, as applicable, the Alternative Dispute Resolution guidelines and procedures described in the FCC Merger Conditions including Attachment D.

12. CONFLICTING CONDITIONS

12.1 If any of the FCC Merger Conditions in this Appendix and conditions imposed in connection with the merger under state law grant similar rights against **SBC-ILEC**, CLEC shall not have a right to invoke the relevant terms of these FCC Merger Conditions in this Appendix if CLEC has invoked substantially related conditions imposed on the merger under state law in accordance the FCC Merger Conditions.

13. SUSPENSION OF CONDITIONS

13.1 If the FCC Merger Conditions are overturned or any of the provisions of the FCC Merger Conditions that are incorporated herein by reference are amended or modified as a result of any order or finding by the FCC, a court of competent

jurisdiction or other governmental and/or regulatory authority, any impacted promotional discounts and other provision described in this Appendix shall be automatically and without notice suspended as of the date of such termination or order or finding and shall not apply to any product or service purchased by CLEC or provisioned by **SBC-ILEC** after the date of such termination or order or finding. Thereafter, **SBC-ILEC**'s continued provision and CLEC's payment for any service or item originally ordered or provided under this Appendix shall be governed by the rates, terms, and conditions as currently contained in the Agreement without reference to this Appendix. In the event that the FCC changes, modifies, adds or deletes any of the FCC Merger Conditions set forth herein, the Parties agree that the FCC's final order controls and takes precedence over the FCC Merger Conditions set forth herein.

14. UNBUNDLED LOCAL SWITCHING WITH INTERIM SHARED TRANSPORT

14.1 The Interim Shared Transport Capability of ULS-IST

14.1.1 Interim Shared Transport capability of ULS-IST refers to all transmission facilities connecting **SBC-AMERITECH**'s switches which can be shared by more than one LEC, including **SBC-AMERITECH**. These facilities include those between **SBC-AMERITECH**'s End Office Switches, between **SBC-AMERITECH**'s End Office Switch and **SBC-AMERITECH**'s Tandem Office Switch, and between **SBC-AMERITECH**'s Tandem Office Switches.

14.1.2 **SBC-AMERITECH** will not require use of dedicated transport or customized routing to complete calls using ULS-IST. **SBC-AMERITECH** will make available a modified version of transiting that does not require a dedicated end office integration ("EOI") transit trunk.

14.1.3 To allow Requesting Carriers, who subscribe to ULS-IST, to originate and complete traffic through **SBC-AMERITECH**'s network to non-**SBC-AMERITECH** switches, **SBC-AMERITECH** provides a transit function ("Interim Shared Transport-Transit"). The Interim Shared Transport-Transit function provided herein will permit Requesting Carrier subscribing to **SBC-AMERITECH**'s ULS-IST to use shared facilities and not dedicated transport between **SBC-AMERITECH**'s Central Offices and other carrier's switches providing local, wireless, or interexchange services.

14.1.4 Therefore, all Requesting Carrier's traffic between **SBC-AMERITECH** switches will utilize Interim Shared Transport and all Requesting Carrier's traffic to non-**SBC-AMERITECH** switches will utilize the transit function of Interim Shared Transport.

- 14.1.5 The Interim Shared Transport rate will be a blend of Interim Shared Transport and Interim Shared Transport-Transit. **SBC-AMERITECH** reserves the right to establish separate rates for interim Shared Transport and Interim Shared Transport-Transit.
- 14.1.6 Access to Interim Shared Transport will be provided only though ULS-IST subscribed to by the Requesting Carrier and dedicated to the Requesting Carrier's Customers.
- 14.1.7 To provide access to ULS-IST, **SBC-AMERITECH** will utilize its existing routing tables contained in **SBC-AMERITECH** switches when Requesting Carrier subscribes to ULS-IST in this Schedule.
- 14.1.8 If a Requesting Carrier elects to use ULS-IST, then custom routing will not be provided. A Requesting Carrier cannot mix the use of ULS-IST and custom routing within an **SBC-AMERITECH** End Office Switch for local and intraLATA toll traffic. The only exception is when a Requesting Carrier, subscribing to ULS-IST, chooses to custom route its operator services and/or directory assistance calls to dedicated transport bound for its OS/DA provider (including **SBC-AMERITECH**'s telecommunications carrier branded OS/DA Service).

14.2 ULS-IST Rating

- 14.2.1 **SBC-AMERITECH** will charge Requesting Carrier ULS rates as set forth in the applicable Appendix Pricing.
- 14.2.2 **SBC-AMERITECH** will also charge a Requesting Carrier using **SBC-AMERITECH**'s ULS-IST a usage-sensitive shared transport rate. The Interim Shared Transport rate is based upon a blend of direct and tandem-routed traffic and either local switch usage at the terminating **SBC-AMERITECH** end office or transiting and applicable termination charges for traffic to a non-**SBC-AMERITECH** end office. **SBC-AMERITECH** will not charge a Telecommunications Carrier using **SBC-AMERITECH**'s local switching for usage at the terminating switch to which the Telecommunications Carrier's traffic is delivered by shared transport facilities. **SBC-AMERITECH** will not create message records for terminating usage under the FCC Conditions.
- 14.2.2.1 All local and intraLATA traffic is billed from the originating record.
- 14.2.2.2 Because the originating Telecommunications Carrier is billed for terminating switching, compensation to the terminating carrier is not necessary.

14.2.3 Rating for the Interim Shared Transport capability of ULS-IST will occur in the following manner:

14.2.3.1 The Interim Shared Transport usage rate will apply to all ULS minutes of use.

14.2.3.2 The Interim Shared Transport usage rate has been reduced to account for intraswitch traffic that does not use Interim Shared Transport.

14.2.3.3 The Interim Shared Transport usage rate will apply in addition to the ULS usage charge.

14.2.3.4 The Interim Shared Transport usage rate is based on average transport utilized and average termination costs based on a blend of the following traffic:

14.2.3.4.1 Direct routed traffic terminating to an **SBC-AMERITECH** end office.

14.2.3.4.2 Tandem routed traffic terminating to an **SBC-AMERITECH** end office.

14.2.3.4.3 Direct routed traffic terminating to a non-**SBC-AMERITECH** end office.

14.2.3.4.4 Tandem routed traffic terminating to a non-**SBC-AMERITECH** end office.

14.2.4 The Interim Shared Transport usage charge per minute of use is set forth in the applicable Appendix Pricing.

14.3 Access Charge Settlement Methodology

14.3.1 Where a Customer served by the Requesting Carrier using **SBC-AMERITECH**'s ULS-IST makes or receives intraLATA or interLATA traffic carried by an interexchange carrier ("IXC"), **SBC-AMERITECH** will collect its relevant access charges from the interexchange carrier. Based upon originating and terminating usage factors, **SBC-AMERITECH** will then make payment to (or receive payment from) the Requesting Carrier based on the difference between the access charges and the applicable charges for the Network Elements used by the Requesting Carrier to provide the access service.

- 14.3.2 A factoring approach will be used to reimburse the Requesting Carrier for access usage (originating and terminating). Factoring occurs in the following manner:
- 14.3.2.1 The statewide aggregate average quantity of both originating and terminating exchange access minutes of use (“MOU”) was determined for a ULS-IST Line Port.
 - 14.3.2.2 These MOUs were then multiplied by **SBC-AMERITECH**’s average access rates to generate a credit for access per ULS-IST Line Port.
 - 14.3.2.3 The average originating MOUs were then multiplied by the ULS and Interim Shared Transport usage rates and the terminating MOUs were multiplied by the Interim Shared Transport usage rate. These were totaled to create a debit for use of **SBC-AMERITECH**’s network.
 - 14.3.2.4 The difference between the access credit and the ULS Interim Shared Transport debit will be applied to Requesting Carrier’s ULS-IST billing. The adjustment will be made per ULS-IST Line Port on a monthly basis.
- 14.4 The ULS-IST access credit is set forth in the applicable Appendix Pricing.

14.5 Retroactive True-Up

14.5.1 Upon issuance of a final and non-appealable Order by the Commission that modifies: 1) the Interim Shared Transport MOU rate set forth in ULS-IST section of the Pricing Appendix; and/or 2) the access charge settlement methodology set forth in the ULS-IST section of the Pricing Appendix, the Parties agree to substitute such modified rate or methodology on a prospective basis. In addition, the Parties shall retroactively true-up the amounts the Parties have previously paid and/or received such that each Party receives and/or pays the same level of compensation it would have received and/or paid had the Commission's final and non-appealable order originally applied in lieu of the MOU rate and/or methodology set forth above.

14.5.2 **SBC-AMERITECH** will not be required to provide the retroactive true-up for any period prior to the Agreement Effective Date.

14.6 BLOCKING

14.6.1 Requesting Carrier shall comply with all federal and state requirements to block Customer access to Ancillary Services upon Customer's request. Requesting Carrier shall also block Customer access to Ancillary Services upon Ameritech's request, as set forth in **Exhibit D**.

15. **PROMOTIONAL PAYMENT PLAN FOR UNE AND RESALE—OHIO AND ILLINOIS ONLY**

15.1 **SBC-AMERITECH** will provide, in the states of Ohio and Illinois, a promotional eighteen (18) month installment payment option to CLECs for the payment of non-recurring charges associated with the purchase of unbundled Network Elements used in the provision of residential services and the resale of services used in the provision of residential services.

15.2 **SBC-AMERITECH** will provide, in the states of Ohio and Illinois, a promotional payment plan option to CLECs for the payment of non-recurring charges associated with the purchase of unbundled Network Elements used in the provision of residential services and the resale of services used in the provision of residential services. The promotion is available on the terms and conditions set forth in the Ameritech – Ohio and Illinois Merger Conditions for the period specified therein. Such provision of the promotional payment plan is subject to CLEC's qualification and compliance with the provisions of the Ameritech – Ohio and Illinois Merger Conditions.

EXHIBIT D

1. GENERAL INFORMATION ON BLOCKING

- 1.1 Optional Blocking is available to consumer and business Customers that want the capability to block direct calls to Provider's services covered in this Schedule.
- 1.2 Customers attempting to reach programming from accounts where blocking has been established will reach a recording informing them that the call cannot be completed.
- 1.3 Access to 976 services is prohibited by tariff from providing Group Access Bridging (GAB) services whereby a Customer can be connected to parties other than the IP for the purpose of establishing a conference call.
- 1.4 Collect, operator assisted, calling card, and person-to-person calls to 976 are not allowed.
- 1.5 Collect and person-to-person calls to CPP/C and CPP/P are not allowed.
- 1.6 Calls from WATS, hotel/motel, **SBC-AMERITECH** Public/semi-public telephones and lines with Call Blocking will not be allowed to 976 service.
- 1.7 976 Call Blocking should not be added to accounts that have Consumer/Business Toll Restrictions.
- 1.8 Call Blocking will be provided only where CO facilities permit.
- 1.9 Call Blocking may not be limited to specific programs.
- 1.10 Call Blocking does not block calls to other telephone companies' numbers.
- 1.11 Call Blocking does not block long distance charges.
- 1.12 Requesting Carrier reserves the right to provide to the general public, upon request, the complete name, address, and telephone number of the Information Providers in response to inquiries and comments referring to the Information Provider's services.
- 1.13 The first time a Customer specifically disputes Pay-Per-Call charges, Customer must be informed of the availability of Call Blocking and disputed charges are adjusted accordingly on Customer's bill. Inform Customer that the Information Provider may pursue collection of charges directly with Customer.

- 1.14 After the Customer specifically disputes charges, inform Customer that mandatory blocking will be established on Customer's line and disputed amount is adjusted accordingly on Customer's bill. Inform Customer that the Information Providers may pursue collection of charges directly with Customers.
- 1.15 Adjustments granted as the result of refusal to pay, denies all knowledge, unsatisfactory payment arrangements, etc., should be classified as an uncollectible adjustment and blocking should be established after first request.
- 1.16 On the database, Adjustments granted as the result of poor transmission, call not completed or calls completed due to failure to establish blocking, such as service order issued incorrectly, should be classified as correct charges on the **SBC-AMERITECH** entity code (R or NBT).
- 1.17 Blocking must be imposed on those Customers who refuse to pay legitimate Per-Per-Call charges, to the extent permitted under Applicable Law.

APPENDIX FGA

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APPENDIX FGA

1. INTRODUCTION

- 1.1 This Appendix sets forth the terms and conditions under which CLEC and the applicable SBC Communication Inc. (SBC) owned Incumbent Local Exchange Carrier (ILEC) will compensate each other for the joint provision of Feature Group A (FGA) Switched Access Services and/or FGA-Like services, including the Open End (Foreign Exchange) of interLATA Foreign Exchange (FX) or interLATA FX-like service. For purposes of this Agreement the terms Feature Group A (FGA) Switched Access Services and/or FGA-like, interLATA Foreign Exchange (FX) and interLATA FX-like services may be used interchangeably, unless referenced distinctly. Notwithstanding the provisions of this Appendix, the Parties may agree to waive compensation for FGA service if they expect such service to be de minimus. In that event, the provisions of this Appendix will not apply.
- 1.2 SBC Communications Inc. (SBC) means the holding company which owns the following ILECs: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, Nevada Bell Telephone Company, The Ohio Bell Telephone Company, Pacific Bell Telephone Company, The Southern New England Telephone Company, Southwestern Bell Telephone Company and/or Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin.
- 1.3 **SBC-ILEC** - As used herein, **SBC-ILEC** means the applicable above listed ILEC(s) doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.

2. DEFINITIONS

- 2.1 **“Subscriber Access Lines”** means a communication facility provided under a general and/or exchange service tariff extended from an End User premise to a Central Office Switch which may be used to make and receive exchange service calls, intrastate toll service or interstate toll service calls.
- 2.2 **“Feature Group A (FGA) Switched Access Service”** means FGA Switched Access Service includes all facilities and services rendered in furnishing FGA switched access service, both in local traffic area and LATA wide calling areas (interLATA FX includes only the local traffic area), in accordance with the schedule or charges, regulations, terms and conditions stated in the interstate or intrastate tariffs of the Parties.

- 2.3 **“Open End or Foreign Exchange”** means the exchange from which the FGA or foreign service is rendered. That is, the exchange from which the FGA or foreign exchange service obtains switched access to other End Users.
- 2.4 **“The Primary Company”** denotes the Party with the Primary office(s). For interLATA FX and or interLATA FX-like services, the Party with Open End will be considered the Primary Company.
- 2.5 **“The Primary Office”** means an office which: (1) directly or jointly connects to an Interexchange Carrier and/or End User; and (2) provides joint FGA switched access, or FX, service to that Interexchange Carrier and/or End User allowing calls to or from End Offices of the other Party.
- 2.6 **“The Secondary Company”** denotes the Party with the secondary office(s).
- 2.7 **“The Secondary Office”** means any office involved in providing joint FGA switched access to an Interexchange Carrier and/or End User through the switching facilities of the Primary Office.
- 2.8 **“Access Minutes or Minutes of Use (MOUs)”** means those minutes of use as described in Part 69 of the Federal Communications Commissions Rules, and are limited to those FGA and FX MOUs which originate and/or terminate in the Secondary Office(s) covered by this Appendix.
- 2.9 **“Currently Effective Tariff Rate”** means the approved FGA Switched Access tariff rate effective on the first day of the month for which compensation is being calculated.

3. **UNDERTAKING OF THE PARTIES**

- 3.1 The Primary Company will compensate the Secondary Company only to the extent that it has not already been compensated under its interstate or intrastate access service tariffs or other settlement/contract arrangements. This Appendix is subject to applicable tariffs.
- 3.2 To the extent any applicable FGA Switched Access tariff is revised, such company will notify the other of all tariff rate revisions, affecting this Appendix which the FCC or other appropriate regulatory authority allows to take effect, at least thirty (30) days in advance of their effective date. Compensation will be based on the revised rates forty-five (45) days after the effective date of the tariff revisions. However, if such company fails to notify the billing company of a new rate within thirty (30) days of its effective date, the billing company may delay implementation of the new rate until the next month’s compensation cycle, and will not be required to adjust the previous bills retroactively.

3.3 Each Party will furnish to the other such information as may reasonably be required for the administration, computation and distribution of compensation, or otherwise to execute the provisions of this Appendix.

4. ADMINISTRATION OF INTERCARRIER COMPENSATION

4.1 The Primary Company will be responsible for the administration, computation and distribution of the FGA access compensation due the Secondary Company.

5. MINUTES OF USE (MOUS) DEVELOPMENT

5.1 The Primary Company will calculate the amount of FGA compensation due the Secondary Company, by determining the amount of FGA and FX MOUs attributable to each Secondary Company as described below. The Primary Company will then multiply the MOUs by the rates in the applicable FGA Switched Access tariff to determine the compensation amounts tentatively due the Secondary Company, subject to adjustments for uncollectibles as outlined in Section 6.3.

5.2 Terminating MOUs Development

5.2.1 Actual monthly premium (charged at equal access End Office) and non-premium (charged at non-equal access End Offices) terminating FGA and FX access MOUs for each office in the LATA or a FGA or FX access area will be measured by the Primary Company.

5.2.2 Where the Primary Company cannot measure or identify the terminating FGA or FX MOUs by End Office, terminating MOUs will be total unmeasured MOUs allocated to the LATA or FGA or FX access area. In this event, terminating FGA MOUs will be distributed based upon the ratio of the Secondary Company's subscriber access lines, as identified in Exhibits A and B, which are attached hereto and made a part hereof, to the total subscriber access lines in the FGA access area as determined by the Primary Company. Terminating FX MOUs, however, will be distributed based upon the ratio of the Secondary Company's subscriber access lines, as identified in Exhibit A, which is attached hereto and made a part hereof, to the total subscriber access lines in the FX access area as determined by the Primary Company.

5.3 Originating MOUs Development

5.3.1 The Primary Company will derive and distribute monthly originating FGA access MOUs to each Secondary Company's End Office in the local calling area, as identified in Exhibit A, which is attached hereto and made a part hereof, based upon a ratio of each Party's subscriber access lines to the total subscriber access lines in the local traffic area of the FGA customer as determined by the Primary Company.

5.3.2 The Parties recognize that since originating non-local traffic calling area calls to the FGA service area are rated and billed as intraLATA toll, such usage is assumed to be minimal. Therefore, originating FGA access MOUs will not be distributed to end offices outside a local calling area.

6. CALCULATION OF REVENUE DISTRIBUTION

6.1 The amount of premium or non-premium compensation due each Party each month will be equal to the sum of Originating and Terminating premium or non-premium compensation for each End Office. This compensation will be calculated by the Primary Company by multiplying each of the applicable FGA switched access tariff rate elements (except the Local Transport element described below) by the appropriate MOU calculation under Sections 5.2.1 and 5.2.2.

6.2 Local Transport compensation will be determined for each company by multiplying each of the applicable FGA switched access tariff rate elements by the appropriate MOUs (as calculated under Sections 5.2.1 and 5.2.2) by the Secondary Company's percentage ownership of facilities agreed on by the Parties and set out in Exhibit B, which is attached hereto and made a part hereof.

6.3 The amount of compensation due the Secondary Company maybe reduced due to uncollectibles attributable to FGA Access billing experienced by the Primary Carrier.

7. COMPENSATION AMOUNTS, MONTHLY STATEMENTS AND PAYMENTS

7.1 The Primary Company, each month, will calculate and prepare a monthly compensation statement reflecting the compensation amounts for FGA access service due the Secondary Company.

7.2 The monthly compensation statement will show, for each Secondary Office, separately:

7.2.1 The total number of non-premium or premium terminating MOUs and associated compensation amounts.

- 7.2.2 The total number on non-premium or premium originating MOUs and associated compensation amounts.
 - 7.2.3 The total compensation due the Secondary Company, by rate element.
 - 7.2.4 The number of terminating MOUs recorded by the Primary Company.
 - 7.2.5 The number of access lines used to prorate originating usage pursuant to Section 5.3 contained herein.
 - 7.2.6 The percent ownership factor, if any, used to prorate Local Transport revenues.
 - 7.2.7 Adjustments for uncollectibles.
- 7.3 Within sixty (60) calendar days after the end of each billing period, the Primary Company will remit the compensation amount due the Secondary Company. Where more than one compensation amount is due, they may be combined into a single payment.

8. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

- 8.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element.

EXHIBIT A

Local Calling Area Locations for Originating and Terminating

Feature Group A Access Service

Primary Office
Company

Secondary Office Company

CLLI CODE NPA-NXX
ACCESS LINE

CLLI CODE

NPA-NXX

EXHIBIT B

Location for LATA Wide Termination
of Feature Group A Access Service in
Non-Local Calling Areas

SECONDARY OFFICE COMPANY

CLLI CODE	NPA-NXX	Access Line	Transport Facilities	% Ownership of LATA
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APPENDIX FX

1. INTRODUCTION

- 1.1 This sets forth the terms and conditions under which SBC Communications Inc. (SBC) owned Incumbent Local Exchange Carrier (ILEC) and CLEC will compensate each other for the joint provision of intraLATA Foreign Exchange (FX) Services and/or FX-Like services.
- 1.2 SBC Communications Inc. (SBC) means the holding company which owns the following ILECs: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, Nevada Bell Telephone Company, The Ohio Bell Telephone Company, Pacific Bell Telephone Company, The Southern New England Telephone Company, Southwestern Bell Telephone Company and/or Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin.
- 1.3 SBC-ILEC - As used herein, SBC-ILEC means the applicable above listed ILEC(s) doing Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.

2. DEFINITIONS

- 2.1 “**Customer**” – As used herein, the term “Customer” does not include any of the Parties to this Agreement with respect to any item or service obtained under this Appendix.
- 2.2 “**Foreign Exchange (FX) Service**”
 - 2.2.1 FX Service permits a customer physically located in one exchange (serving or closed end exchange) to have a telephone number associated with another exchange (open end or foreign exchange). FX allows a customer to have a telephone number presence in a community other than the one where the customer equipment is physically located.
 - 2.2.2 FX Service is generally provided in one of two ways. The “line haul” foreign exchange, where the customer is connected by an ordinary access line to its serving wire center and is then connected by a dedicated facility to the foreign exchange wire center which generates the dial tone.

- 2.2.3 Under a “dedicated prefix” arrangement, the customer’s ordinary access line is assigned a prefix within its serving wire center which is dedicated to functioning as a prefix in a foreign exchange. The serving wire center routes the customer’s traffic over dedicated or switched facilities to a switch or switches in the foreign exchange whereby it is connected to telephone numbers in the foreign exchange.
- 2.2.4 In either case, the total of all facilities which are used to connect the FX customer to the telephone numbers in the foreign exchange, i.e., the access line and local switch within the serving exchange, the facilities connecting the serving exchange local switch to the foreign exchange switch, and the foreign exchange switching facilities are considered as the facilities required to provide the foreign exchange service.
- 2.2.5 Foreign exchange facility arrangements, other than those described above, are possible. However, where different arrangements are used, the same principles apply. That is, the total of all facilities used in the connection of the FX customer to the telephone number in the foreign exchange are considered as the facilities used to provide the foreign exchange service.
- 2.3 **“Open End or Foreign Exchange”** means the exchange from which the foreign service is rendered. That is, the exchange from which the foreign exchange service obtains switched access to other End Users.
- 2.4 **“Primary Party”** denotes the Party that bills the FX customer for the FX service when, by mutual agreement of the Parties, only one of the Parties bills the FX customer for the facilities provided by both Parties.
- 2.5 **“Serving or Closed End Exchange”** denotes the exchange in which the FX customer is physically located.
- 2.6 **“Secondary Party”** denotes the Party that does not bill the FX customer, when, by mutual agreement of the Parties, only one of the Parties bills the FX customer for the facilities provided by both Parties.

3. **UNDERTAKING OF THE PARTIES**

- 3.1 If mutually agreeable by the Parties, one Party may act as the Primary Party and bill the FX customer for the entire FX Service. In this case, the Primary Party will compensate the Secondary Party for the portion of the FX Service that the Secondary Party provides based on the Secondary

Party's applicable tariffed rates for the facilities that the Secondary Party provides. If the Secondary Party does not have tariff rates applicable for the facilities that it has provided for its portion of the FX Service, the Primary Party will reimburse the Secondary Party based on rates negotiated between the Parties.

- 3.2 Otherwise, each Party will separately bill the FX customer for the portion of the FX service facilities that it provides based on its applicable tariffed rates. If either Party does not have tariff rates applicable for the facilities that it has provided for its portion of the FX Service, that Party will bill the FX customer based on its costs of providing its portion of the FX Service facilities.

4. COMPENSATION AMOUNTS, MONTHLY STATEMENTS AND PAYMENTS

- 4.1 In the event that only one Party bills the FX customer for the entire FX service, within thirty (30) calendar days after the end of each billing period, the Primary Party will remit the compensation amount due the Secondary Party. Where more than one compensation amount is due, they may be combined into a single payment.
- 4.2 The amount of compensation due the Secondary Company maybe reduced due to uncollectibles attributable to FX Service billing experienced by the Primary Party for the jointly provided FX Services.

5. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

- 5.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element.

APPENDIX ITR
(Interconnection Trunking Requirements)

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APPENDIX ITR (Interconnection Trunking Requirements)

1. INTRODUCTION

- 1.1 This Appendix sets forth terms and conditions for Interconnection provided by the applicable SBC Communications Inc. (SBC) owned Incumbent Local Exchange Carrier (ILEC) and CLEC.
- 1.2 SBC Communications Inc. (SBC) means the holding company which owns the following ILECs: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, Nevada Bell Telephone Company, The Ohio Bell Telephone Company, Pacific Bell Telephone Company, The Southern New England Telephone Company, Southwestern Bell Telephone Company and/or Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin.
- 1.3 As used herein, **SBC-ILEC** means the applicable above listed ILECs doing business Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.4 This Appendix provides descriptions of the trunking requirements between CLEC and **SBC-ILEC**. All references to incoming and outgoing trunk groups are from the perspective of CLEC. The paragraphs below describe the required and optional trunk groups for local, IntraLATA toll, InterLATA “meet point”, mass calling, E911, Operator Services and Directory Assistance traffic.
- 1.5 Local trunk groups may only be used to transport traffic between the parties End Users.
- 1.6 Transit traffic is originated by or terminated to the CLEC End User from or to other networks and not to **SBC-ILEC** End Users.

2. DEFINITIONS

- 2.1 **SBC-SWBT** - As used herein, **SBC-SWBT** means the applicable above listed ILEC(s) doing business in Arkansas, Kansas, Missouri, Oklahoma, and Texas.
- 2.2 **SBC-AMERITECH** - As used herein, **SBC-AMERITECH** means the applicable above listed ILEC(s) doing business in Illinois, Indiana, Michigan, Ohio, and Wisconsin.
- 2.3 **SBC-MOKA** - As used herein, **SBC-MOKA** means the applicable above listed ILEC doing business in Arkansas, Kansas, Missouri, and Oklahoma.

- 2.4 **PACIFIC** - As used herein, **PACIFIC** means the applicable above listed ILEC doing business in California.
- 2.5 **NEVADA** - As used herein, **NEVADA** means the applicable above listed ILEC doing business in Nevada.
- 2.6 **SNET** - As used herein, **SNET** means the applicable above listed ILEC doing business in Connecticut.
- 2.7 “**Network Interconnection Methods**” (NIM) designates facilities established between the Parties Networks.

3. **ONE-WAY AND TWO-WAY TRUNK GROUPS**

- 3.1 A one-way trunk group for ancillary services (e.g. OPS/DA, mass calling, 911) can be established between a CLEC Tandem or End Office switch and an **SBC-ILEC** Tandem. This trunk group will utilize Signaling System 7 (SS7) or multi-frequency (MF) signaling protocol, with SS7 signaling preferred whenever possible. CLEC will have administrative control of one-way trunk groups from CLEC to **SBC-ILEC** (CLEC originating).
- 3.2 Two-way trunk groups for local, IntraLATA and InterLATA traffic can be established between a CLEC switch and an **SBC-ILEC** Tandem or End Office switch. This trunk group will utilize Signaling System 7 (SS7) or multi-frequency (MF) signaling protocol, with SS7 signaling preferred whenever possible. Two-way trunking will be jointly provisioned and maintained. For administrative consistency CLEC will have control for the purpose of issuing Access Service Requests (ASRs) on two-way groups. **SBC-ILEC** will use the Trunk Group Service Request (TGSR), as described in section 8.0 of this Appendix, to request changes in trunking. Both Parties reserve the right to issue ASRs, if so required, in the normal course of business.
- 3.3 The Parties agree that two-way trunking shall be established when possible and appropriate for a given trunk group. However, in the **SBC-AMERITECH** and **SNET**, certain technical and billing issues may necessitate the use of one-way trunking for an interim period. The Parties will negotiate the appropriate trunk configuration, whether one-way or two-way to accommodate the present billing and technical limitations.
- 3.4 The Parties agree to exchange traffic data on two-way trunks and to implement such an exchange within three (3) months of the date that two-way trunking is established and the trunk groups begin passing live traffic, or another date as agreed to by the Parties. Exchange of traffic data will permit each company to have knowledge of the offered and overflow load at each end of the two-way trunk group, and thereby enable accurate and independent determination of

performance levels and trunk requirements. The parties agree to the electronic exchange of data.

- 3.5 The Parties recognize that embedded one-way trunks may exist for Local/IntraLATA toll traffic via end-point meet Interconnection architecture. The parties agree to negotiate a transition plan to migrate the embedded one-way trunks to two-way trunks via any Interconnection method as described in Appendix NIM. The Parties will coordinate any such migration, trunk group prioritization, and implementation schedule. **SBC-ILEC** agrees to develop a cutover plan and project manage the cutovers with CLEC participation and agreement.

4. **TANDEM TRUNKING AND DIRECT END OFFICE TRUNKING**

- 4.1 **SBC-ILEC** deploys in its network Tandems that switch local only traffic (local Tandem **SBC-SWBT** only), Tandems that switch IntraLATA and InterLATA traffic (Access Tandem) and Tandems that switch both local and IntraLATA/InterLATA traffic (local/Access Tandem). In addition **SBC-ILEC** deploys Tandems that switch ancillary traffic such as 911 (911 Tandem), Operator Services/ Directory Assistance (OPS/DA Tandem), and mass calling (choke Tandem). Traffic on Tandem trunks does not terminate at the Tandem but is switched to other trunks that terminate the traffic in End Offices and ultimately to End Users.
- 4.2 When Tandem trunks are deployed, CLEC shall route appropriate traffic (i.e. only traffic to End Offices that subtend that Tandem) to the respective **SBC-ILEC** Tandems on the trunk groups defined below. **SBC-ILEC** shall route appropriate traffic to CLEC switches on the trunk groups defined below.
- 4.2.1 When transit traffic through the **SBC-ILEC** Tandem from CLEC to another Local Exchange Carrier, CLEC or wireless carrier requires 24 or more trunks, CLEC shall establish a direct End Office trunk group between itself and the other Local Exchange Carrier, CLEC or wireless carrier CLEC shall route Transit Traffic via **SBC-ILEC**'s Tandem switches, and not at or through any **SBC-ILEC** End Offices. This trunk group will be serviced in accordance with the Trunk Design Blocking Criteria in Section 7.0.
- 4.3 While the Parties agree that it is the responsibility of the CLEC to enter into arrangements with each third party carrier (ILECs or other CLECs) to deliver or receive transit traffic, **SBC-ILEC** acknowledges that such arrangements may not currently be in place and an interim arrangement will facilitate traffic completion on an interim basis. Accordingly, until the earlier of (i) the date on which either Party has entered into an arrangement with third-party carrier to exchange transit traffic to CLEC and (ii) the date transit traffic volumes exchanged by the CLEC

and third-party carrier exceed the volumes specified in Section 4.21, **SBC-ILEC** will provide CLEC with transit service. CLEC agrees to use reasonable efforts to enter into agreements with third-party carriers as soon as possible after the Effective Date.

4.4 Direct End Office trunks terminate traffic from a CLEC switch to an **SBC-ILEC** End Office and are not switched at a Tandem location. The Parties shall establish a two-way direct End Office trunk group when End Office traffic requires twenty-four (24) or more trunks or when no local or local/Access Tandem is present in the local exchange area. Overflow from either end of the direct End Office trunk group will be alternate routed to the appropriate Tandem.

4.5 All traffic received by **SBC-ILEC** on the direct End Office trunk group from CLEC must terminate in the End Office, i.e. no Tandem switching will be performed in the End Office. Where End Office functionality is provided in a remote End Office of a host/remote configuration, the Interconnection for that remote End Office is only available at the host switch. The number of digits to be received by the **SBC-ILEC** End Office shall be mutually agreed upon by the Parties. This trunk group shall be two-way.

4.6 Trunk Configuration

4.6.1 Trunk Configuration – **SBC-SWBT**, **SBC-AMERITECH** and **SNET**

4.6.1.1 Where available and upon the request of the other Party, each Party shall cooperate to ensure that its trunk groups are configured utilizing the B8ZS ESF protocol for 64 kbps Clear Channel Capability (64CCC) transmission to allow for ISDN interoperability between the Parties' respective networks. Trunk groups configured for 64CCC and carrying Circuit Switched Data (CSD) ISDN calls shall carry the appropriate Trunk Type Modifier in the CLCI-Message code. Trunk groups configured for 64CCC and not used to carry CSD ISDN calls shall carry a different appropriate Trunk Type Modifier in the CLCI-Message code.

4.6.2 Trunk Configuration – **PACIFIC** and **NEVADA**

4.6.2.1 When Interconnecting at **PACIFIC/NEVADA**'s digital End Offices, the Parties have a preference for use of Bipolar 8 Zero Substitution Extended Super Frame (B8ZS ESF) two-way trunks for all traffic between their networks. Where available, such trunk equipment will be used for LI trunk groups. Where AMI trunks are used, either Party may request upgrade to B8ZS ESF when such equipment is available.

4.6.2.2 When Interconnecting at **PACIFIC**'s DMS Tandem(s), 64K CCC data and voice traffic may be combined on the same B8ZF ESF facilities and 2-way trunk group. 64 CCC data and voice traffic must be separate and not combined at **PACIFIC**'s 4E Tandems. A CLEC establishing new trunk groups to carry combined voice and data traffic from **PACIFIC**'s DMS Tandems may do so where facilities and equipment exist. Where separate voice and data Interconnection trunking already exists CLEC may transition to combined voice and data trunking as a major project, subject to rules, timelines and guidelines set forth in the CLEC handbook, which is not incorporated herein refer to the appropriate ILEC's website. In all cases, CLEC will be required to disconnect existing voice-only trunk groups as existing 64K CCC trunk groups are augmented to carry both voice and data traffic. For both the combined and the segregated voice and data trunk groups, where additional equipment is required, such equipment will be obtained, engineered, and installed on the same basis and with the same intervals as any similar growth job which **PACIFIC** does for IXC's, CLEC's, or itself for 64K CCC trunks.

5. TRUNK GROUPS

- 5.1 The following trunk groups shall used to exchange various types of traffic between CLEC and **SBC-ILEC**.
- 5.2 Local & IntraLATA Interconnection Trunk Group(s) in Each Local Exchange Area: **SBC-SWBT** and **SNET**.
 - 5.2.1 A two-way local trunk group shall be established between CLEC switch and each **SBC-SWBT** and **SNET** local Tandem in the local exchange area. Inter-Tandem switching is not provided.
 - 5.2.2 Where traffic from CLEC switch to **SBC-SWBT** and **SNET** End Office is sufficient, 24 or more trunks, a local trunk group shall also be established to the **SBC-SWBT** End Office as described in Sections 4.4 and 4.5.
 - 5.2.3 A local trunk group shall be established from CLEC switch to each **SBC-SWBT** and **SNET** End Office in a local exchange area that has no local Tandem.
 - 5.2.4 Each Party shall deliver to the other Party over the Local Trunk Group(s) only such traffic that originates and terminates in the local exchange area.

- 5.2.5 When **SBC-SWBT** and **SNET** has a separate local Tandem and Access Tandem in the local exchange area, a two-way IntraLATA toll trunk group in addition to a two-way local trunk group shall be established from CLEC switch to the **SBC-SWBT** and **SNET** Access Tandem(s).
 - 5.2.6 When **SBC-SWBT** and **SNET** has a combined local/Access Tandem in a local exchange area, local and IntraLATA toll traffic shall be combined on a combined local/IntraLATA trunk group.
 - 5.2.7 When **SBC-SWBT** and **SNET** has more than one combined local/Access Tandem in a local exchange area, local and IntraLATA toll traffic shall be combined on a combined local/IntraLATA trunk group to each **SBC-SWBT** and **SNET** Tandem.
- 5.3 Local and IntraLATA Interconnection Trunk Group(s) in Each LATA: **SBC-AMERITECH**, **PACIFIC**, and **NEVADA**
- 5.3.1 Tandem Trunking - Single Tandem LATAs
 - 5.3.1.1 Where **PACIFIC**, **NEVADA** or **SBC-AMERITECH** has a single Access Tandem in a LATA, IntraLATA Toll and Local traffic shall be combined on a single Local Interconnection Trunk group for calls destined to or from all End Offices that subtend the) Tandem. This trunk group shall be two-way and will utilize Signaling System 7 (SS7) signaling.
 - 5.3.2 Tandem Trunking – Multiple Tandem LATAs
 - 5.3.2.1 Where **PACIFIC**, **NEVADA** or **SBC-SWBT** has more than one Access Tandem in a LATA, IntraLATA Toll and Local traffic shall be combined on a single Local Interconnection Trunk Group at every **PACIFIC**, **NEVADA** or **SBC-AMERITECH** Tandem for calls destined to or from all End Offices that subtend each Tandem. These trunk groups shall be two-way and will utilize Signaling System 7 (SS7) signaling.
 - 5.3.3 Direct End Office Trunking
 - 5.3.3.1 The Parties shall establish direct End Office primary high usage LI trunk groups for the exchange of IntraLATA Toll and Local traffic where actual or projected traffic demand is or will be twenty four (24) or more trunks, as described in Sections 4.4 and 4.5.
- 5.4 InterLATA (Meet Point) Trunk Group: **SBC-ILEC**

- 5.4.1 InterLATA traffic shall be transported between CLEC switch and the **SBC-ILEC** Access or combined local/Access Tandem over a “meet point” trunk group separate from local and IntraLATA toll traffic. The InterLATA trunk group will be established for the transmission and routing of exchange access traffic between CLEC’s End Users and inter exchange carriers via a **SBC-ILEC** Access Tandem.
- 5.4.2 InterLATA trunk groups shall be set up as two-way and will utilize SS7 signaling, except multifrequency (“MF”) signaling will be used on a separate “Meet Point” trunk group to complete originating calls to switched access customers that use MF FGD signaling protocol.
- 5.4.3 When **SBC-ILEC** has more than one Access Tandem in a local exchange area or LATA, CLEC shall establish an InterLATA trunk group to each **SBC-ILEC** Access Tandem where the CLEC has homed its NXX code(s). If the Access Tandems are in two different states, CLEC shall establish an InterLATA trunk group with one Access Tandem in each state.
- 5.4.4 CLEC will home its NPA-NXXs to the Access Tandem that serves the geographic area for the V&H coordinate assigned to the NXX.
- 5.4.5 FOR **PACIFIC** ONLY: CLEC will home new codes serving a particular community on the Tandem serving that community, as defined in SCHEDULE CAL.P.U.C. NO. 175—T, Section 6.7.3, Tandem Access Sectorization (TAS). CLEC is not required, however, to home codes by the sector designations. CLEC also agrees to locate at least one Local Routing Number (LRN) per home Tandem if CLEC ports any telephone numbers to its network from a community currently homing on that Tandem.
- 5.4.6 **SBC-ILEC**: For each NXX code used by either Party, the Party that owns the NXX must maintain network facilities (whether owned or leased) used to actively provide, in part, local Telecommunications Service in the geographic area assigned to such NXX code. If either Party uses its NXX Code to provide foreign exchange service to its customers outside of the geographic area assigned to such code, that Party shall be solely responsible to transport traffic between its foreign exchange service customer and such code’s geographic area.
- 5.4.7 **SBC-ILEC** will not block switched access customer traffic delivered to any **SBC-ILEC** Tandem for completion on CLEC’s network. The Parties understand and agree that InterLATA trunking arrangements are available and functional only to/from switched access customers who directly connect with any **SBC-ILEC** Access Tandem that CLEC switch subtends

in each LATA. In no event will **SBC-ILEC** be required to route such traffic through more than one Tandem for connection to/from switched access customers. **SBC-ILEC** shall have no responsibility to ensure that any switched access customer will accept traffic that CLEC directs to the switched access customer. **SBC-ILEC** also agrees to furnish CLEC, upon request, a list of those IXCs which also Interconnect with **SBC-ILEC**'s Access Tandem(s).

5.4.8 CLEC shall provide all SS7 signaling information including, without limitation, charge number and originating line information ("OLI"). For terminating FGD, **SBC-ILEC** will pass all SS7 signaling information including, without limitation, CPN if it receives CPN from FGD carriers. All privacy indicators will be honored. Where available, network signaling information such as transit network selection ("TNS") parameter, carrier identification codes ("CIC") (CCS platform) and CIC/OZZ information (non-SS7 environment) will be provided by CLEC wherever such information is needed for call routing or billing. The Parties will follow all OBF adopted standards pertaining to TNS and CIC/OZZ codes.

5.5 800/(8YY) Traffic: **SBC-ILEC**

5.5.1 If CLEC chooses **SBC-ILEC** to handle 800/(8YY) database queries from its switches, all CLEC originating 800/(8YY) traffic will be routed over the InterLATA meet point trunk group. This traffic will include a combination of both Interexchange Carrier (IXC), 800/(8YY) service and CLEC 800/(8YY) service that will be identified and segregated by carrier through the database query handled through the **SBC-ILEC** Tandem switch.

5.5.2 All originating Toll Free Service (800/8YY) calls for which CLEC requests that **SBC-ILEC** perform the Service Switching Point ("SSP") function (e.g., perform the database query) shall be delivered using GR-394 format over the Meet Point Trunk Group. Carrier Code "0110" and Circuit Code (to be determined for each LATA) shall be used for all such calls.

5.5.3 CLEC may handle its own 800/8YY database queries from its switch. If so, CLEC will determine the nature (local/intra-LATA/inter-LATA) of the 800/8YY call based on the response from the database. If the query determines that the call is an local or IntraLATA 800/8YY number, CLEC will route the post-query local or IntraLATA converted ten-digit local number to **SBC-ILEC** over the local or intra-LATA trunk group. In such case, the CLEC is to provide an 800/8YY billing record when appropriate. If the query reveals the call is an InterLATA 800/8YY number, CLEC will

route the post-query inter-LATA call (800/8YY number) directly from its switch for carriers Interconnected with its network or over the meet point group to carriers not directly connected to its network but are connected to **SBC-ILEC**'s Access Tandem. Calls will be routed to **SBC-13 STATE** over the local/IntraLATA and inter-LATA trunk groups within the LATA in which the calls originate.

5.5.4 All post-query Toll Free Service (800/8YY) calls for which CLEC performs the SSP function, if delivered to **SBC-ILEC**, shall be delivered using GR-394 format over the Meet Point Trunk Group for calls destined to IXCs, or shall be delivered by CLEC using GR-317 format over the local Interconnection trunk group for calls destined to End Offices that directly subtend the Tandem.

5.6 E911 Trunk Group

5.6.1 A segregated trunk group for each NPA shall be established to each appropriate E911 Tandem within the local exchange area in which CLEC offers exchange service. This trunk group shall be set up as a one-way outgoing only and shall utilize MF CAMA signaling or SS7 signaling if available. CLEC will have administrative control for the purpose of issuing ASRs on this one-way trunk group.

5.6.2 CLEC shall provide a minimum of two (2) one-way outgoing channels on 9-1-1 trunks dedicated for originating 9-1-1 emergency service calls from the point of Interconnection (POI) to the **SBC-ILEC** 9-1-1 Tandem. Unless otherwise agreed to by the Parties, the 9-1-1 trunk groups will be initially established as two (2) one-way CAMA MF trunk groups or SS7 connectivity where applicable.

5.6.3 CLEC will cooperate with **SBC-ILEC** to promptly test all 9-1-1 trunks and facilities between CLEC network and the **SBC-ILEC** 9-1-1 Tandem to assure proper functioning of 9-1-1 service. CLEC will not turn-up live traffic until successful testing is completed by both Parties.

5.7 High Volume Call In (HVCI) / Mass Calling (Choke) Trunk Group: **SBC-ILEC**

5.7.1 A dedicated trunk group shall be required to the designated Public Response HVCI/Mass Calling Network Access Tandem in each serving area. This trunk group shall be one-way outgoing only and shall utilize MF signaling (except **SBC-AMERITECH** – which uses SS7). As the HVCI/Mass Calling trunk group is designed to block all excessive attempts toward HVCI/Mass Calling NXXs, it is necessarily exempt from the one percent blocking standard described elsewhere for other final local

Interconnection trunk groups. CLEC will have administrative control for the purpose of issuing ASRs on this one-way trunk group.

5.7.2 This group shall be sized as follows:

<i>Number of Access Lines Served</i>	<i>Number of Mass Calling Trunks</i>
<i>0 – 10,000</i>	<i>2</i>
<i>10,001 – 20,000</i>	<i>3</i>
<i>20,001 – 30,000</i>	<i>4</i>
<i>30,001 – 40,000</i>	<i>5</i>
<i>40,001 – 50,000</i>	<i>6</i>
<i>50,001 – 60,000</i>	<i>7</i>
<i>60,001 – 75,000</i>	<i>8</i>
<i>75,000 +</i>	<i>9 maximum</i>

5.7.3 If CLEC should acquire a HVCI/Mass Calling customer, i.e. a radio station, CLEC shall notify **SBC-ILEC** of the need to establish a one-way outgoing SS7 or MF trunk group from the **SBC-ILEC** HVCI/Mass Calling Serving Office to the CLEC customer's serving office and **SBC-ILEC** shall establish this trunk group.

5.7.4 If CLEC finds it necessary to issue a new choke telephone number to a new or existing HVCI/Mass Calling customer, the CLEC may request a meeting to coordinate with **SBC-ILEC** the assignment of HVCI/Mass Calling telephone number from the existing choke NXX. In the event that the CLEC establishes a new choke NXX, CLEC must notify **SBC-ILEC** a minimum of ninety (90) days prior to deployment of the new HVCI/Mass Calling NXX. **SBC-ILEC** will perform the necessary translations in its End Offices and Tandem(s) and issue ASR's to establish a one-way outgoing SS7 or MF trunk group from the **SBC-ILEC** Public Response HVCI/Mass Calling Network Access Tandem to the CLEC's choke serving office.

5.7.5 Where **SBC-ILEC** and CLEC both provide HVCI/Mass Calling trunking, both parties' trunks may ride the same DS-1. MF and SS7 trunk groups shall not be provided within a DS-1 facility; a separate DS-1 per signaling type must be used.

5.8 Operator Services/Directory Assistance Trunk Group(s)

5.8.1 If **SBC-ILEC** agrees through a separate appendix or contract to provide Inward Assistance Operator Services for CLEC, CLEC will initiate an ASR for a one-way trunk group from its designated operator services

switch to the **SBC-ILEC** OPERATOR SERVICES Tandem utilizing MF signaling. Reciprocally, **SBC-ILEC** will initiate an ASR for a one-way MF signaling trunk groups from its OPERATOR SERVICES Tandem to the CLECs designated operator services switch.

5.8.2 If **SBC-ILEC** agrees through a separate appendix or contract to provide Directory Assistance and/or Operator Services for CLEC the following trunk groups are required:

5.8.2.1 Directory Assistance (DA):

5.8.2.1.1 CLEC may contract for DA services only. A segregated trunk group for these services will be required to the appropriate **SBC-ILEC** OPERATOR SERVICES Tandem in the LATA for the NPA the CLEC wishes to serve. This trunk group is set up as one-way outgoing only and utilizes Modified Operator Services Signaling (2 Digit Automatic Number Identification (ANI)). CLEC will have administrative control for the purpose of issuing ASR's on this one-way trunk group.

5.8.2.2 Directory Assistance Call Completion (DACC):

5.8.2.2.1 CLEC contracting for DA services may also contract for DACC. This requires a segregated one-way trunk group to each **SBC-ILEC** OPERATOR SERVICES Tandem within the LATA for the combined DA and DACC traffic. This trunk group is set up as one-way outgoing only and utilizes Modified Operator Services Signaling (2 Digit ANI). The CLEC will have administrative control for the purpose of issuing ASR's on this one-way trunk group.

5.8.2.3 Busy Line Verification/Emergency Interrupt (BLV/EI):

5.8.2.3.1 When **SBC-ILEC**'s operator is under contract to verify the busy status of the CLEC End Users, **SBC-ILEC** will utilize a segregated one-way with MF signaling trunk group from **SBC-ILEC**'s Operator Services Tandem to CLEC switch. CLEC will have administrative control for the purpose of issuing ASR's on this one-way trunk group.

5.8.2.4 Operator Assistance (0+, 0-):

5.8.2.4.1 This service requires a one-way trunk group from CLEC switch to **SBC-ILEC**'s OPERATOR SERVICES Tandem. Two types of trunk groups may be utilized. If the trunk group transports DA/DACC, the trunk group will be designated with the appropriate traffic use code and modifier. If DA is not required or is transported on a segregated trunk group, then the group will be designated with a different appropriate traffic use code and modifier. Modified Operator Services Signaling (2 Digit ANI) will be required on the trunk group. CLEC will have administrative control for the purpose of issuing ASR's on this one-way trunk group.

5.8.2.5 Digit-Exchange Access Operator Services Signaling:

5.8.2.5.1 CLEC will employ Exchange Access Operator Services Signaling (EAOSS) from the equal access End Offices (EAEO) to the OPERATOR SERVICES switch that are equipped to accept 10 Digit Signaling for Automatic Number Identification (ANI).

5.8.2.6 OS QUESTIONNAIRE

5.8.2.6.1 If CLEC chooses SBC-ILEC to provide either OS and/or DA, then CLEC agrees to accurately complete the OS Questionnaire prior to submitting ASRs for OS and DA trunks.

6. FORECASTING RESPONSIBILITIES: SBC-ILEC

6.1 CLEC agrees to provide an initial forecast for establishing the initial Interconnection facilities. SBC-ILEC shall review this forecast and if it has any additional information that will change the forecast shall provide this information to CLEC. Subsequent forecasts shall be provided on a semi-annual basis, not later than January 1 and July 1 in order to be considered in the semi-annual publication of the SBC-ILEC General Trunk Forecast. This forecast should include yearly forecasted trunk quantities for all appropriate trunk groups described in this Appendix for a minimum of three years. Parties agree to the use of Common Language Location Identification (CLLI) coding and Common Language Circuit Identification for Message Trunk coding (CLCI-MSG) which is described in TELCORDIA TECHNOLOGIES documents BR795-100-100 and BR795-400-100 respectively. Inquiries pertaining to use of TELCORDIA TECHNOLOGIES Common Language Standards and document availability should be directed to TELCORDIA TECHNOLOGIES at 1-800-521-2673. Analysis of trunk group performance, and ordering of relief if required, will be performed on a monthly basis at a minimum (trunk servicing).

6.2 The semi-annual forecasts shall include:

6.2.1 Yearly forecasted trunk quantities (which include measurements that reflect actual Tandem local Interconnection and InterLATA trunks, End Office Local Interconnection trunks, and Tandem subtending Local Interconnection End Office equivalent trunk requirements) for a minimum of three (current and plus 1 and plus 2) years; and

6.2.2 A description of major network projects anticipated for the following six months. Major network projects include trunking or network rearrangements, shifts in anticipated traffic patterns, orders greater than four (4) DS1's, or other activities that are reflected by a significant increase or decrease in trunking demand for the following forecasting period.

6.2.3 The Parties shall agree on a forecast provided above to ensure efficient utilization of trunks. Orders for trunks that exceed forecasted quantities for forecasted locations will be accommodated as facilities and/or

equipment becomes available. Parties shall make all reasonable efforts and cooperate in good faith to develop alternative solutions to accommodate orders when facilities are not available.

- 6.3 CLEC shall be responsible for forecasting two-way trunk groups. **SBC-ILEC** shall be responsible for forecasting and servicing the one way trunk groups terminating to the CLEC and the CLEC shall be responsible for forecasting and servicing the one way trunk groups terminating to **SBC-ILEC**, unless otherwise specified in this Appendix. Standard trunk traffic engineering methods will be used by the parties as described in Bell Communications Research, Inc. (TELCORDIA TECHNOLOGIES) document SR TAP 000191, Trunk Traffic Engineering Concepts and Applications.
- 6.4 If forecast quantities are in dispute, the Parties shall meet to reconcile the differences.
- 6.5 Each Party shall provide a specified point of contact for planning, forecasting and trunk servicing purposes.

7. TRUNK DESIGN BLOCKING CRITERIA: SBC-ILEC

- 7.1 Trunk requirements for forecasting and servicing shall be based on the blocking objectives shown in Table 1. Trunk requirements shall be based upon time consistent average busy season busy hour twenty (20) day averaged loads applied to industry standard Neal-Wilkinson Trunk Group Capacity algorithms (use Medium day-to-day Variation and 1.0 Peakedness factor until actual traffic data is available).

TABLE 1

<u>Trunk Group Type</u>	<u>Design Blocking Objective</u>
Local Tandem	1%
Local Direct End Office (Primary High)	ECCS*
Local Direct End Office (Final)	2%
IntraLATA	1%
Local/IntraLATA	1%
InterLATA (Meet Point) Tandem	0.5%
911	1%
Operator Services (DA/DACC)	1%
<u>Trunk Group Type</u>	<u>Design Blocking Objective</u>
Operator Services (0+, 0-)	1%
Busy Line Verification-Inward Only	1%

*During implementation the Parties will mutually agree on an ECCS or some other means for the sizing of this trunk group.

8. TRUNK SERVICING: SBC-ILEC

- 8.1 Orders between the Parties to establish, add, change or disconnect trunks shall be processed by using an Access Service Request (ASR). CLEC will have administrative control for the purpose of issuing ASR's on two-way trunk groups. In **SBC-AMERITECH** and **SNET** where one-way trunks are used (as discussed in section 3.3), **SBC-AMERITECH** and **SNET** will issue ASRs for trunk groups for traffic that originates in **SBC-ILEC** and terminates to CLEC. The Parties agree that neither Party shall alter trunk sizing without first conferring the other party.
- 8.2 Both Parties will jointly manage the capacity of Local Interconnection Trunk Groups. Both Parties may send a Trunk Group Service Request (TGSR) to the other Party to trigger changes to the Local Interconnection Trunk Groups based on capacity assessment. The TGSR is a standard industry support interface developed by the Ordering and Billing Forum of the Carrier liaison Committee of the Alliance for Telecommunications Solutions (ATIS) organization. TELCORDIA TECHNOLOGIES Special Report STS000316 describes the format and use of the TGSR. Contact TELCORDIA TECHNOLOGIES at 1-800-521-2673 regarding the documentation availability and use of this form.
- 8.3 In A Blocking Situation:
- 8.3.1 In a blocking final situation, a TGSR will be issued by **SBC-ILEC** when additional capacity is required to reduce measured blocking to objective design blocking levels based upon analysis of trunk group data. Either Party upon receipt of a TGSR in a blocking situation will issue an ASR to the other Party within three (3) business days after receipt of the TGSR, and upon review and in response to the TGSR received. The CLEC will note "Service Affecting" on the ASR.

8.4 Underutilization:

8.4.1 Underutilization of Interconnection trunks and facilities exists when provisioned capacity is greater than the current need. This over provisioning is an inefficient deployment and use of network resources and results in unnecessary costs. Those situations where more capacity exists than actual usage requires will be handled in the following manner:

8.4.1.1 If a trunk group is under 75 percent (75%) of CCS capacity on a monthly average basis, for each month of any three (3) consecutive months period, either Party may request the issuance of an order to resize the trunk group, which shall be left with not less than 25 percent (25%) excess capacity. In all cases grade of service objectives shall be maintained.

8.4.1.2 Either party may send a TGSR to the other Party to trigger changes to the Local Interconnection Trunk Groups based on capacity assessment. Upon receipt of a TGSR, the receiving Party will issue an ASR to the other Party within twenty (20) business days after receipt of the TGSR. (20 business days for **PACIFIC/NEVADA**, 10 business days for **SBC-SWBT**, **SBC-AMERITECH**, and **SNET**)

8.4.1.3 Upon review of the TGSR, if a Party does not agree with the resizing, the Parties will schedule a joint planning discussion within the twenty (20) business days. The Parties will meet to resolve and mutually agree to the disposition of the TGSR.

8.4.1.4 If **SBC-ILEC** does not receive an ASR, or if the CLEC does not respond to the TGSR by scheduling a joint discussion within the twenty (20) business day period, **SBC-ILEC** will attempt to contact the CLEC to schedule a joint planning discussion. If the CLEC will not agree to meet within an additional five (5) business days and present adequate reason for keeping trunks operational, **SBC-ILEC** will issue an ASR to resize the Interconnection trunks and facilities.

8.5 In all cases except a blocking situation, either Party upon receipt of a TGSR will issue an ASR to the other Party:

8.5.1 Within twenty (20) business days after receipt of the TGSR, upon review of and in response to the TGSR received; or (20 business days for **PACIFIC/NEVADA**, 10 business days for **SBC-SWBT**, **SBC-AMERITECH**, and **SNET**)

- 8.5.2 At any time as a result of either Party's own capacity management assessment, in order to begin the provisioning process. The intervals used for the provisioning process will be the same as those used for **SBC-ILEC**'s Switched Access service.
- 8.6 Projects require the coordination and execution of multiple orders or related activities between and among **SBC-ILEC** and CLEC work groups, including but not limited to the initial establishment of Local Interconnection or Meet Point Trunk Groups and service in an area, NXX code moves, re-homes, facility grooming, or network rearrangements.
- 8.6.1 Orders that comprise a project, i.e., greater than four (4) DS-1's, shall be submitted at the same time, and their implementation shall be jointly planned and coordinated.
- 8.7 CLEC will be responsible for engineering its network on its side of the Point of Interconnection (POI). **SBC-ILEC** will be responsible for engineering its network on its side of the POI.
- 8.8 Due dates for the installation of Local Interconnection and Meet Point Trunks covered by this Appendix shall be based on each of the **SBC-ILEC**'s intrastate Switched Access intervals. If CLEC is unable to or not ready to perform Acceptance Tests, or is unable to accept the Local Interconnection Service Arrangement trunk(s) by the due date, the CLEC will provide with a requested revised service due date that is no more than thirty (30) calendar days beyond the original service due date. If the CLEC requests a service due date change which exceeds the allowable service due date change period, the ASR must be canceled by the CLEC. Should the CLEC fail to cancel such an ASR, **SBC-ILEC** shall treat that ASR as though it had been canceled.
- 8.9 Trunk servicing responsibilities for OPERATOR SERVICES trunks used for stand-alone Operator Service or Directory Assistance are the sole responsibility of CLEC.
- 8.10 **TRUNK SERVICING – SBC-SWBT** Exceptions:
- 8.10.1 The Parties will process trunk service requests submitted via a properly completed ASR within ten (10) business days of receipt of such ASR unless defined as a major project, as stated in 8.6. Incoming orders will be screened by SWBT trunk engineering personnel for reasonableness based upon current utilization and/or consistency with forecasts. If the nature and necessity of an order requires determination, the ASR will be placed in Held Status, and a Joint Planning discussion conducted. Parties agree to expedite this discussion in order to minimally delay order processing. Extension of this review and discussion process beyond two days from

ASR receipt will require the ordering Party to Supplement the order with proportionally adjusted Customer Desired Due Dates. Facilities must also be in place before trunk orders can be completed.

- 8.11 Utilization shall be defined as Trunks Required as a percentage of Trunks In Service. Trunks Required shall be determined using methods described in section 6.0 using Design Blocking Objectives stated in section 7.1.

9. TRUNK DATA EXCHANGE: SBC-ILEC

- 9.1 Each Party agrees to service trunk groups to the foregoing blocking criteria in a timely manner when trunk groups exceed measured blocking thresholds on an average time consistent busy hour for a twenty (20) business day study period. The Parties agree that twenty (20) business days is the study period duration objective. However, a study period on occasion may be less than twenty (20) business days but at minimum must be at least three (3) business days to be utilized for engineering purposes, although with less statistical confidence.
- 9.2 Exchange of traffic data enables each Party to make accurate and independent assessments of trunk group service levels and requirements. Parties agree to establish a timeline for implementing an exchange of traffic data utilizing the DIXC process via a Network Data Mover (NDM) or FTP computer to computer file transfer process. Implementation shall be within three (3) months of the date, or such date as agreed upon, that the trunk groups begin passing live traffic. The traffic data to be exchanged will be the Originating Attempt Peg Count, Usage (measured in Hundred Call Seconds), Overflow Peg Count, and Maintenance Usage (measured in Hundred Call Seconds on a seven (7) day per week, twenty-four (24) hour per day, fifty-two (52) weeks per year basis. These reports shall be made available at a minimum on a semi-annual basis upon request. Exchange of data on one-way groups is optional.

10. NETWORK MANAGEMENT: SBC-ILEC

10.1 Restrictive Controls

- 10.1.1 Either Party may use protective network traffic management controls such as 7-digit and 10-digit code gaps set at appropriate levels on traffic toward each other's network, when required, to protect the public switched network from congestion due to facility failures, switch congestion, or failure or focused overload. CLEC and **SBC-13 STATE** will immediately notify each other of any protective control action planned or executed.

10.2 Expansive Controls

10.2.1 Where the capability exists, originating or terminating traffic reroutes may be implemented by either Party to temporarily relieve network congestion due to facility failures or abnormal calling patterns. Reroutes will not be used to circumvent normal trunk servicing. Expansive controls will only be used when mutually agreed to by the Parties.

10.3 Mass Calling

10.3.1 CLEC and **SBC-ILEC** shall cooperate and share pre-planning information regarding cross-network call-ins expected to generate large or focused temporary increases in call volumes.

11. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

11.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element.

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APPENDIX INW
(Inward Assistance Operator Services)

1. INTRODUCTION

- 1.1 This Appendix sets forth terms and conditions for Inward Assistance Operator Services provided by the applicable SBC Communications Inc. (SBC) owned Incumbent Local Exchange Carrier (ILEC) and CLEC.
- 1.2 SBC Communications Inc. (SBC) means the holding company which owns the following ILECs: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, Nevada Bell Telephone Company, The Ohio Bell Telephone Company, Pacific Bell Telephone Company, The Southern New England Telephone Company, Southwestern Bell Telephone Company and/or Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin.
- 1.3 As used herein, SBC-ILEC means the above listed ILEC's doing business in Missouri, Oklahoma, Kansas, Texas, Arkansas, California, Nevada, Connecticut, Illinois, Indiana, Michigan, Ohio and Wisconsin.
- 1.4 As used herein, SBC-12STATE means the applicable above listed ILECs doing business in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.
- 1.5 As used herein, SNET means the applicable above listed ILECs doing business in Connecticut.
- 1.6 The prices at which SBC-ILEC agrees to provide CLEC Inward Assistance Operator Services are contained in the applicable Appendix Pricing and/or the applicable Commissioned ordered tariff where stated.

2. SERVICES

- 2.1 Where technically feasible and/or available, SBC-ILEC Inward Assistance Operator will provide the following assistance or services when reached by an operator dialing the appropriate Toll Center Code in addition to the inward code.
 - 2.1.1 General Assistance on calls where an attempt to connect the call is required by a local operator.
 - 2.1.2 Busy Line Verification (BLV) service and Busy Line Verification/Interrupt (BLV/I) service.

3. DEFINITIONS

- 3.1 **“General Assistance”** - A service in which an operator calls the Inward Assistance operator seeking assistance in dialing a number. The assistance could be required, for example, for attempting to dial a number where a ‘no ring’ condition has been encountered.
- 3.2 **“Busy Line Verification”** - A service in which an operator asks the Inward Assistance operator to verify a conversation in progress.
- 3.3 **“Busy Line Verification/ Interrupt”** - A service in which an operator asks the Inward Assistance operator to interrupt a conversation in progress, to determine if one of the parties is willing to speak to the caller requesting the interrupt.

4. RESPONSIBILITIES OF THE PARTIES

- 4.1 It is the responsibility of the CLEC to order the necessary facilities to interconnect with SBC-ILEC's Operator assistance switches in the various locations throughout SBC-ILEC territory.
- 4.2 Interconnection trunking requirements are described in Appendix ITR.
- 4.2 CLEC will furnish request for service in writing to SBC-ILEC, thirty calendar (30) days in advance of the date when the Inward Assistance Operator Services are to be undertaken, unless otherwise agreed to by SBC-ILEC. CLEC or its designated operator services providers shall submit Access Service Requests (ASRs) to SBC-ILEC to establish any new interconnection trunking arrangements.
- 4.5 The requester of this Inward Assistance Operator Services service agreement must provide one Carrier Identification Code (CIC) for its CLEC or Independent Exchange Carrier business operation and one for its InterExchange Carrier (IXC) business operation if the requesting company wishes to receive billing data in a format that separates the service provided to the two business operations.
- 4.6 SBC-12STATE - When utilizing the services of CLEC Inward Assistance, SBC-12STATE and CLEC agree that SBC-12STATE will pay CLEC at the same rate CLEC compensate SBC-12State pursuant to the terms of this Appendix.
- 4.7 SNET - When utilizing the services of CLEC Inward Assistance, SNET and CLEC agree that compensation will be handled on a separate and unshared basis.

5. TOLL CENTER CODES

- 5.1 Toll Center Codes will be used by the CLEC Operators for routing and connecting to the SBC-ILEC Operator assistance switches. These codes are specific to the various SBC-ILEC LATA's where SBC-ILEC Operator assistance switches are located.
- 5.2 SBC-ILEC Operator Services will require a Toll Center Code for the CLEC Operator Services assistance switch. This code will be the routing code used for connecting the SBC-ILEC Operator to the CLEC Operator on an Inward basis.
- 5.3 If the CLEC requires establishment of a new Toll Center Code. CLEC shall do so by referencing the Local Exchange Routing Guide (LERG).

6. PRICING

- 6.1 SBC-12STATE - Pricing for Inward Assistance Operator Services shall be based on the rates specified in Appendix Pricing. The price set forth in Appendix Pricing is reciprocal and shall be the price SBC-12STATE will pay CLEC when the SBC-12STATE Operator utilizes the Inward Assistance of CLEC operator.
- 6.2 SNET - Pricing for Inward Assistance Operator Services is non-reciprocal and is based on the rate specified in Appendix Pricing.

7. MONTHLY BILLING

- 7.1 SBC-ILEC will render monthly billing statements to CLEC, and remittance in full will be due within thirty (30) days of receipt. CLEC will render monthly billing to SBC-ILEC and remittance in full will be due within thirty (30) days of receipt. .

8. LIABILITY

- 8.1 The CLEC agrees to defend and hold harmless SBC-ILEC from any and all losses, damages, or other liability including attorneys fees that the carrier may incur as a result of claims, demands, wrongful death actions, or other suits brought by any party that arise out of the carrier's operator use of Inward Assistance Operator Services on the behalf of the carrier's End Users. The CLEC shall defend against all end user claims just as if the carrier operator had provided such service to its end user directly and shall assert its tariff limitation of liability for benefit of both SBC-ILEC and carrier.

8.2 The CLEC also agrees to release, defend and hold harmless SBC-ILEC from any claim, demand or suit that asserts any infringement or invasion of privacy or confidentiality of any person or persons caused or claimed to be caused, directly, or indirectly, by SBC-ILEC employees and equipment associated with provision of the Inward Assistance Operator Services. This provision includes but is not limited to suits, claims, and demands arising from disclosure of the telephone number, address, or name associated with the telephone called.

9. TERMS OF APPENDIX

9.1 This Appendix will continue in force for the length of the Interconnection Agreement, but no less than twelve (12) months. At the expiration of the term of the Interconnection Agreement to which this Appendix is attached or twelve (12) months, whichever occurs later, either Party may terminate this Appendix upon one hundred-twenty (120) calendar days written notice to the other Party.

9.2 If the CLEC terminates this Appendix prior to the expiration of the term of this Appendix, CLEC shall pay SBC-ILEC, within thirty (30) days of the issuance of any bills by SBC-ILEC, all amounts due for actual services provided under this Appendix, plus estimated monthly charges for the remainder of the term. Estimated charges will be based on an average of the actual monthly amounts billed by SBC-ILEC pursuant to this Appendix prior to its termination.

9.3 The rates applicable for determining the amount(s) under the terms outlined in this Section are those specified in Appendix Pricing.

10. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

10.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element.

APPENDIX INW

EXHIBIT I

SERVING AREA

OPERATOR SERVICES PROVIDER LOCATION:

CLEC SWITCH SERVING LOCATIONS:

<u>CITY</u>	<u>NPA-NXX</u>	<u>LATA</u>

ADDITIONAL SHEETS SHOULD BE ADDED AS REQUIRED.

APPENDIX MESSAGE EXCHANGE

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**MESSAGE EXCHANGE AND SETTLEMENT OF RATED MESSAGE DETAIL
AND/OR THE SETTLEMENT OF MESSAGE REVENUE FOR RESALE AND
UNBUNDLED SERVICE**

1. INTRODUCTION

- 1.1 This Appendix sets forth terms and conditions for the exchange record detail and settlement of revenues for call detail messages provided to CLEC as a result of the CLEC's purchase of Resale Services or appropriate Unbundled Network Elements from an SBC Communications Inc. (SBC) owned Incumbent Local Exchange Carrier (ILEC)
- 1.2 As used herein, **SBC-ILEC** means the applicable SBC owned ILEC doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas and Wisconsin.
- 1.3 As used herein, **SBC-AMERITECH** means the applicable SBC owned ILEC doing business in Illinois, Indiana, Michigan, Ohio, and Wisconsin.
- 1.4 As used herein, **SBC-SWBT** means the applicable SBC owned ILEC doing business in Arkansas, Kansas, Missouri, Oklahoma, and Texas.
- 1.5 As used herein, **PACIFIC** means the applicable SBC owned ILEC doing business in California.
- 1.6 As used herein, **NEVADA** means the applicable SBC owned ILEC doing business in Nevada.
- 1.7 As used herein, **SNET** means the applicable SBC owned ILEC doing business in Connecticut.

2. DEFINITIONS:

- 2.1 "555" is an **SBC-AMERITECH** service by which Providers offer information services for a fee to a CLEC End-User who dials a number using the "555" prefix.
- 2.2 "900" is a **PACIFIC** and **NEVADA** service by which Providers offer audio services for a fee to a CLEC End-User who dials a number using the "900" prefix.
- 2.3 "976" is an **SBC-AMERITECH**, **PACIFIC** and **NEVADA** service by which Providers offer audio services for a fee to a CLEC End-User who dials a number using the "976" prefix.

- 2.4 “**Abbreviated Dialing**” is an SBC-AMERITECH service by which Providers offer information services for a fee to a CLEC End-User who dials a telephone number with less than seven digits.
- 2.5 “**Adjustments**” are dollar amounts that are credited to an End-User account. The primary reason for an adjustment is typically an End-User denying that the call was made from their telephone.
- 2.6 “**Ancillary Message Services**” available in SBC-AMERITECH, PACIFIC, and NEVADA. Included in SBC-AMERITECH offerings are Abbreviated Dialing, 555 services, 976 services, CPP Cellular services and CPP Paging services. PACIFIC and NEVADA provide 900/976.
- 2.7 “**Calling Party Pays Cellular**” or “**CPP Cellular**” is an SBC-AMERITECH service where an End-User placing a call to a cellular telephone agrees to pay the charges for the call. Typically, an announcement is played to the End-User giving the End-User the option to accept the charges or to end the call without incurring charges.
- 2.8 “**Calling Party Pays Paging**” or “**CPP Paging**” is an SBC-AMERITECH service where an End-User placing a call to a pager agrees to pay the charges for the call. Typically, an announcement is played to the End-User giving the End-User the option to accept the charges or to end the call without incurring charges.
- 2.9 “**CLEC CATS Messages**” means intraLATA Calling Card and third number billed messages billed to a CLEC End-User telephone where the LEC carrying the call is Pacific or any other LEC, and the originating and billed telephone numbers are located in different Telcordia Client Company territories.
- 2.10 “**Provider**” is the entity that offers an SBC-AMERITECH, PACIFIC, or NEVADA Ancillary Message Service to an End-User.
- 2.11 “**Uncollectibles**” are amounts billed to CLEC’s End-Users, which after standard intervals and application of standard collection procedures, are determined by CLEC to be impracticable of collection and are written off as bad debt on final accounts. Uncollectibles are recouped back to the Provider.
- 2.12 “**CLEC Non-CATS Messages** are IntraLATA collect, calling card, or third number-billed messages where the charges are billed to the CLEC’s End-User and the originating Party is an End-User of SBC or that of another LEC and both End-Users are located in the same Telcordia Client Company territory.

3. DESCRIPTION OF BILLING SERVICES

- 3.1 SBC-ILEC will receive LEC carried ABS messages being billed to CLEC End-User lines as detailed in the General Terms and Conditions of the Agreement to which this Appendix is attached. SBC-ILEC shall forward rated messages to CLEC on the Daily Usage File (DUF).
- 3.2 PACIFIC and NEVADA shall provide revenue settlement for all messages supplied to CLEC on DUF; provided, however, that revenue settlement for CLEC Non-CATS Messages shall only be provided by PACIFIC with those LECs with whom PACIFIC has executed an Agreement covering the Settlement of Non-CATS Messages. Pacific shall provide CLEC with a list of all such LECs upon request.
- 3.3 SBC-SWBT, SNET, and SBC-AMERITECH shall bill charges to the CLEC Resale or UNE port account to recover revenue that it has paid to another carrier for ABS messages billing to a CLEC Resale or UNE port End-User account.
- 3.4 As a part of provisioning local service for CLEC, SBC-ILEC will block End-User access to 900/976 numbers upon specific written request by CLEC for each separate End User line
- 3.5 CLEC shall block End-User access to Ancillary Message Services upon SBC-ILEC's written request.
- 3.6 If blocking is not requested, SBC-ILEC shall record all Ancillary Message Service calls transported by SBC that originate from a CLEC's End-User's telephone number. SBC shall provide the CLEC with formatted records for each Ancillary Message Service billable call in accordance with each Provider's requested rates. In the case where CLEC's switch generates call information, CLEC will provide SBC-AMERITECH, PACIFIC or NEVADA with call information for each call on a daily basis. SBC-AMERITECH, PACIFIC or NEVADA will rate the call with each Provider's requested rates and return a formatted record to the CLEC. CLEC shall confirm receipt of such formatted records within twenty-four (24) hours of receipt.

4. COLLECTION SERVICES

- 4.1 CLEC shall exercise good faith efforts to bill and collect all amounts due from its End-Users for messages distributed under this Appendix. CLEC warrants that the billing and collection for messages distributed under this Appendix shall be at a performance level no less than CLEC uses for the billing of its own local Telecommunication Services, which in no event shall be inconsistent with generally accepted industry standards of operation for the provision of billing and collection services.

- 4.2 All messages should be billed within 30 days of receipt. CLEC further agrees that the billing and collection process for messages distributed under this Appendix shall comply with all Applicable Laws.

5. **CHANGES TO PROVIDER'S SERVICES AND RATES**

- 5.1 CLEC acknowledges and understands that the amount which a Provider elects to charge those who place calls to an Ancillary Message Service is at Provider's sole discretion.

6. **SETTLEMENT ARRANGEMENT AND PAYMENT—PACIFIC AND NEVADA**

- 6.1 For messages billed to CLEC End-Users that **PACIFIC** or **NEVADA** forward to CLEC as set forth in Section 3 above, **PACIFIC** or **NEVADA** shall calculate the amount due based on the following formula:

Rated Value of 900/976 Messages (if applicable)	
+	Rated Value of CLEC CATS and Non-CATS Messages
-	Rejected/Unbillable/Uncollectible Messages
-	CLEC Billing Charge
+	PACIFIC or NEVADA Settlement Charge
=	Amount Due PACIFIC or NEVADA

- 6.1.1 As used in Subsection 6.1 above the following terms are defined as set forth below:

6.1.1.1 Rated Value of CLEC CATS Messages and Non-CATS Messages means the total computed charges for CLEC CATS and Non-CATS Messages based on the schedule of rates for the LEC which carried the call. Settlement of Non-CATS Messages is contingent on the conditions set forth in Section 3.2 hereof being satisfied.

6.1.1.2 Rejected Messages means the rated value of CLEC CATS Messages and Non-CATS Messages that failed to pass the edits within CLEC's system and were returned to **PACIFIC** or **NEVADA** via the daily feed within 10 days of originally being received from **PACIFIC** or **NEVADA**.

6.1.1.3 Unbillable Messages means the rated value of CLEC CATS Messages and Non-CATS Messages that were not billable to a CLEC End-User because of missing information in the billing record or other billing error, not the result of an error by CLEC, that are returned to **PACIFIC** or **NEVADA** via the daily feed

within 30 days of originally being received from **PACIFIC** or **NEVADA**.

6.1.1.4 Uncollectible Messages means the rated value of CLEC CATS Messages and Non-CATS Messages billed by CLEC to subscribers that are unpaid, have been debited to final write-off by CLEC and have been returned to **PACIFIC** or **NEVADA** via the daily feed within 20 days of final write-off.

6.1.1.5 CLEC Billing Charge means the CLEC per message billing rate, as set forth in Appendix Pricing under CLEC Billing Rate, times the number of CLEC CATS and Non-CATS Messages forwarded by **PACIFIC** or **NEVADA** to CLEC.

6.1.1.6 **PACIFIC** or **NEVADA** Settlement Charge means the **PACIFIC** or **NEVADA** per message settlement charge, set forth in Appendix Pricing, times the number of CLEC CATS and Non-CATS Messages forwarded by **PACIFIC** or **NEVADA** to CLEC. Only CLEC CATS and Non-CATS Messages for which the Transporting LEC is other than **PACIFIC** or **NEVADA** shall be included in the calculation of the **PACIFIC** or **NEVADA** Settlement Charge.

6.2 Within 30 business days following the end of each calendar month, **PACIFIC** or **NEVADA** shall provide CLEC with:

6.2.1 The Non-CMDS Outcollects Report that calculates the Amount Due **PACIFIC** or **NEVADA** as set forth in Section 6.1 and

6.2.2 An Invoice setting forth the Amount Due **PACIFIC** or **NEVADA**.

6.3 The CLEC shall have 22 calendar days from receipt of the Invoice to pay the Amount Due ("Invoice Due Date"). Any payment received by **PACIFIC** or **NEVADA** after the Invoice Due Date shall be subject to a Late Payment Charge as detailed in Section 8.1 of the General Terms and Conditions of the Agreement to which this Appendix is attached.

6.4 Disputes over any billed amount shall be handled as set forth in Section 10 of the General Terms and Conditions of the Agreement to which this Appendix is attached.

6.5 That portion of the Amount Due **PACIFIC** or **NEVADA**, calculated as set forth in Section 6.1 attributable to LECs for which **PACIFIC** or **NEVADA** is the CMDS Host or LECs with whom **PACIFIC** or **NEVADA** has an Agreement covering the Settlement of Non-CATS messages shall be settled between

PACIFIC or **NEVADA** and the LECs as set forth in the Appendix **PACIFIC** or **NEVADA** shall provide CLEC with an updated list in writing of all LECs with which **PACIFIC** or **NEVADA** has such Agreements.

- 6.6 To the extent, but only to the extent, necessary to accurately bill, record, report, and Invoice as required by this Appendix, the Parties grant each other a limited exception to the prohibitions set forth in Section 20 of the General Terms and Conditions of the Agreement to which this Appendix is attached.

7. SETTLEMENT ARRANGEMENT AND PAYMENT – **SBC-AMERITECH**

- 7.1 Ameritech shall pay for the Billing and Collection Services for Ancillary Message Services described herein at the rates set forth in Appendix Pricing as "Ancillary Billing Message Compensation."
- 7.2 The amount due to **SBC-AMERITECH** under this Appendix shall be the total of all billable charges submitted to CLEC under this Appendix, less:
- 7.2.1 All charges due CLEC under subsection 7.1;
- 7.2.2 Amounts declared Uncollectible as provided in subsection 7.5;
- 7.2.3 Adjustments as provided in subsection 7.4;
- 7.2.4 Taxes collected from CLEC End-Users.
- 7.3 CLEC shall provide **SBC-AMERITECH** with a monthly statement of amounts billed, amounts collected, amounts adjusted, uncollectible amounts and End-User taxes by taxing authority and by Provider including the program number and the amount of taxes applied to the services, as described in the Guidelines. The monthly statement should be received by **SBC-AMERITECH** on or before the fifth Business Day of every month. Payment of the amount owed to **SBC-AMERITECH** by CLEC as calculated in Section 7.2 hereof is due and shall be paid to **SBC-AMERITECH** on or before thirty (30) calendar days from the date of the monthly statement. Past due amounts shall accrue late charges at the rate set forth in Section 8.1 of the General Terms and Conditions of the Agreement to which this Appendix is attached.
- 7.4 Adjustments
- 7.4.1 CLEC may remove a disputed charge from an End-User's account within sixty (60) calendar days from the date of the message; provided that notice of the adjustment is received by **SBC-AMERITECH** within sixty (60) calendar days from the date of the message.

7.5 Uncollectibles

7.5.1 CLEC may recourse to **SBC-AMERITECH** an actual uncollectible amount from an End-User's account, provided that notice of the recourse of the uncollectible amount is given by CLEC to **SBC-AMERITECH** within one hundred twenty (120) calendar days from the date of the message.

7.6 Taxes

7.6.1 Taxes Imposed on Services Performed or Provided by CLEC. CLEC shall be responsible for payment of all sales, use or other taxes of a similar nature, including interest and penalties on all services performed or provided by CLEC.

7.6.2 Taxes on Ancillary Message Services. CLEC shall be responsible for applying taxes as determined by Provider for all Ancillary messages billed hereunder as specified in the Guidelines. Each Provider shall be responsible for determining what taxes apply to the service it provides and for notifying **SBC-AMERITECH** of those taxes. **SBC-AMERITECH** shall notify CLEC of this information and pursuant to this Agreement CLEC shall bill and collect such taxes based on information supplied by Provider and shall remit such taxes to **SBC-AMERITECH**. CLEC shall identify the amount of taxes and type of taxes, by Provider. **SBC-AMERITECH** shall then remit such collected taxes to the Provider. Provider shall remit any taxes it owes to the taxing authority.

8. **APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS**

8.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element.

**APPENDIX NIM
(NETWORK INTERCONNECTION METHODS)**

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APPENDIX NIM
(NETWORK INTERCONNECTION METHODS)

1. INTRODUCTION

- 1.1 This Appendix sets forth the terms and conditions that Network Interconnection Methods (NIM) is provided by the applicable SBC Communications Inc. (SBC) owned Incumbent Local Exchange Carrier (ILEC) and CLEC. This Appendix describes the physical architecture for Interconnection of the Parties' facilities and equipment for the transmission and routing of Telephone Exchange Service traffic and Exchange Access traffic between the respective Customers of the Parties pursuant to Section 251(c)(2) of the Act; provided, however, Interconnection may not be used solely for the purpose of originating a Party's own interexchange traffic.
- 1.2 SBC Communications Inc. (SBC) means the holding company which owns the following ILECs: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company, Nevada Bell Telephone Company, The Ohio Bell Telephone Company, Pacific Bell Telephone Company, The Southern New England Telephone Company, Southwestern Bell Telephone Company and/or Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin.
- 1.3 **SBC-13 STATE** - As used herein, **SBC-13 STATE** means the above listed ILECs doing business in Missouri, Kansas, Arkansas, Oklahoma, Texas, California, Connecticut, Nevada, Illinois, Indiana, Michigan, Ohio and Wisconsin.
- 1.4 **SBC-SWBT** - As used herein, **SBC-SWBT** means the above listed ILEC doing business in Missouri, Kansas, Arkansas, Oklahoma, and Texas.
- 1.5 **PACIFIC** - As used herein, **PACIFIC** means the above listed ILEC doing business in California.
- 1.6 **NEVADA** - As used herein, **NEVADA** means the above listed ILEC doing business in Nevada.
- 1.7 **SNET** - As used herein, **SNET** means the above listed ILEC doing business in Connecticut.
- 1.8 **SBC-AMERITECH** - As used herein, **SBC-AMERITECH** means the above listed ILECS doing business in Illinois, Indiana, Michigan, Ohio and Wisconsin.
- 1.9 Network Interconnection Methods (NIMs) include, but are not limited to, Physical Collocation Interconnection; Virtual Collocation Interconnection; Leased Facilities Interconnection; Fiber Meet Interconnection; and other methods as

mutually agreed to by the Parties. One or more of these methods may be used to effect the Interconnection in each local exchange area (in **SBC-SWBT**) and each LATA (in **SNET, PACIFIC, NEVADA, SBC-AMERITECH**).

- 1.9.1 Trunking requirements associated with Interconnection (including local exchange and LATA trunking requirements) are contained in Appendix ITR.
- 1.9.2 Interconnection associated with Unbundled Network Elements (UNEs) is contained in Appendix UNE. For **SNET** Interconnection associated with Unbundled Network Elements is offered from the Connecticut Access Tariff.
- 1.10 **SBC-ILEC** shall provide Interconnection for CLEC's facilities and equipment for the transmission and routing of telephone exchange service and exchange access, at a level of quality that is equal to that which **SBC-ILEC** provides itself, a subsidiary, an affiliate, or any other party to which **SBC-ILEC** provides Interconnection and on rates, terms and conditions that are just, reasonable and non-discriminatory.
- 1.11 The Parties shall effect an Interconnection that is efficient, fair and equitable with each party being financially responsible for approximately half of the Interconnection facilities or in any other manner that is mutually agreeable to the Parties.

2. **PHYSICAL ARCHITECTURE**

- 2.1 **SBC-ILEC**'s network is partly comprised of End Office switches, Tandem switches that serve local only traffic (**SBC-SWBT**), Tandem switches that serve IntraLATA and InterLATA traffic, and Tandem switches that serve a combination of local, IntraLATA and InterLATA traffic. **SBC-ILEC**'s network architecture in any given local exchange area and/or LATA can vary markedly from another local exchange area/LATA. Using one or more of the NIMs herein, the Parties will agree to a physical architecture plan for a specific Interconnection area. Due to differing state regulatory calling scope requirements, **SBC-SWBT** requires Interconnection in each local exchange area, while **SNET, PACIFIC, NEVADA** and **SBC-AMERITECH** require Interconnection at all Tandems in a LATA. CLEC and **SBC-ILEC** agree to Interconnect their networks through existing and/or new Interconnection facilities between CLEC switch(es) and **SBC-ILEC** End Office(s) and/or Tandem switch(es). The physical architecture plan will, at a minimum, include the location of CLEC's switch (es) and **SBC-ILEC**'s End Office switch(es) and/or Tandem switch(es) to be interconnected, the facilities that will connect the two networks and which Party will provide (be financially responsible for) the Interconnection facilities. At the time of implementation in a given local exchange area the plan will be documented and signed by appropriate

representatives of the Parties, indicating their mutual agreement to the physical architecture plan.

- 2.2 **Points of Interconnection (POIs):** A Point of Interconnection (POI) is a point in the network where the Parties deliver Interconnection traffic to each other, and also serves as a demarcation point between the facilities that each Party is responsible to provide. In many cases, multiple POI(s) will be necessary to balance the facilities investment and provide the best technical implementation of Interconnection requirements to each Tandem within and exchange area and/or LATA. Both parties shall negotiate the architecture in each location that will seek to mutually minimize and equalize investment.
- 2.3 The Parties agree to meet as often as necessary to negotiate the selection of new POIs. The overall goal of POI selection will be to achieve a balance in the provision of facilities that is fair to both Parties. Criteria to be used in determining POIs for each geography (LATA, tandem area, etc.) include existing facility capacity, location of existing POIs, traffic volumes, relative costs, future capacity needs, etc. Agreement to the location of POIs is based on the network architecture existing at the time the POI(s) is/are negotiated. In the event either Party makes subsequent changes to its network architecture, including but not limited to trunking changes or adding new switches, then the Parties will negotiate new POIs. The mutually agreed to POIs will be documented and distributed to both Parties.
- 2.4 Each Party is responsible for the facilities to its side of the POI(s) and may utilize any method of Interconnection described in this Appendix. Each Party is responsible for the appropriate sizing, operation, and maintenance of the transport facility to the POI(s). At least one POI must be established within the geographic area where **SBC-ILEC** operates as an incumbent LEC and CLEC has a switch and End Users in that area.
- 2.5 Either Party, must provide thirty (30) days written notice of any changes to the physical architecture plan.
- 2.6 In each LATA the Parties agree to provide, at a minimum, sufficient facilities so that a local Interconnection trunk group can be established from the CLEC switch to each **SNET**, **PACIFIC**, **NEVADA**, **SBC-AMERITECH** Access Tandem where CLEC originates or terminates local and/or toll traffic with **SBC-ILEC**.
- 2.7 CLEC is solely responsible for the facilities that carry OS/DA, 911 or mass calling. **SBC-ILEC** may allow, solely at its discretion, CLEC to use jointly provided Interconnection facilities to carry service traffic of this type.
- 2.8 If CLEC has established Collocation in a **SBC-ILEC** End Office, direct End Office trunks to that End Office shall be provisioned over CLEC Collocation

facility. If CLEC has not established Collocation in a **SBC-ILEC** End Office, **SBC-ILEC** shall provision the facilities for the direct End Office trunks from the POI to the **SBC-ILEC** End Office.

2.9 Technical Interfaces

2.9.1 The Interconnection facilities provided by each Party shall be formatted using either Alternative Mark Inversion (AMI) line code with Superframe format framing or B8ZS with Extended Superframe format framing.

2.9.2 Electrical handoffs at the POI(s) will be DS1 or DS3 as mutually agreed to by the parties. When a DS3 handoff is agreed to by the Parties, **SBC-ILEC** will provide any multiplexing required for DS1 facilities or trunking at their end and CLEC will provide any DS1 multiplexing required for facilities or trunking at their end.

3. METHODS OF INTERCONNECTION

3.1 Physical Collocation Interconnection

3.1.1 When CLEC provides their own facilities or uses the facilities of a 3rd party to a **SBC-ILEC** Tandem or End Office and wishes to place their own transport terminating equipment at that location, CLEC may Interconnect using the provisions of Physical Collocation as set forth in Appendix Collocation or applicable state tariff.

3.2 Virtual Collocation Interconnection

3.2.1 When CLEC provides their own facilities or uses the facilities of a 3rd party to a **SBC-ILEC** Tandem or End Office and wishes for **SBC-ILEC** to place transport terminating equipment at that location on the CLEC's behalf, they may Interconnect using the provisions of Virtual Collocation as set forth in Appendix Collocation or applicable tariff. Virtual Collocation allows CLEC to choose the equipment vendor and does not require that CLEC be Physically Collocated.

3.3 Leased Facility Interconnection ("LFI")

3.3.1 Where facilities exist, either Party may lease facilities from the other Party as defined in Section 6 of this Appendix.

3.4 Fiber Meet Interconnection

- 3.4.1 Fiber Meet Interconnection between **SBC-ILEC** and CLEC can occur at any mutually agreeable, economically and technically feasible point between CLEC's premises and a **SBC-ILEC** Tandem or End Office within each local exchange (**SBC-SWBT**) or LATA (**SBC-AMERITECH**, **SNET**, **PACIFIC**, and **NEVADA**).
- 3.4.2 Where the Parties interconnect their networks pursuant to a Fiber Meet, the Parties shall jointly engineer and operate this Interconnection as a single point-to-point linear chain system. Only Interconnection trunks shall be provisioned over this facility.
- 3.4.3 Neither Party will be allowed to access the Data Communications Channel ("DCC") of the other Party's Fiber Optic Terminal (FOT). The Fiber Meet will be designed so that each Party may, as far as is technically feasible, independently select the transmission, multiplexing, and fiber terminating equipment to be used on its side of the POI(s). The Parties will work cooperatively to achieve equipment and vendor compatibility of the FOT equipment. Requirements for such Interconnection specifications will be defined in joint engineering planning sessions between the Parties. The Parties may share the investment of the fiber as mutually agreed. The Parties will use good faith efforts to develop and agree on these facility arrangements within ninety (90) days of the determination by the Parties that such specifications shall be implemented, and in any case, prior to the establishment of any Fiber Meet arrangements between them.
- 3.4.4 There are four basic Fiber Meet design options. The option selected must be mutually agreeable to both Parties. Additional arrangements may be mutually developed and agreed to by the Parties pursuant to the requirements of this section.
- 3.4.4.1 Design One: CLEC's fiber cable (four fibers) and **SBC-ILEC**'s fiber cable (four fibers) are connected at an economically and technically feasible point between the CLEC and **SBC-ILEC** locations. This Interconnection point would be at a mutually agreeable location approximately midway between the two. The Parties fiber cables would be terminated and then cross connected on a fiber termination panel as discussed below under the Fiber Termination Point options section. Each Party would supply a fiber optic terminal at their respective end. The POI would be at the fiber termination panel at the mid-point meet.
- 3.4.4.2 Design Two: CLEC will provide fiber cable to the last entrance (or **SBC-ILEC** designated) manhole at the **SBC-ILEC** Tandem

or End Office switch. **SBC-ILEC** shall make all necessary preparations to receive and to allow and enable CLEC to deliver fiber optic facilities into that manhole. CLEC will provide a sufficient length of Optical Fire Resistant (OFR) cable for **SBC-ILEC** to pull the fiber cable through the **SBC-ILEC** cable vault and terminate on the **SBC-ILEC** fiber distribution frame (FDF) in **SBC-ILEC**'s office. CLEC shall deliver and maintain such strands wholly at its own expense up to the POI. **SBC-ILEC** shall take the fiber from the manhole and terminate it inside **SBC-ILEC**'s office on the FDF at **SBC-ILEC**'s expense. In this case the POI shall be at the **SBC-ILEC** designated manhole location.

3.4.4.3 Design Three: **SBC-ILEC** will provide fiber cable to the last entrance (or CLEC designated) manhole at the CLEC location. CLEC shall make all necessary preparations to receive and to allow and enable **SBC-ILEC** to deliver fiber optic facilities into that manhole. **SBC-ILEC** will provide a sufficient length of Optical Fire Resistant (OFR) cable for CLEC to run the fiber cable from the manhole and terminate on the CLEC fiber distribution frame (FDF) in CLEC's location. **SBC-ILEC** shall deliver and maintain such strands wholly at its own expense up to the POI. CLEC shall take the fiber from the manhole and terminate it inside CLEC's office on the FDF at CLEC's expense. In this case the POI shall be at the CLEC designated manhole location.

3.4.4.4 Design Four: Both CLEC and **SBC-ILEC** each provide two fibers between their locations. This design may only be considered where existing fibers are available and there is a mutual benefit to both Parties. **SBC-ILEC** will provide the fibers associated with the "working" side of the system. CLEC will provide the fibers associated with the "protection" side of the system. The Parties will work cooperatively to terminate each other's fiber in order to provision this joint point-to-point linear chain SONET system. Both Parties will work cooperatively to determine the appropriate technical handoff for purposes of demarcation and fault isolation. The POI will be defined as being at the **SBC-ILEC** location.

3.4.5 CLEC location includes FOTs, multiplexing and fiber required to terminate the optical signal provided from **SBC-ILEC**. This location is CLEC's responsibility to provision and maintain.

- 3.4.6 The **SBC-ILEC** location includes all **SBC-ILEC** FOT, multiplexing and fiber required to terminate the optical signal provided from CLEC. This location is **SBC-ILEC**'s responsibility to provision and maintain.
- 3.4.7 **SBC-ILEC** and CLEC shall, solely at their own expense, procure, install, and maintain the agreed-upon FOT equipment in each of their locations where the Parties established a Fiber Meet in capacity sufficient to provision and maintain all trunk groups prescribed by Appendix ITR for the purposes of Interconnection.
- 3.4.8 Each Party shall provide its own, unique source for the synchronized timing of its FOT equipment. Each timing source must be Stratum-1 traceable and cannot be provided over DS0/DS1 facilities, via Line Timing; or via a Derived DS1 off of FOT equipment. Both Parties agree to establish separate and distinct timing sources which are not derived from the other, and meet the criteria identified above.
- 3.4.9 CLEC and **SBC-ILEC** will mutually agree on the capacity of the FOT(s) to be utilized based on equivalent DS1s or DS3s. Each Party will also agree upon the optical frequency and wavelength necessary to implement the Interconnection. The Parties will develop and agree upon methods for the capacity planning and management for these facilities, terms and conditions for over provisioning facilities, and the necessary processes to implement facilities as indicated below. These methods will meet quality standards as mutually agreed to by CLEC and **SBC-ILEC**.

3.5 Other Interconnection Methods

- 3.5.1 Other Interconnection methods that are technically feasible may be mutually agreed to by the Parties.

4. RESPONSIBILITIES OF THE PARTIES

- 4.1 If CLEC determines to offer local Interconnection within an **SBC-ILEC** area, CLEC shall provide written notice to **SBC-ILEC** of the need to establish Interconnection in each local exchange area (**SBC-SWBT**) or LATA (**PACIFIC, NEVADA, SNET, and SBC-AMERITECH**). Such request shall include (i) CLEC's Switch address, type of Switch and CLLI code; (ii) CLEC's requested Interconnection activation date; and (iii) a non-binding forecast of CLEC's trunking and facilities requirements.
- 4.2 Upon receipt of CLEC's notice to interconnect, the Parties shall schedule a meeting to negotiate and mutually agree on the network architecture (including trunking) to be documented as discussed in Section 2.1. The Interconnection activation date for an Interconnect shall be established based on then-existing

force and load, the scope and complexity of the requested Interconnection and other relevant factors.

- 4.3 If CLEC deploys additional switches in a LATA after the Effective Date or otherwise wishes to establish Interconnection with additional **SBC-ILEC** Central Offices, CLEC shall provide written notice to **SBC-ILEC**, to establish such Interconnection. The terms and conditions of this Agreement shall apply to such Interconnection. If **SBC-ILEC** deploys additional Tandems and/or End Office switches in a local exchange/LATA after the effective date or otherwise wishes to establish Interconnection with additional CLEC Central Offices in such local exchange/LATA, **SBC-ILEC** shall be entitled, upon written notice to CLEC, to establish such Interconnection and the terms and conditions of this Agreement shall apply to such Interconnection.
- 4.4 CLEC and **SBC-ILEC** shall work cooperatively to install and maintain a reliable network. CLEC and **SBC-ILEC** shall exchange appropriate information (e.g., maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the Government and such other information as the Parties shall mutually agree) to achieve this desired reliability.
- 4.5 CLEC and **SBC-ILEC** will review engineering requirements on a semi-annual basis and establish forecasts for facilities utilization provided under this Appendix.
- 4.6 CLEC and **SBC-ILEC** shall:
 - 4.6.1 Provide trained personnel with adequate and compatible test equipment to work with each other's technicians.
 - 4.6.2 Notify each other when there is any change affecting the service requested, including the due date.
 - 4.6.3 Recognize that a facility handoff point must be agreed to that establishes the demarcation for maintenance and provisioning responsibilities for each party on their side of the POI.

5. **JOINT FACILITY GROWTH PLANNING**

- 5.1 The initial fiber optic system deployed for each Interconnection shall be agreed to by the Parties. The following lists the criteria and processes needed to satisfy additional capacity requirements beyond the initial system.

5.2 Criteria:

- 5.2.1 Investment is to be minimized.
- 5.2.2 Facilities will be planned for in accordance with the trunk forecasts exchanged between the Parties as described in Appendix ITR and are to be deployed in accordance with the Processes described below.

5.3 Processes:

- 5.3.1 In addition to the semi-annual forecast process, discussions to provide relief to existing facilities can be initiated by either party. Actual system augmentations will be initiated upon mutual agreement.
- 5.3.2 Both Parties will perform a joint validation to ensure current Interconnection facilities and associated trunks have not been over-provisioned. If any facilities and/or associated trunks are over-provisioned, they will be turned down where appropriate. Trunk design blocking criteria described in Appendix ITR will be used in determining trunk group sizing requirements and forecasts.
- 5.3.3 If based on the forecasted equivalent DS-1 growth where the existing fiber optic system is not projected to exhaust within one year, the Parties will suspend further relief planning on this Interconnection until a date one year prior to the projected exhaust date. If growth patterns change during the suspension period, either Party may re-initiate the joint planning process.
- 5.3.4 If the placement of a minimum size system will not provide adequate augmentation capacity for the joint forecast over a two-year period and the forecast appears reasonable, the next larger system may be deployed. If the forecast does not justify a move to the next larger system, another appropriately sized system could be placed. This criteria assumes both Parties have adequate fibers for either scenario. If adequate fibers do not exist, both Parties would negotiate placement of additional fibers.
- 5.3.5 Both Parties will negotiate a project service date and corresponding work schedule to construct relief facilities prior to facilities exhaust.
- 5.3.6 The joint planning process/negotiations should be completed within two months of the initiation of such discussion.

6. LEASING OF FACILITIES

- 6.1 The purpose of this section is to cover both CLEC's and SBC-SWBT, PACIFIC and NEVADA leasing of facilities from each other for purposes of Interconnection. SBC-AMERITECH and SNET offers leased facilities from the applicable Access Tariff.
- 6.2 The Parties leasing of facilities from each other for purposes of this Appendix will be subject to mutual agreement of the Parties.
- 6.3 Leasing of facilities from either party for the above purposes and any future augmentations are subject to facility availability at the time of the written request.
- 6.4 The requesting Party will provide a written leased facility request that will specify the A- and Z-ends (CLLI codes, where known), equipment and multiplexing required and provide quantities requested. Requests for leasing of facilities for the purposes of Interconnection and any future augmentations are subject to facility availability at the time of the request. Applicable rates, terms and conditions will be determined at the time of the request.
- 6.5 Any request by either Party for leased facilities where facilities, equipment, or riser cable do not exist will be considered and the requested Party may agree to provide under a Bona Fide Request (BFR) Process as defined below, unless otherwise provided out of a tariff, at the providing Party's sole discretion:
 - 6.5.1 A BFR will be submitted by the requesting Party in writing and will include a description of the facilities needed including the quantity, size (DS1 or DS3), A- and Z-end of the facilities, equipment and multiplexing requirements, and date needed.
 - 6.5.2 The requesting Party may cancel a BFR at any time, but will pay the requested Party any reasonable and demonstrable costs of processing and/or implementing the BFR up to the date of cancellation.
 - 6.5.3 Within ten (10) business days of its receipt, the requested Party will acknowledge receipt of the BFR.
 - 6.5.4 Except under extraordinary circumstances, within thirty (30) business days of its receipt of a BFR, the requested Party will provide to the requesting Party a written response to the request. The response will confirm whether the leased facilities will be offered or not. If the leased facilities will be offered, the requested Party will provide the requesting Party a BFR quote which will include the applicable recurring rates and installation intervals.

6.5.5 Within 65 calendar days of its receipt of the BFR quote, the requesting Party must confirm its order. If not confirmed within 65 calendar days, the requested Party reserves the right to modify or withdraw its BFR quote.

7. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

7.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element.

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APPENDIX NUMBER PORTABILITY