

BEFORE THE TENNESSEE REGULATORY AUTHORITY  
Nashville, Tennessee

In Re:

Approval of the Interconnection Agreement Negotiated by BellSouth Personal Communications, LLC d/b/a Cingular Wireless<sup>1</sup> and Highland Telephone Cooperative, Inc. Pursuant to Sections 251 and 252 of the Telecommunications Act of 1996

Docket No. 01-00873

**PETITION FOR APPROVAL OF THE INTERCONNECTION AGREEMENT NEGOTIATED BY  
BELLSOUTH PERSONAL COMMUNICATIONS, LLC d/b/a Cingular Wireless AND  
HIGHLAND TELEPHONE COOPERATIVE, INC. PURSUANT TO SECTIONS  
251 AND 252 OF THE TELECOMMUNICATIONS ACT OF 1996**

COME NOW BellSouth Personal Communications, LLC d/b/a Cingular Wireless ("Cingular Wireless") and respectfully files this request with the Tennessee Regulatory Authority (the "TRA") for approval of the attached Interconnection Agreement (the "Agreement"). The Agreement was negotiated between Highland Telephone Cooperative, Inc. ("Highland") and Cingular Wireless pursuant to Sections 251 and 252 of the Telecommunications Act of 1996, ("the Act"). The Agreement provides for the continued interconnection of the two companies' networks, thereby facilitating Cingular Wireless's provision of commercial mobile radio services ("CMRS") to both residential and business customers in Tennessee. Cingular Wireless, therefore, respectfully requests that the Authority act within the 90 days specified by the Act and approve the Agreement.

In support of their request, and Cingular Wireless states the following:

**THE PARTIES**

1. Cingular Wireless is a telecommunications carrier that has been granted authority by the Federal Communications Commission to provide CMRS in a specific market in Tennessee.
2. Highland is a local exchange carrier authorized to provide local exchange service in a specific market in Tennessee.

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<sup>1</sup> Cingular Wireless is a joint venture of SBC Communications, Inc. and BellSouth Corporation.

### **THE AGREEMENT**

3. Highland and Cingular Wireless have successfully negotiated the agreement for the continued interconnection of their networks. A copy of the Agreement is attached hereto and incorporated herein by reference.

4. Cingular Wireless and Highland have entered into this Agreement, pursuant to Sections 251 (c) and 252 (a) of the Act.

5. Pursuant to Section 252 (e) of the Act, Cingular Wireless is submitting their Agreement to the TRA for its consideration and approval.

### **COMPLIANCE WITH THE ACT**

6. First, as required by Section 252(e)(2)(a)(i) of the Act, the Agreement does not discriminate against any other telecommunications carrier. Other carriers are not bound by the Agreement and remain free to negotiate independently with Cingular Wireless pursuant to Section 252 of the Act.

7. Second, the Agreement is consistent with the public interest, convenience, and necessity, as required by Section 252(e)(2)(a)(ii) of the Act.

### APPROVAL OF THE AGREEMENT

8. In accordance with Section 252(e) of the Act, the TRA is charged with approving or rejecting the Agreement between Highland and Cingular Wireless within 90 days of its submission. The Act provides that the TRA may reject such Agreement only if it finds that the Agreement or any portion thereof discriminates against a telecommunications carrier not a party to the Agreement, or if it finds that the implementation of the Agreement or any portion thereof is not consistent with the public interest, convenience and necessity.

9. Cingular Wireless avers that the Agreement is consistent with the standards for approval.

10. Cingular Wireless respectfully requests that the TRA approve the Agreement negotiated between the parties without revision as expeditiously as possible consistent with the public interest.

This 12th day of September, 2001.

Respectfully submitted,


BellSouth Personal Communications, LLC  
d/b/a Cingular Wireless

BY: 

Carl Nickens  
Suite 1700  
5565 Glenridge Connector  
Atlanta, GA 30342  
404-236-5544

CERTIFICATE OF SERVICE

I, Carl Nickens, hereby certify that I have served a copy of the foregoing Petition for Approval of the Amendment to the Interconnection Agreement on the following via United States Mail on the 12 day of September, 2001.

  
\_\_\_\_\_  
Carl Nickens

**INTERCONNECTION**

**AGREEMENT**

**BETWEEN**

**HIGHLAND TELEPHONE COOPERATIVE, INC.**

**AND**

**BELLSOUTH PERSONAL COMMUNICATIONS, LLC**

**d/b/a CINGULAR WIRELESS**

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## **INTERCONNECTION AGREEMENT**

**THIS AGREEMENT** is made by and between Highland Telephone Cooperative, Inc. ("Highland" or LEC), and BellSouth Personal Communications, LLC, dba Cingular Wireless, a limited liability company (Cingular) and shall be deemed effective upon State Commission approval, (the "Effective Date") retroactive to April 20, 2001. This Agreement may refer to either Highland or Cingular or both as a "party" or "parties."

### **WITNESSETH**

**WHEREAS**, Highland is a telephone cooperative authorized to provide telecommunications services in the state(s) of Tennessee; and

**WHEREAS**, Cingular is a Commercial Mobile Radio Service ("CMRS") provider licensed by the Federal Communications Commission ("FCC") to provide CMRS service in the state(s) of Tennessee; and

**WHEREAS**, the parties intend for this Interconnection Agreement to be effective in, to apply to and to be filed for approval with the Commissions of the following states: Tennessee; and

**WHEREAS**, the parties wish to interconnect their facilities and exchange traffic for the purposes of fulfilling their obligations pursuant to sections 251 and 252 of the Telecommunications Act of 1996 and to replace any and all other prior agreements, both written and oral;

**NOW THEREFORE**, in consideration of the mutual agreements contained herein, Highland and Cingular agree as follows:

- I. Definitions.** Certain terms used in this Agreement shall have the meanings as defined below. Other terms used but not defined herein will have the meanings ascribed to them in the Act or in the Rules and Regulations of the FCC or the applicable state commission. The Parties acknowledge that other terms appear in this Agreement which are not defined or ascribed as stated above. The Parties agree that any such terms shall be construed in accordance with their customary usage in the telecommunications industry as of the Effective Date of this Agreement.
  - A. Act** means the Communications Act of 1934, as amended, including the Telecommunications Act of 1996 (Public Law 104-104 of the United States Congress effective February 8, 1996).
  - B. Commission** is defined as the appropriate regulatory agency in each state in which the parties intend this agreement to be effective; namely, Tennessee. In Tennessee the Tennessee Regulatory Authority (TRA) has jurisdiction to approve Interconnection Agreements between CMRS providers and LECs.



**C. Effective Date** is the date of approval of this Contract by the appropriate State Commission.

**D. Indirect Traffic** means traffic which is originated by one Party and terminated to the other Party in which a third-party carrier provides an intermediary transmission service.

**E. InterMTA Traffic** means telecommunications traffic between a LEC and a CMRS provider that, at the beginning of the call, originates in one Major Trading Area but terminates in a different Major Trading Area.

**F. Local Traffic** means, for purposes of reciprocal compensation under this Agreement, telecommunications traffic between the parties that, at the beginning of the call, originates and terminates within the same MTA, as defined in 47 C.F.R. 24.202.

**G. Local Interconnection** is defined for purposes of this Agreement as the delivery of Local Traffic to be terminated on each party's local network so that end users of either party have the ability to reach end users of the other party without the use of any access code or substantial delay in the processing of the call.

**H. Major Trading Area ("MTA")** means the largest FCC-authorized wireless license territory which serves as the definition for local service area for CMRS traffic for purposes of reciprocal compensation, as defined in 47 C.F.R. 24.202(a).

**I. Non-Local Traffic** means all traffic that is not Local Traffic, including access services, as described in section VI of this Agreement.

**J. Percent Local Usage (PLU)** is the ratio of the local minutes to the sum of local and interMTA minutes between the Parties sent over Local Interconnection Trunks. Directory assistance, BLV/BLVI, 900, 976, transiting calls from other exchange carriers and switched access calls are not included in the calculation of PLU.

**K. Transit Traffic** means Local or non-Local traffic that originated on one Party's network, transited through the other Party's network, and terminated to a third party telecommunications carrier's network.

## **II. Purpose**

The parties desire to enter into this Agreement consistent with all applicable federal, state and local statutes, rules and regulations in effect as of the date of its execution including, without limitation, the Act at Sections 251, 252 and 271.

### **III. Term of the Agreement**

**A.** The term of this Agreement shall be two years, beginning on the Effective Date.

**B.** Absent the receipt by one Party of written notice from the other Party at least ninety (90) days prior to the expiration of the Term to the effect that such Party does not intend to extend the Term of this Agreement, this Agreement shall automatically renew and remain in full force and effect on and after the expiration of the Term.

**C.** If pursuant to Section IIIB, above, this Agreement continues in full force and effect after the expiration of the Term, either Party may terminate this Agreement ninety (90) days after delivering written notice to the other Party of its intention to terminate this Agreement.

**D.** For any interconnection arrangements between the Parties that may already be in place prior to the Effective Date of this Interconnection Agreement, the Parties agree that, once this Agreement becomes effective, the previous interconnection arrangements shall be superceded in their entirety by this Interconnection Agreement, and the rates contained herein shall be applied, from the Effective Date forward, to all such previous interconnection arrangements.

**E.** In the event of default, either Party may terminate this Agreement in whole or in part provided that the non-defaulting Party so advises the defaulting Party in writing of the event of the alleged default and the defaulting Party does not remedy the alleged default within 60 days after written notice thereof. Default is defined to include:

(1) Either Party's insolvency or initiation of bankruptcy or receivership proceedings by or against the Party; or

(2) Either Party's material breach of any of the terms or conditions hereof, including the failure to make any undisputed payment when due.

**F.** Termination of this Agreement for any cause shall not release either Party from any liability which at the time of termination has already accrued to the other Party or which thereafter may accrue in respect to any act or omission prior to termination or from any obligation which is expressly stated herein to survive termination.

**G.** If upon expiration or termination of this Agreement other than pursuant to Section III E, above, the Parties are negotiating a successor agreement, during such period each Party shall continue to perform its obligations and provide the services described herein until such time as the latter agreement becomes effective; provided however, that if the Parties are unable to reach agreement within six (6) months after termination or expiration of this Agreement, either Party has the right to submit this matter to the Commission for resolution. The Parties expressly agree that the terms, conditions and rates of the successor agreement shall not be retroactive but shall apply only on a going-forward basis.

#### **IV. Intellectual Property**

**A.** Any intellectual property which originates from or is developed by a Party shall remain in the exclusive ownership of that Party. Except for a limited license to use patents or copyrights to the extent necessary for the Parties to use any facilities or equipment (including software) or to receive any service solely as provided under this Agreement, no license in patent, copyright, trademark, service mark or trade secret, or other proprietary or intellectual property right (collectively "Intellectual Property") now or hereafter owned, controlled or licensable by a Party, is granted to the other Party or shall be implied or arise by estoppel. It is the responsibility of LEC to ensure, at no separate or additional cost to Cingular, that LEC has obtained any necessary licenses (in relation to intellectual property of third parties used in LEC's network) to the extent of LEC's own use of facilities or equipment (including software) in the provision of service to LEC's end-user customers.

#### **V. Local Interconnection and Compensation**

**A.** The exchange of the parties' traffic on LEC's EAS routes shall be considered Local Traffic and compensation for the termination of such traffic shall be pursuant to the terms of this section. EAS routes are as defined in LEC's Tariff.

**B.** Each party will pay the other for terminating its Local Traffic (as defined in the Definitions Section of this Agreement) on the other's network the local interconnection rates as set forth in Exhibit 1. Charges for terminating traffic will be in accumulated conversation minutes, whole and partial, measured from receipt of answer supervision to receipt of disconnect supervision and rounded up to the next whole minute at the close of the billing period. Highland will include a traffic report showing both mobile-originated and landline-originated traffic with each monthly invoice. Cingular will bill Highland for landline-originated traffic based on Highland's traffic report, provided however, that if Highland fails to provide such report or if Cingular has reason to believe the report is not accurate, and if Cingular lacks measurement capability, Cingular will charge Highland a percentage of Highland's bill for the previous month for all usage. The initial percentage will assume that approximately 98% of the total traffic between the Parties is mobile-originated traffic terminated by LEC, as shown on Exhibit 1 attached hereto. Should Highland's traffic reports reflect a

material change in the ratio of land-to-mobile and mobile-to-land traffic, the foregoing traffic ratio will be adjusted by mutual agreement of the parties based upon an analysis of Highland's traffic reports.

**C.** If Cingular is not billing actual minutes of use, either party may request a state-specific traffic study, using a minimum of 60 days of traffic information, in an effort to derive an accurate approximation of the actual traffic volumes between the parties, the results of which will be used going forward. The parties will work together to produce such study. The requesting Party shall bear all costs of the study.

## **VI. Methods of Interconnection**

**A.** There are three appropriate methods of interconnecting facilities: (1) interconnection via purchase or lease of facilities from either party by the other party; (2) physical collocation; and (3) virtual collocation where physical collocation is not practical for technical reasons or because of space limitations. Type 1, Type 2A and Type 2B interconnection arrangements may be purchased pursuant to this Agreement provided, however, that such interconnection arrangements shall be provided at the rates, terms and conditions set forth in this Agreement. Rates and charges for both virtual and physical collocation will be provided in a separate collocation agreement.

**B.** The parties will accept and provide any of the preceding methods of interconnection. Reciprocal connectivity shall be established to at least one LEC access tandem within every LATA Cingular desires to serve, or Cingular may elect to interconnect directly at an end office for interconnection to end users served by that end office. Such interconnecting facilities shall conform, at a minimum, to the telecommunications industry standard of DS-1 pursuant to Bellcore Standard No. TR-NWT-00499. Signal transfer point, Signaling System 7 ("SS7") connectivity is required at each interconnection point after LEC implements SS7 capability within its own network. LEC will provide out-of-band signaling using Common Channel Signaling Access Capability in accordance with the technical specifications set forth in Technical Publication, TR-TSV-000905. The parties facilities' shall provide the necessary on-hook, off-hook answer and disconnect supervision and shall hand off calling party number ID when technically feasible. In the event a party interconnects via the purchase of facilities and/or services from the other party, the appropriate LEC intrastate tariff, as amended from time to time will apply. In the event that such facilities are used for two-way interconnection, the appropriate recurring charges for such facilities will be shared by the parties based upon percentages equal to the actual percentage of traffic on such facilities. If actual percentage cannot be measured, the Parties agree to use the following percentages: LEC 2%, Cingular 98%, as shown in Exhibit 1 attached hereto.

**C.** The parties will establish trunk groups from the interconnecting facilities of subsection (A) of this section such that each party provides a reciprocal of each

trunk group established by the other party. Notwithstanding the foregoing, each party may construct its network, including the interconnecting facilities, to achieve optimum cost effectiveness and network efficiency. LEC's treatment of Cingular as to said charges shall be consistent with LEC'S treatment of other local exchange or CMRS carriers for the same charges. Unless otherwise agreed, LEC will provide or bear the cost of all trunk groups for the delivery of Local Traffic from LEC to Cingular's Mobile Telephone Switching Offices within LEC's service territory, and Cingular will provide or bear the cost of all trunk groups for the delivery of traffic from Cingular to the point of interconnection for a LEC access tandem or end office at which the parties interconnect. The Parties will bear the cost of trunk groups carrying transit traffic in proportion to the amount of transit traffic originated by each Party. Notwithstanding the foregoing, the Parties may use two-way trunks, in which case, the cost will be shared as provided in paragraph B of this section.

**D.** LEC agrees that in cases of LEC tandem exhaust, Cingular may employ a Type 2B connection directly to the appropriate LEC end office, and that LEC will bear the entire cost of such interconnection.

**E.** The parties will use a PLU factor of 90% (as shown on Exhibit 1 attached hereto) as a method for determining whether traffic is Local or Non-Local. The PLU factor will be used for traffic delivered by either party for termination on the other party's network.

**F.** When an Interexchange Carrier ("IXC") is used to transport traffic between the parties, each party will provide its own access services to the IXC. If access charges are billed, each party will bill its own access service rates to the IXC.

## **VII. Non-Local Traffic Interconnection**

**A.** The parties agree to exchange Non-Local Traffic pursuant to a Bill & Keep arrangement. Non-Local Traffic is deemed to be in balance and/or negligible. Either party may request reconsideration and renegotiation of the compensation arrangements for Non-Local Traffic if it believes that the volume of such traffic has increased to a significant level and is no longer in balance. If the parties agree to replace the Bill & Keep arrangements with reciprocal compensation arrangements, the preferred method of classifying and billing traffic shall be actual traffic measurements. If either party cannot identify and measure Non-Local Traffic, then the parties shall agree on a surrogate method of classifying and billing such traffic, taking into consideration the territory served (e.g., MTA boundaries, LATA boundaries and state boundaries) and traffic routing of the parties.

## **VIII. Billing**

**A.** Charges and Payment

(1). In consideration of the services provided under this Agreement, the Parties shall pay the charges set forth in Exhibit I.

(2). The Parties shall pay invoices within 30 days from the Bill Date. If the payment due date is a Saturday, Sunday or a designated bank holiday, payment shall be made the next business day. Invoices shall be sent to:

Highland  
Highland Telephone Coop., Inc.  
P.O. Box 119  
Sunbright, TN 37872  
Attention: A/P

Cingular  
Cingular Wireless  
5600 Glenridge Dr.  
Mail Code G301  
Atlanta, GA 30342  
Attention: Kathie Kerr  
Mgr. – Facilities Administration

or such other address as the parties may designated to one another on at least thirty (30) days prior written notice.

(3). Billed amounts which are being investigated, queried, or for which claims have been or may be filed, are not due for payment until such investigations, claims, or queries have been resolved in accordance with the provisions governing dispute resolution of this Agreement. Disputed amounts will not be paid into an escrow account. All bill disputes must be raised within 24 months of the date of issuance of the disputed bill. If the billing dispute is finally resolved in favor of the billing Party, late payment charges (pursuant to the immediately following paragraph) shall accrue from the date payment was originally due.

(4). The Parties will assess late payment charges to each other in accordance with the applicable tariff or, if there is no tariff, the Billing Party will assess a late payment charge equal to the lesser of 1% per month or the maximum rate allowed by law per month of the balance due, until the amount due, including late payment charges, is paid in full.

(5) All charges under this agreement shall be billed within one year from the time the charge was incurred; previously unbilled charges more than one year old shall not be billed by either party, and shall not be payable by either party.

#### **B. Third-Party Billing**

(1) Each Party acknowledges that it is the originating Party's responsibility to enter into compensation arrangements with the third-party carrier to which Transit Traffic is terminated. Each Party acknowledges that the transited Party does not have any responsibility to pay any third-party Telecommunications Carrier charges owed by the originating party

to the terminating carrier for termination of any identifiable Transit Traffic from the originating Party. Both Parties reserve the right not to pay such charges on behalf of the originating Party.

(2) Each terminating Party is responsible for billing the originating company for traffic terminated on its network. For Indirect Traffic, the originating Party will provide the originating billing information to the terminating Party if technically feasible. If the originating Party cannot provide the originating billing information to the terminating Party, then the terminating Party must obtain the originating billing information from the third-party intermediary. It is each Party's responsibility to enter into appropriate contractual arrangements with the third-party intermediary company in order to obtain the originating billing information from the intermediary company.

(3) When a third party's tandem and/or transit service is used to interconnect the Parties, measurements provided by the third party may be used to determine the traffic volumes between the Parties.

(4) The Parties agree to conform to MECAB and MECOD guidelines for meet-point billing arrangements.

(5) No discrete development charges shall be imposed on either Party for the establishment of standard meet-point billing arrangements.

**C. Exchange of Records**

(1) The Parties agree to exchange records, for billing purposes, based upon standards mutually agreed to by the Parties. The Parties further agree they will work toward implementing a record exchange process in accordance with industry standards.

(2) The Parties agree that, until industry standards are developed, they will communicate all billing and record format information through non-industry standard processes. The Parties further agree to pursue the development of systems to manage these processes in the future. Upon development of industry standards, both Parties agree to work towards implementation of these standards.

(3) The Parties agree to exchange test files to support implementation of billing prior to live bill production. The Parties agree to provide a report of actual measured traffic or a PLU report in an agreed-upon format on a quarterly basis unless otherwise mutually agreed arrangements are made.

**IX. Access to 911/E911 Emergency Network**

**A.** LEC will route 911 calls received from Cingular to the emergency agency designated by Cingular for such calls.

## **X. SS7**

**A.** Where available, LEC will provide and implement all defined and industry supported SS7 mandatory parameters as well as procedures in accordance with ANSI standards to support SS7 signaling for call setup for the interconnection trunks. To the extent LEC provides ANSI optional parameters for its own use, LEC shall provide the same to Cingular for Cingular's review.

**B.** In the event SS7 facilities are not available, Cingular may, at its option, obtain multifrequency signaling.

**C.** Where available, LEC agrees to provide carrier identification parameter (CIP) within Cingular's SS7 call set-up signaling protocol at no charge.

**D.** LEC shall support intercompany 64 KBPS clear channel where it provides such capability to its end users.

**E.** The Parties will cooperate in the exchange of TCAP messages to facilitate full inter-operability of SS7-based features between their networks, including all CLASS features and functions, to the extent each Party offers such features and functions to its own end users.

## **XI. Network Design and Management**

**A.** The parties will work cooperatively to install and maintain reliable interconnected telecommunications networks, including but not limited to, maintenance contact numbers and escalation procedures. LEC will provide written notice to Cingular of changes in the information necessary for the transmission and routing of services using its local exchange facilities or networks, as well as of any other changes that would affect the interoperability of those facilities and networks.

(1) Each Party shall provide a 24-hour contact number for network traffic management issues to the other's surveillance management center. A fax number must also be provided to facilitate event notifications for planned mass calling events. The Parties shall agree upon appropriate network traffic management control capabilities.

(2) Each Party has the duty to alert the other to any network events that can result or have resulted in service interruption, blocked calls, or negative changes in network performance. Major failures that will be reported are defined as follows:

(a) Any cable or electronics outage that affects 50% or more of the in-service lines of a central office or 1,000 access lines, whichever is less with a duration of two minutes or more.



(b) Toll or EAS isolation of an entire exchange with a duration of two minutes or more.

(c) Any digital cross connect or fiber optic complete system failure lasting two minutes or more.

**B.** The interconnection of all networks will be based upon accepted industry/national guidelines for transmission standards and traffic blocking criteria.

**C.** The parties will work cooperatively to apply sound network management principles by invoking appropriate network management controls to alleviate or prevent network congestion.

**D.** Neither party intends to charge rearrangement, reconfiguration, disconnection, termination or other non-recurring fees that may be associated with the initial reconfiguration of either party's network interconnection arrangement contained in this Agreement.

**E.** The parties will provide Common Channel Signaling (CCS) information to one another, where available and technically feasible, in conjunction with all traffic in order to enable full interoperability of CLASS features and functions except for call return. All CCS signaling parameters will be provided, including automatic number identification (ANI), originating line information (OLI) calling party category, charge number, etc. All privacy indicators will be honored, and the parties agree to cooperate on the exchange of Transactional Capabilities Application Part (TCAP) messages to facilitate full interoperability of CCS-based features between the respective networks.

**F.** The parties will provide each other with the proper call information, including all proper translations for routing between networks and any information necessary for billing.

**G.** The Parties agree to offer and provide to each other B8ZS Extended Superframe Format ("ESF") facilities, where available, capable of voice and data traffic transmission.

**H.** Each Party is responsible for the transport of originating calls from its network to the relevant, mutually agreed upon point of interconnection, and each Party will ensure that its facilities are compatible with the mutually agreed upon transmission and facility specifications.

**I.** LEC will process Cingular maintenance requests at parity with the manner in which LEC processes its own maintenance requests or maintenance requests or its affiliates.

J. LEC will ensure that all applicable alarm systems that support Cingular customers are operational and the support databases are accurate. LEC will respond to Cingular customer alarms at Parity with response to alarms for its own carrier customers.

K. Parties shall provide prior notification of any scheduled maintenance activity performed by the Parties that may be service affecting to the other Party.

## **XII. Auditing Procedures**

A. Upon thirty (30) days written notice, each party must provide the other the ability and opportunity to conduct an annual audit to ensure the proper billing of traffic between the parties. The parties will retain records of call detail for a minimum of nine months from which the PLU, the percent intermediary traffic, the percent interMTA traffic, and the PIU can be ascertained. The audit shall be accomplished during normal business hours at an office designated by the party being audited and shall be subject to scope and duration limitations reasonable under the circumstances. Audit requests shall not be submitted more frequently than one (1) time per calendar year. Audits shall be performed by a mutually acceptable independent auditor paid for by the party requesting the audit. The PLU, the percent intermediary traffic, the percent interMTA traffic and the PIU shall be adjusted based upon the audit results and shall apply to the usage for the quarter the audit was completed, the usage for the quarter prior to the completion of the audit, and to the usage for all subsequent quarters unless and until a subsequent audit is completed. . The term "audit" does not include traffic studies.

## **XIII. Limitation of Liability**

A. Except as otherwise provided for in this paragraph, neither party shall be liable to the other party for any indirect, incidental, consequential, reliance, punitive, or special damages suffered by the other party (including without limitation damages for harm to business, lost revenues, lost savings, or lost profits suffered by the other party), regardless of the form of action, whether in contract, warranty, strict liability, or tort, including without limitation negligence of any kind whether active or passive, and regardless of whether the parties knew of the possibility that such damages could result. The foregoing shall not limit a Party's obligation as set out in this Agreement to indemnify, defend, and hold the other Party harmless against amounts payable to third parties. Notwithstanding the foregoing, in no event shall either Party's liability to the other for direct damages arising out of (1) a material breach of this Agreement, or (2) activities related to or involved in performance under this Agreement (whether such alleged damages in this second category arise in contract or tort) shall not exceed an amount equal to the proportionate charge for the affected service(s) during the period in which damages occurred. If that standard is not applicable, such damages shall not exceed the total amount billed under this Agreement (during the calendar year(s) in which the damage occurred) by the damaged Party to the other Party.

**B.** EXCEPT AS SPECIFICALLY PROVIDED TO THE CONTRARY IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES TO THE OTHER PARTY CONCERNING THE SPECIFIC QUALITY OF ANY SERVICES, OR FACILITIES PROVIDED UNDER THIS AGREEMENT. THE PARTIES DISCLAIM, WITHOUT LIMITATION, ANY WARRANTY OR GUARANTEE OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING, OR FROM USAGES OF TRADE.

**C.** Neither party shall be liable to the other for any act or omission of any other telecommunications company providing a portion of a service under this Agreement.

#### **XIV. Indemnity**

**A.** Each party shall be indemnified, defended and held harmless by the other party against any claim, loss or damage arising from the other party's negligent or grossly negligent acts or omissions under this Agreement, or arising from the other party's intentional misconduct under this Agreement, including without limitation: 1) Claims for libel, slander, invasion of privacy, or infringement of copyright arising from the other party's own communications; 2) Claims for infringement of Intellectual Property arising from combining or using the service furnished by either party in connection with facilities or equipment furnished by either party or either party's customer; or 3) all other claims arising out of an act or omission of the other party in the course of performance pursuant to this Agreement.

**B.** In the case of any Loss alleged or claimed by an end user customer of either Party, the Party whose end user customer alleged or claimed such Loss shall defend and indemnify (whether the indemnifying Party was at fault or not) the other Party against any and all such claims or losses by its end user customer unless the claim or loss was caused by the gross negligence or willful misconduct of the Party to be indemnified.

#### **XV. Modification of Agreement**

**A.** No modification, amendment, supplement to, or waiver of the Agreement or any of its provisions shall be effective and binding upon the Parties unless it is made in writing and duly signed by the Parties.

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

days after such notice, the Dispute may be referred to the Dispute Resolution procedure set forth herein.

(1) The Parties recognize and agree that LEC may, at any time during the term of this contract, avail itself of the intercarrier compensation rates established by the FCC in In re Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, CC Docket No. 96-98 and CC Docket No. 99-68, FCC 01-131, Adopted: April 18, 2001, Released: April 27, 2001. If LEC avails itself of such rates with any carrier (including wireless providers) in the state in which this agreement is filed, then LEC must give notice to Cingular and offer such rates to Cingular. Once such notice is given, the Parties shall negotiate in good faith such new terms as may be required to implement the provisions of the above-described order. The new rates between LEC and Cingular will become effective upon the date that LEC first avails of such rates with any carrier (including wireless providers) in the state in which this agreement is filed.

C. If any provision of this Agreement shall be held invalid, the remainder of the Agreement shall remain valid. Moreover, the Parties shall attempt to reformulate such invalid provision to give effect to such portions thereof as may be valid without defeating the intent of such provision.

## **XVI. Taxes and Fees**

A. Any Federal, state or local excise, license, sales, use, or other taxes or tax-like charges (excluding any taxes levied on income) resulting from the performance of this Agreement shall be borne by the Party (the "Paying Party") upon which the obligation for payment is imposed under applicable law, even if the obligation to collect and remit such taxes is placed upon the other Party (the "Remitting Party"). Any such taxes shall be shown as separate items on applicable billing documents between the Parties. The Remitting Party shall collect and remit taxes unless the Paying Party provides the Remitting Party with the required evidence of exemption. The Paying Party 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 the Paying Party shall not permit any lien to exist on any asset of the Remitting Party by reason of the contest. The Remitting Party shall cooperate fully in any such contest by the Paying Party by providing records, testimony and such additional information or assistance as may reasonably be necessary to pursue the contest. The Remitting Party shall promptly notify the Paying Party of any audit of the Remitting Party with respect to the types of taxes borne by the Paying Party, and the Remitting Party shall give the Paying Party an opportunity to participate in the audit with respect to such taxes and shall keep the Paying Party fully informed as to the progress of the audit. Each Party shall bear its own expenses with respect to the audit. The Remitting Party shall be liable for any additional tax, penalties or interest imposed on account of its failure to remit taxes on a timely basis, unless it has done so at the direction of the Paying Party.

## **XVII. Treatment of Proprietary and Confidential Information**

**A.** It may be necessary for either Party, each as the "Discloser," to provide to the other Party, as "Recipient," certain proprietary and confidential information (including trade secret information) including but not limited to technical, financial, marketing, staffing and business plans and information, strategic information, proposals, request for proposals, specifications, drawings, maps, prices, costs, costing methodologies, procedures, processes, business systems, software programs, techniques, customer account data, call detail records and like information (collectively the "Information"). Nothing in this agreement shall be deemed proprietary. All such Information conveyed in writing or other tangible form shall be clearly marked with a confidential or proprietary legend. Information conveyed orally by the Discloser to Recipient shall be designated as proprietary and confidential at the time of such oral conveyance, shall be reduced to writing by the Discloser within forty-five (45) days thereafter, and shall be clearly marked with a confidential or proprietary legend.

**B.** Use and Protection of Information. Recipient agrees to protect such Information of the Discloser provided to Recipient from whatever source from distribution, disclosure or dissemination to anyone except employees of Recipient with a need to know such Information solely in conjunction with Recipient's analysis of the Information and for no other purpose except as authorized herein or as otherwise authorized in writing by the Discloser. Recipient will not make any copies of the Information inspected by it.

**C.** Exceptions. Recipient will not have an obligation to protect any portion of the Information which: (a) is made publicly available by the Discloser or lawfully by a nonparty to this Agreement; or (b) is lawfully obtained by Recipient from any source other than Discloser; or (c) is previously known to Recipient without an obligation to keep it confidential; or (d) is released from the terms of this Agreement by Discloser upon written notice to Recipient, or (e) is disclosed pursuant to a valid order of court or regulatory body, provided the recipient gives the Discloser prior written notice of such order.

**D.** Recipient agrees to use the Information solely for the purposes of negotiations pursuant to 47 U.S.C. 251 or in performing its obligations under this Agreement and for no other entity or purpose, except as may be otherwise agreed to in writing by the Parties. Nothing herein shall prohibit Recipient from providing information requested by the Federal Communications Commission or a state regulatory agency with jurisdiction over this matter, or to support a request for arbitration or an allegation of failure to negotiate in good faith.

**E.** Recipient agrees not to publish or use the Information for any advertising, sales promotions, press releases, or publicity matters that refer either directly or indirectly to the Information or to the Discloser or any of its affiliated companies.

**F.** The disclosure of Information neither grants nor implies any license to the Recipient under any trademark, patent, copyright, or application which is now or may hereafter be owned by the Discloser.

**G** All Proprietary Information shall remain the property of the Discloser, and all documents or other tangible media delivered to the Recipient that embody such Proprietary Information shall be, at the option of the Discloser, either promptly returned to Discloser or destroyed using appropriate and reasonable means, 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 Recipient's need for it has expired and (ii) the expiration or termination of this Agreement.

**H.** The Parties agree that an impending or existing violation of any provision of this Section would cause the Discloser irreparable injury for which it would have no adequate remedy at law, and agree that Discloser 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 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.

**I.** Survival of Confidentiality Obligations. The Parties' rights and obligations under this Section 10 shall survive and continue in effect until two (2) years after the expiration or termination date of this Agreement with regard to all Information exchanged during the term of this Agreement.

## **XVIII. Resolution of Disputes**

**A.** If a dispute arises under this Agreement, including disputes relating to any portion of an amount due to a Party, the Disputing Party shall give written notice of the dispute to the other Party. If the Parties are unable to resolve the issues within 30 days after delivery of Notice, each of the Parties shall appoint a designated representative who has authority to settle the dispute and who is at a higher level of management than the persons with direct responsibility for administration of this Agreement. The designated representatives shall meet as often as they reasonably deem necessary in order to discuss the dispute and negotiate in good faith in an effort to resolve such dispute. The specific format for such discussions will be left to the discretion of the designated representatives, provided, however, that all reasonable requests for relevant information made by one Party to the other Party shall be honored.

**B.** If the Parties are unable to resolve the dispute within 90 days after the Parties' appointment of designated representatives, then either Party may file a complaint with the Commission to resolve such issues or proceed with any other remedy at law or in equity. The prevailing Party shall be entitled to recover its

attorneys' fees and costs. Moreover, each party reserves the right to seek judicial review of any ruling made by the Commission concerning this Agreement.

#### **XIX. Waivers**

Any failure by either party to insist upon the strict performance by the other party of any of the provisions of this Agreement shall not be deemed a waiver of any of the provisions of this Agreement, and each party, notwithstanding such failure, shall have the right thereafter to insist upon the specific performance of any and all of the provisions of this Agreement.

#### **XX. Assignment**

Other than to an affiliate, neither party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other party, which will not be unreasonably withheld. Notice of assignment must be given at least 60 days in advance of the proposed assignment.

#### **XXI. Amendment**

This Agreement may not be amended in any way except upon written consent of the parties.

#### **XXII. Severability**

In the event that any provision of this Agreement shall be held invalid, illegal, or unenforceable, it shall be severed from the Agreement and the remainder of this Agreement shall remain valid and enforceable and shall continue in full force and effect; provided however, that if any severed provisions of this Agreement are essential to any party's ability to continue to perform its material obligations hereunder, the parties shall immediately begin negotiations of new provisions to replace the severed provisions.

#### **XXIII. Survival**

Any liabilities or obligations of a party for acts or omissions prior to the cancellation or termination of this Agreement, any obligation of a party under the provisions regarding indemnification, confidential information, limitations of liability and any other provisions of this Agreement which, by their terms, are contemplated to survive (or be performed after) termination of this Agreement, shall survive cancellation or termination thereof.

#### **XXIV. Governing Law**

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the state in which it is filed, and by the Communications Act of 1934 as amended by the Act.

## **XXV. Arm's Length Negotiations**

This Agreement was executed after arm's length negotiations between the undersigned parties and reflects the conclusion of the undersigned that this Agreement is in the best interests of all parties.

## **XXVI. Filing of Agreement**

Upon execution of this Agreement it shall be filed with the appropriate state regulatory agency pursuant to the requirements of Section 252 of the Act.

## **XXVII. Notices**

**A.** Every notice, consent, approval, or other communications required or contemplated by this Agreement shall be made in one of two manners:

(1) in writing, delivered by certified or registered mail, or

(2) by facsimile transmission, provided that a paper copy is also sent by certified or registered mail.

**B.** All notices, consents, approvals or other communications required or contemplated by this Agreement shall be made to the following addresses:

### **Highland**

Highland Telephone Coop., Inc.  
P.O. Box 119  
Sunbright, TN 37872  
Attention: James H. Hamby  
Information Systems Manager

### **Cingular**

Cingular Wireless  
5565 Glenridge Connector  
Atlanta, Georgia 30342  
Attention: Sr. Interconnection  
Manager

With a copy to:

Cingular Wireless  
5565 Glenridge Connector  
Atlanta, Georgia 30342  
Attention: General Counsel

or at such other address as the intended recipient previously shall have designated by written notice to the other party.

**C.** Notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent. Notice by facsimile shall be effective on the date set forth on the confirmation produced by the receiving facsimile machine when received prior to 5:00 p.m. in the recipient's time zone, but the next business day when received at 5:00 p.m. or later in the recipient's time zone.



## **XXVIII. Relationship of Parties**

It is the intention of the Parties that each shall be an independent contractor and 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.

## **XXIX. No Third Party Beneficiaries**

The provisions of this Agreement are for the benefit of the Parties hereto and not for any other person, and this Agreement shall not provide any person not a Party hereto with any remedy, claim, liability, reimbursement, right of action, or other right in excess of those existing without reference hereto. Nothing in this Agreement shall be construed to prevent Cingular from providing services to or obtaining services from other carriers.

## **XXX. Force Majeure**

Neither Party shall be held liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, power blackouts, strikes, work stoppage affecting a supplier or unusually severe weather. No delay or other failure to perform shall be excused pursuant to this Section unless delay or failure and consequences thereof are beyond the control and without the fault or negligence of the Party claiming excusable delay or other failure to perform. In the event of any such excused delay in the performance of a Party's obligation(s) under this Agreement, the due date for the performance of the original obligation(s) shall be extended by a term equal to the time lost by reason of the delay. In the event of such delay, the delayed Party shall perform its obligations at a performance level no less than that which it uses for its own operations. In the event of such performance delay or failure by LEC, LEC agrees to resume performance in a nondiscriminatory manner and not favor its own provision of telecommunications services above that of Cingular.

## **XXXI. Restoration of Service In The Event Of Outages**

**A.** LEC shall perform restoration of network elements and services in the event of outages due to equipment failures, human error, fire, natural disaster, acts of God, or similar occurrences at Parity. All service shall be restored as expeditiously as practicable and in a non-discriminatory manner.

**B.** The Parties will provide each other with a Single Point of Contact, available twenty-four hours per day, seven days a week, for all maintenance and service problem communications.

**C.** The parties will establish an escalation procedure for dealing with maintenance and service problem issues.

D. The Parties agree that, in cases of service outage or other service problems, Cingular shall receive higher priority than LEC's end user customers.

### XXXII. Service Projections

The Parties will provide non-binding two-year intercompany forecasts for traffic utilization over trunk groups. These forecasts shall be updated semi-annually or at other standard intervals as mutually agreed to by both Parties.

### XXXIII. Quality of Service

A. Interconnection quality of service shall be at Parity with that provided by LEC for its own services.

B. A blocking standard of 1% during the average busy hour shall be maintained for all local interconnection facilities.

C. The Parties shall negotiate a process to expedite network augmentations and other orders when initiated by the other Party.

D. The Parties will mutually develop operating statistical process measurements to ensure that a negotiated service quality level is maintained. Such statistics will be exchanged under an agreed upon schedule.

### XXXIV. Entire Agreement

This Agreement and its Exhibit, incorporated herein by this reference, sets forth the entire understanding and supersedes prior agreements between the parties relating to the subject matter contained herein and merges all prior discussions between them, and neither party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement. In the event of any conflict between the term(s) of this Agreement and those of an applicable tariff, the terms of this Agreement shall control.

**Cingular**  
BellSouth Personal Communications, LLC

By: Monica L. Galvin

*MVG*  
Monica L. Galvin  
Name

Executive Director – Wholesale Services

Title 8/28/01

Date

**LEC**  
Highland Telephone Cooperative, Inc.

By: James H. Hamby

James H. Hamby  
Name

Information Systems Manager

Title 8/20/01

Date

*ok,  
CW*

## **EXHIBIT 1**

The following are specific percentages and compensation rates agreed to by the Parties:

1. Local interconnection rate for termination of local traffic (Paragraph V-B): \$0.015 per MOU (Minute of Use).
2. 98% of the total traffic between the Parties is mobile-originated traffic terminated by LEC (Paragraph V-B).
3. If actual percentages cannot be measured, for purposes of determining the sharing of nonrecurring charges on two-way trunks, 98% of the total traffic between the Parties is mobile-originated traffic terminated by LEC, and 2% of the total traffic between the Parties is LEC-originated traffic terminated by Cingular (Paragraph VI-B).
4. The Parties agree to a PLU factor of 90% (Paragraph VI-D).