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MUTUAL TRAFFIC EXCHANGE AGREEMENT

BY AND BETWEEN

UNITED TELEPHONE COMPANY, INC.

AND

TELCOVE OPERATIONS, INC.

NOVEMBER 15, 2006

TRA Docket No. 06-00312

MUTUAL TRAFFIC EXCHANGE AGREEMENT

This Mutual Traffic Exchange Agreement ("Agreement") is effective as of the 15 day of November 2006 (the "Effective Date"), by and between United Telephone Company, Inc. ("ILEC"), a corporation organized under the laws of the State of Tennessee, with offices at 120 Taylor Street, Chapel Hill, Tennessee 37034 and TelCove Operations, Inc. ("CLEC"), a Delaware corporation with offices at 121 Champion Way, Canonsburg, Pennsylvania 15317, on its own and on behalf of its affiliates. ILEC and CLEC are referred to collectively herein as the "Parties."

WHEREAS, CLEC is a Competitive Local Exchange Carrier authorized by the Tennessee Regulatory Authority to provide telecommunications services within its certified area in the State of Tennessee;

WHEREAS, ILEC is an Incumbent Local Exchange Carrier in the State of Tennessee;

WHEREAS, CLEC and ILEC wish to establish an arrangement for the continued exchange of such traffic between their networks;

WHEREAS, The Parties acknowledge that ILEC is a rural telephone company (as defined in 47 U.S.C. § 153). By voluntarily entering into this Agreement, ILEC, as a rural telephone company, is not waiving its rights under 47 U.S.C. § 251 (f) of the Act; and

WHEREAS, CLEC is not requesting services pursuant to 47 U.S.C. § 251(c) and the Parties agree that the services provided under this Agreement are provided by each party pursuant to 47 U.S.C. § 251(a) and (b);

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 ILEC hereby agree as follows:

1.0 DEFINITIONS

As used in this Agreement, the following terms shall have the meanings specified below:

- 1.1 "Act", as used in this Agreement, means the Communications Act of 1934 (47 U.S.C. Section 151 et seq.), as amended, and as from time to time interpreted in the duly authorized rules and regulations of the Federal Communications Commission ("FCC") or the Commission.
- 1.2 "Commission" means the Tennessee Regulatory Authority.

- 1.3 "Common Channel Signaling System No. 7" (i.e., "SS7" or "CCS") is the common channel out-of-band signaling protocol developed by the Consultative Committee for International Telephone and Telegraph (CCITT) and the American National Standards Institute (ANSI). ILEC and CLEC currently utilize this out-of-band signaling protocol.
- 1.4 "DS1" is a digital signal rate of 1.544 Megabits per second ("Mbps").
- 1.5 "DS3" is a digital signal rate of 44.736 Mbps.
- "Extended Area Service Traffic" or "EAS Traffic" is defined for all purposes under this Agreement as telecommunications traffic that is originated by an end user customer of one Party, that is physically located in one Exchange, and terminates to an end user customer of the other Party, that is physically located in another Exchange, where the originating and terminating Exchanges have EAS between them. The "Local Service Areas" between which EAS Traffic may be exchanged pursuant to this Agreement is described in Appendix A to this Agreement. The terms Exchange and EAS are defined and specified in ILEC's General Subscriber Services Tariff.
- 1.7 "Interexchange Toll Traffic" means, regardless of the transport protocol that may be used, two-way interexchange traffic between the networks of the Parties that is not subject to terms applicable to a local calling scope established by the Commission or ILEC tariff service offering to be treated as non-toll traffic.
- 1.8 "Internet Protocol Connection" ("IPC") is the connection between the IP-Enabled Service Provider and the customer where end user information is originated or terminated utilizing Internet protocol.
- 1.9 "ISP-Bound Traffic" is defined as calls to a provider of Internet Services or information services and which, for purposes of inter-carrier compensation, in the absence of this Agreement, would be subject to the FCC's Order on Remand and Report and Order, FCC 01-131, CC Docket Nos. 96-98 and 99-68 as modified or amended. ISP-bound Traffic does not include Internet Protocolenabled, real time, multi-directional voice calls.
- 1.10 "Jurisdictional Indicator Parameter" ("JIP") is an existing six (6) digit (NPA-NXX) field in the SS7 message which designates the first point of switching.
- 1.11 "Local Calling Area" means one or more exchanges, as specified in ILEC's tariff or as established by the Commission, within which any End User customer of ILEC or of another Local Exchange Carrier may, on a non-optional basis, make a call to any other such End User without incurring a toll charge.
- 1.12 "Local Traffic" means, regardless of the transport protocol that may be used, twoway telephone exchange traffic exchanged between the Parties that originates and

- terminates within the ILEC Local Calling Area and includes any other traffic mandated by the Commission to be treated as non-toll traffic.
- 1.13 "Party" means either CLEC or ILEC, and "Parties" means CLEC and ILEC.
- 1.14 "Point(s) of Interconnection" or "POI(s)" means the physical location(s) within ILEC's network, at which the Parties' networks meet for the purpose of exchanging Local Traffic, EAS Traffic and ISP-Bound Traffic.
- 1.15 "Rate Center" means the specific geographic point and corresponding geographic area or Exchange that is associated with one or more NPA/NXX codes that have been assigned to an incumbent LEC for its provision of telecommunications service.
- 1.16 "Telecommunications Carrier" means any provider of telecommunications services, except that such term does not include aggregators of telecommunications services. A telecommunications carrier shall be treated as a common carrier under the Telecommunications Act only to the extent that it is engaged in providing telecommunications services.
- 1.17 "Telecommunications Service" means the offering of telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.
- 1.18 "VoIP" means any IP-enabled, real-time, multidirectional voice call, including, but not limited to, service that mimics traditional telephony. IP-Enabled Voice Traffic includes:
 - (i) Voice traffic originating on Internet Protocol Connection ("IPC"), and which terminates on the PSTN; and
 - (ii) Voice traffic originated on the PSTN, and which terminates on IPC.

2.0 SCOPE

- 2.1 ILEC and CLEC agree to mutually exchange traffic between their respective networks and enter into an arrangement accordingly, whereby Local Traffic, EAS Traffic and ISP-Bound Traffic, as defined in this Agreement, that is originated on ILEC' or CLEC's network by ILEC' end user customers or CLEC's end user customers respectively and is terminated to a ILEC or CLEC end user customer can be completed. In order to accomplish this in an appropriate manner, the Parties agree to the terms and conditions contained in this Agreement.
- 2.2 Both parties shall adhere to the North American Numbering Plan as described and understood in the telecommunications industry. Each Party shall route Local, EAS and ISP-

Bound Traffic from its network to the other Party's network over the interconnection facilities. Each Party shall be responsible for updating the LERG to reflect the NPA-NXX codes assigned to that Party.

- 2.3 ILEC has no obligation to establish interconnection service arrangements to enable CLEC to provide solely Information Services. CLEC agrees that it is requesting and will use this arrangement for purposes of providing mainly Telecommunications Services and that any provision of Information Services by CLEC will be incidental to CLEC's provision of Telecommunications Services.
- 2.4 The FCC has several open dockets regarding the appropriate treatment and compensation for VoIP/IP-Enabled services. Neither Party waives its rights to participate and fully present its respective positions in any proceeding before the Commission, FCC or other authority with jurisdiction dealing with VoIP traffic. The Parties agree to abide by the rulings of the FCC in regard to compensation for VoIP traffic once effective and final (that is no longer subject to appeal). Pursuant to the Change in Law provisions in Section 12.7 of this Agreement, the Parties also agree to renegotiate this sub-section to comply with such FCC rulings.
 - 2.4.1 The Parties acknowledge that under current network and service arrangements, some ISP-Bound Traffic may be switched and transported as if this ISP-Bound Traffic is Local Traffic or EAS Traffic. The Parties will treat ISP-Bound Traffic under the following conditions until such time as a regulatory authority, court, or legislative body addresses the proper treatment of this traffic: the parties shall assume that they are exchanging with one another an equal amount of ISP-Bound Traffic at an agreed upon termination rate; and the parties will utilize the interconnection facilities to exchange the ISP-Bound Traffic. The switching and transport of ISP-Bound Traffic over EAS facilities by either Party, however, will not be deemed or construed by either party as either agreement or acknowledgment by the Parties that this arrangement is proper or required. In the event that the manner in which ISP-Bound Traffic is or may be treated is determined with finality by an appropriate regulatory or legal body, or in the event that any action or decision of an appropriate regulatory or legal body results in a determination that the interim treatment of ISP-Bound Traffic pursuant to this Subsection is unlawful or improper, the Parties will negotiate in good faith immediate modification and/or replacement language to this Agreement to effect new terms and conditions consistent with any such lawful action or determination. Any new or modified terms will be effective with the effective date of any such lawful action or determination regarding the treatment of ISP-Bound Traffic between the Parties.
- 2.4.2 As a result of the agreement set forth in Section 2.4.1 above, neither Party will owe a net due amount to the other Party for terminating ISP-Bound Traffic including, but not limited to, compensation for switching, transport or termination of ISP-Bound Traffic.
- 2.4.3 The Parties will cooperate fully in identifying ISPs and ISP-Bound Traffic exchanged between the Parties. Each Party will provide to the other Party a monthly listing of all known ISPs and associated NPA-NXXs to which ISP-Bound Traffic is switched.

- 2.4.4 In the event that the exchange of ISP-Bound Traffic results in a need for the deployment of additional facilities, the Party with which an ISP is connected ("ISP Serving Party") will be responsible for providing reasonable compensation to the other Party for the cost of additional trunking facilities provided by the other Party that are necessary solely to originate calls to ISPs connected to the ISP Serving Party. Furthermore, if one Party decides to provide services solely to ISPs, then the Party with which the ISPs are connected ("ISP Serving Party") will provide reasonable compensation to the other Party for any and all trunking facilities that the other Party is required to install to originate traffic to the ISPs connected to the ISP Serving Party.
- 2.5 For the purposes of this Agreement, VoIP/IP-Enabled traffic will be treated similarly to other voice traffic covered by this Agreement, and the originating point of the VoIP/IP-Enabled traffic for the purpose of jurisdictionally rating traffic is the physical location of the calling party, *i.e.* the geographical location of the IPC. Signaling information associated with VoIP/IP-Enabled traffic must comply with Sections 3.3.3 and 3.3.4 of this Agreement.

3.0 SERVICE ARRANGEMENT

- 3.1 Exchange of Local, EAS Traffic and ISP-Bound Traffic:
- 3.1.1 The Parties agree to establish direct connection at a POI on the network of ILEC when direct interconnection is requested by CLEC for exchange of traffic. CLEC shall not be required to physically collocate in an ILEC end office in order to establish direct connection. Alternatively, and until the Direct Connection Threshold, as defined in Sec. 3.1.2 below, is reached, CLEC may choose to connect indirectly to ILEC's network, and route traffic via the facilities of BellSouth or another third party that performs a transit function on behalf of CLEC. If CLEC elects to utilize the facilities of BellSouth or any other carrier to transport traffic between CLEC and the POI on the network of ILEC, CLEC shall be responsible for any applicable transiting charges from the third party carrier for the transport of traffic to or from the POI.
- 3.1.2 Once the Direct Connection Threshold of 240,000 minutes per month of traffic exchanged between the Parties is reached for three (3) consecutive months, the Parties agree to exchange traffic over dedicated transport facilities between their networks subject to the following conditions. CLEC shall obtain, by deploying or purchasing at its sole discretion, dedicated transport facilities to a POI on the network of ILEC. CLEC shall not be required to physically collocate in an ILEC end office in order to establish a direct connection. Each Party shall be responsible for the cost of dedicated facilities on its side of the POI.
- 3.1.3 Except as provided in Subsection 2.4, the Parties agree that the mutual provisions and relative obligations of the Parties pursuant to this Agreement represent good and valuable consideration, the sufficiency of which between the Parties is acknowledged, and that

neither Party has any obligation to provide any monetary compensation to the other Party for the other Party's origination or termination of traffic within the scope of this Agreement. The specific compensation terms and conditions set forth in this Agreement are related to, dependent on, and limited to the provision of local exchange service to end users located in the specific geographic areas set forth in Appendix A, the exchange of Local Traffic, EAS Traffic and ISP-Bound Traffic between the Parties with respect to these geographic areas, and all other terms and conditions set forth in this Agreement. The Parties have each individually considered the scope of this traffic and concluded that the exchange of the traffic covered by this Agreement will be balanced. Accordingly, since traffic exchanged between both Parties is presumed to be balanced, both Parties agree that compensation for Local Traffic, EAS Traffic and ISP-Bound Traffic shall be in the form of the mutual exchange of services provided by the other Party with no billing related to the exchange of such traffic issued by either Party. Consistent with the termination and modification provisions of this Agreement, each Party reserves the right to negotiate a transport and termination rate in the event that the Party subsequently determines that the exchange of traffic is not in balance. Moreover, should either Party, contrary to the provisions of this Agreement, route other traffic over the interconnection transport facilities, the other Party may bill appropriate access charges for that traffic. Notwithstanding the assessment and payment of any such access charges, the action of routing traffic that is not within the scope of this Agreement over the dedicated transport facilities shall constitute a default of this Agreement.

3.2 Interexchange Toll Traffic:

The Parties agree not to route Interexchange Toll Traffic over the interconnection transport facilities unless otherwise mutually agreed. All Interexchange Toll Traffic shall be routed in accordance with Telcordia Traffic Routing Administration instructions and shall be subject to the appropriate access charges.

3.3 Physical Connection:

- 3.3.1 Facility Sizing: The Parties will mutually agree on the appropriate sizing for transport facilities. The capacity of transport facilities provided by each Party will be based on mutual forecasts and sound engineering practice, as mutually agreed to by the Parties. In the event CLEC purchases trunks from ILEC, CLEC will order trunks in the agreed upon quantities via an Access Service Request.
- 3.3.2 Interface Types: If the POI has an electrical interface, the interface will be DS1 or DS3 as mutually agreed by the Parties. When a DS3 interface is agreed to by the Parties, 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.
- 3.3.3 Signaling: The Parties will connect their networks using SS7 signaling as defined in applicable industry standards including ISDN user part ("ISUP") for trunk signaling and transaction capabilities application part ("TCAP") for common channel signaling based features in the connection of their networks. The Calling Party Number ("CPN") and the Jurisdictional Indicator Parameter ("JIP") shall be available for at least 95% of the calls. Signaling information shall be shared between the Parties at no charge to either Party.

- 3.3.4 Signaling Parameters: ILEC and CLEC are required to provide each other the proper signaling information (e.g., originating CPN and destination called party number, etc.), pursuant to 47 CFR 64.1601, to enable each Party to issue bills in a complete and timely fashion. All CCS signaling parameters will be provided including an accurate CPN as outlined in Section 3.3.5 below, JIP (at least one unique JIP per switch, per LATA, per state), Originating Line Information Parameter ("OLIP") on calls to 8XX telephone numbers, calling party category, Charge Number, etc. All privacy indicators will be honored. In addition, each party agrees that it is responsible for ensuring that all CCS signaling parameters are accurate and it shall not strip, alter, modify, add, delete, change, or incorrectly assign any CPN or JIP. CPN shall, at a minimum, include information that accurately reflects the physical location of the Customer that originated and/or dialed the call. If either party identifies improper, incorrect, or fraudulent use of local exchange service (including, but not limited to, PRI, ISDN, and/or Smart Trunks), or identifies stripped, altered, modified, added, deleted, changed, and/or incorrectly assigned CPN, the Parties agree to cooperate with one another to investigate and take corrective action. If either Party fails to provide CPN (valid originating information) and JIP on at least ninety-five percent (95%) of total traffic, traffic sent to the other Party without CPN and JIP (valid originating information) will be handled in the following manner. The remaining five percent (5%) of unidentified traffic will be treated as having the same jurisdictional ratio as the ninety-five percent (95%) of identified traffic. If the unidentified traffic exceeds five percent (5%) of the total traffic, all the unidentified traffic shall be treated as intrastate toll and will be subject to intrastate access charges. The Party owning the switch will provide to the other Party, upon request, information to demonstrate that Party's portion of no-CPN or JIP traffic does not exceed five percent (5%) of the total traffic delivered. Subject to applicable FCC or Commission rules on the disclosure of Customer Proprietary Network Information, the Parties will coordinate and exchange data as necessary to determine the cause of the CPN or JIP failure and to assist in its correction.
- 3.3.5 An accurate CPN associated with the End User Customer originating the call must be provided. An accurate CPN is:
 - 1) a CPN that is a dialable working telephone number, that when dialed, will reach the End User Customer to whom it is assigned, at that End User Customer's Location.
 - 2) a CPN that has not been altered.
 - 3) a CPN that is not a charge party number.
 - 4) a CPN that follows the North American Numbering Plan Standards and can be identified in numbering databases and the LERG as an active number.
 - 5) a CPN that is assigned to an active End User Customer.
 - 6) a CPN that is associated with the Rate Center of the specific End User

Customer Location.

- 3.3.6 The terminating Party (that is, the Party to whom traffic is sent) shall be responsible for creating or obtaining any billing records needed in order to bill the originating Party for Interexchange Toll Traffic. Measurement of minutes of use shall be in actual conversation seconds. Each Party shall calculate the number of minutes of traffic it terminates from the other Party based on standard automatic message accounting records made within that Party's network.
- 3.3.7 Equipment Additions: 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 for the Parties' internal customer demand.

3.4 Grade of Service:

Each Party will provision their network to provide designed blocking objective of a P.01.

3.5 Network Management:

- 3.5.1 Protective Controls: Either Party may use protective network traffic management controls such as 7-digit and 10-digit code gaps on traffic toward each other's network, when required to protect the public switched network from congestion or failure, or focused overload. CLEC and ILEC will immediately notify each other of any protective control action planned or executed.
- 3.5.2 Mass Calling: Both Parties will cooperate and share pre-planning information regarding cross-network call-ins expected to generate large or focused temporary increases in call volumes. The Parties agree that the promotion of mass calling services is not in the best interest of either Party. If one Party's network is burdened repeatedly more than the other Party's network, the Parties will meet and discuss the cause and impact of such calling and will agree on how to equitably share the costs and revenues associated with the calls and on methods for managing the call volume.
- 3.5.3 Network Harm: Neither Party will use any service related to or provided in this Agreement in any manner that interferes with third parties in the use of their service, prevents third parties from using their service, impairs the quality of service to other carriers or to either Party's Customers; causes electrical hazards to either Party's personnel, damage to either Party's equipment or malfunction of either Party's billing equipment (individually and collectively, "Network Harm"). If a Network Harm will occur or if a Party reasonably determines that a Network Harm is imminent, such Party will, where practicable, notify the other Party that temporary discontinuance or refusal of service may be required, provided, however, wherever prior notice is not practicable, such Party may temporarily discontinue or refuse service forthwith, if such action is reasonable under the circumstances. In case of such temporary discontinuance or refusal, such Party will:

discontinuance or refusal:

- 3.5.3.2. Afford the other Party the opportunity to correct the situation which gave rise to such temporary discontinuance or refusal; and
- 3.5.3.3. Inform the other Party of its right to bring a complaint to the Commission, FCC, or a court of competent jurisdiction.

3.6 Rate Arbitrage

3.6.1 Each Party agrees that it will not knowingly provision any of its services or the services of a third party in a manner that permits the circumvention of applicable switched access charges by the other Party ("Rate Arbitrage") and/or the utilization of the physical connecting arrangements described in this Agreement to permit the delivery to the other Party of traffic not covered by this Agreement through the POI.

If any Rate Arbitrage and/or delivery of traffic not covered under this Agreement through the POI is identified, the Party causing such Rate Arbitrage also agrees to take all reasonable steps to terminate and/or reroute any service that is permitting any of that Party's End User Customers or any entity to conduct Rate Arbitrage or that permits the End User Customer or any entity to utilize the POI for the delivery or receipt of traffic not covered under this Agreement through the POI. Notwithstanding the foregoing, if any Party is found to be in violation of this Section, until such time as the Rate Arbitrage or the exchange of traffic not covered by this Agreement is resolved, that Party shall pay either terminating or originating access charges based on the directionality of the traffic and pursuant to the applicable tariff of the other Party. Such violation of this Section shall include but not be limited to the termination of IP-Enabled traffic originated from Customers that are not physically located within the LATA, or any End User Customer or entity acting in the capacity of a mass traffic aggregator terminating traffic not covered by this Agreement resulting in Rate Arbitrage.

3.6 Number Portability - Section 251(B)(2)

The Parties shall provide number portability in accordance with rules and regulations as prescribed from time to time by the FCC.

4.0 CHARGES, PAYMENT AND BILLING

- 4.1 To the extent a Party provides services for which compensation is due hereunder, such Party shall send an invoice, on a monthly basis, reflecting the calculation of charges due for services provided under this Agreement.
- 4.2 The Parties agree that disputed and undisputed amounts due under this Agreement shall be handled as follows:
- 4.2.1 If any portion of an amount due to a Party (the "Billing Party") under this Agreement is subject to a *bona fide* dispute between the Parties, the Party billed (the "Disputing Party") shall, within ninety (90) days of its receipt of the invoice containing such

disputed amount, give written notice to the Billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. The Disputing Party shall pay when due all undisputed amounts to the Billing Party. The Parties will work together in good faith to resolve issues relating to the disputed amounts. If the dispute is resolved such that payment of the disputed amount is required the Disputing Party shall pay the full disputed amount with the lesser of one and one half per cent (1 ½%) interest per month or the maximum interest amount allowed under Tennessee's applicable law from date originally due.

- 4.2.2 Any undisputed amounts not paid when due shall accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1 ½%) per month or (ii) the highest rate of interest that may be charged under Tennessee's applicable law. In addition, the Billing Party may initiate a complaint proceeding with the appropriate regulatory or judicial entity, if unpaid undisputed amounts become more than 90 days past due, provided the Billing Party gives an additional 30 days notice and opportunity to cure the default.
- 4.2.3 Undisputed amounts shall be paid within thirty (30) days of receipt of invoice from the Billing Party. If the payment due date is a Saturday, Sunday or a designated bank holiday, payment shall be made the next business day.
 - (a) Each Party shall comply immediately with its obligations as set forth within this Agreement;
 - (b) Each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement; and
 - (c) Each Party's indemnification obligations and confidentiality obligations shall survive termination or expiration of this Agreement.
- 4.3 The Parties shall each perform traffic recording and identification functions necessary to provide the services contemplated hereunder. Each Party shall calculate minutes of use based on standard automatic message accounting records made within each Party's network. Subject to applicable FCC or Commission rules regarding the disclosure of Customer Proprietary Network Information, the records shall contain ANI or service provider information necessary to identify the individual Party.

5.0 AUDIT AND REVIEW

5.1 Each Party is responsible for the accuracy of its data as submitted to the other Party. Upon reasonable written notice, each Party or its authorized representative shall have the right to conduct annual reviews of the relevant data possessed by the other Party to give assurance of compliance with the provisions of this Agreement. These reviews will consist of any examinations and verification of data involving records, systems, procedures and other information related to the services performed by either Party related to charges or payments made in connection with this Agreement. Each Party's right to access information for verification purposes is limited to data not in excess of twelve (12) months in age. The Party

requesting a verification review shall fully bear its own costs associated with conducting a review. The Party being reviewed will provide access to necessary and applicable information at no charge to the reviewing Party during normal business hours.

5.2 Subject to applicable FCC or Commission rules regarding the disclosure of Customer Proprietary Network Information, each Party may request to inspect, during normal business hours, the records which are the basis for any monthly bill issued by the other Party and to request copies thereof provided that the requested records do not exceed twelve (12) months in age from the date the monthly bill containing said record information was issued.

6.0 NOTICE OF CHANGES

If a Party contemplates a change in its network, which it reasonably believes will materially affect the inter-operability of its network with the other Party, the Party making the change shall provide at least ninety (90) days advance written notice of such change to the other Party.

7.0 GENERAL RESPONSIBILITIES OF THE PARTIES

- 7.1 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.
- 7.2 Each Party is solely responsible for the services it provides to its customers and to other Telecommunications Carriers.
- 7.3 Each Party is responsible for obtaining Local Exchange Routing Guide ("LERG") listings of the Common Language Location Identifier ("CLLI") assigned to its switches.
- 7.4 Each Party shall be responsible for its own independent connections to the 911/E911 network.

8.0 TERM AND TERMINATION

- 8.1 The initial term of this Agreement shall be for a one-year term ("Term"), which shall commence on the Effective Date. This Agreement shall automatically renew for successive one-year periods, unless, not less than one hundred twenty (120) days prior to the end of the Term or any renewal term, either party notifies the other party of its intent to terminate this Agreement or renegotiate a new agreement. In the event of such renegotiations, this Agreement shall remain in effect for a period of one (1) year or until such time that a new agreement becomes effective, whichever occurs first.
- 8.2 Either Party may terminate this Agreement in whole or in part in the event of a default of the other Party, provided, however, that the non-defaulting Party notifies the defaulting Party in writing of the alleged default and the defaulting Party does not implement mutually

acceptable steps to remedy such alleged default within thirty (30) days after receipt of written notice thereof.

9.0 <u>INDEMNIFICATION</u>

- 9.1 Each Party (the "Indemnifying Party") shall indemnify and hold harmless the other Party ("Indemnified Party") from and against loss, cost, claim liability, damage, and expense (including reasonable attorney's fees) to customers and other third parties for:
 - (1) damage to tangible personal property or for personal injury proximately caused by the gross negligence or willful misconduct of the Indemnifying Party, its employees, agents or contractors;
 - (2) claims for libel, slander, or infringement of copyright arising from the material knowingly transmitted over the Indemnified Party's facilities arising from the Indemnifying Party's own communications or the communications of such Indemnifying Party's customers. Notwithstanding the foregoing, neither party shall be required to indemnify the other for such transmission unless the indemnifying party was previously notified by the indemnified party and failed or refused to block subsequent transmission.
 - (3) claims for infringement of patents arising from combining the Indemnified Party's facilities or services with, or the using of the Indemnified Party's services or facilities in connection with, facilities of the Indemnifying Party.

Notwithstanding this indemnification provision or any other provision in the Agreement, neither Party, nor its parent, subsidiaries, affiliates, agents, servants, or employees, shall be liable to the other for Consequential Damages (as defined in Section 10.3).

- 9.2 The Indemnified Party will notify the Indemnifying Party promptly in writing of any claims, lawsuits, or demands by customers or other third parties for which the Indemnified Party alleges that the Indemnifying Party is responsible under this Section, and, if requested by the Indemnifying Party, will tender the defense of such claim, lawsuit or demand.
 - (1) In the event the Indemnifying Party does not promptly assume or diligently pursue the defense of the tendered action, then the Indemnified Party may proceed to defend or settle said action and the Indemnifying Party shall hold harmless the Indemnified Party from any loss, cost liability, damage and expense.
 - (2) In the event the Party otherwise entitled to indemnification from the other elects to decline such indemnification, then the Party making such an election may, at its own expense, assume defense and settlement of the claim, lawsuit or demand.
 - (3) The Parties will cooperate in every reasonable manner with the defense or settlement of any claim, demand, or lawsuit.

(4) Neither Party shall accept the terms of a settlement that involves or references the other Party in any matter without the other Party's approval.

10.0 <u>LIMITATION OF LIABILITY</u>

- 10.1 No liability shall attach to either Party, its parents, subsidiaries, affiliates, agents, servants, employees, officers, directors, or partners for damages arising from errors, mistakes, omissions, interruptions, or delays in the course of establishing, furnishing, rearranging, moving, terminating, changing, or providing or failing to provide services or facilities (including the obtaining or furnishing of information with respect thereof or with respect to users of the services or facilities) in the absence of gross negligence or willful misconduct.
- 10.2 Except as otherwise provided in Section 9.0, no Party shall be liable to the other Party for any loss, defect or equipment failure caused by the conduct of the first Party, its agents, servants, contractors or others acting in aid or concert with that Party, except in the case of gross negligence or willful misconduct.
- 10.3 Except as otherwise provided in Section 9.0, no Party shall have any liability whatsoever to the other Party for any indirect, special, consequential, incidental or punitive damages, including but not limited to loss of anticipated profits or revenue or other economic loss in connection with or arising from anything said, omitted or done hereunder (collectively, "Consequential Damages"), even if the other Party has been advised of the possibility of such damages.

11.0 DISCLAIMER

EXCEPT AS OTHERWISE PROVIDED HEREIN, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR INTENDED OR PARTICULAR PURPOSE WITH RESPECT TO SERVICES PROVIDED HEREUNDER. ADDITIONALLY, NEITHER PARTY ASSUMES ANY RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY THE OTHER PARTY WHEN THIS DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD-PARTY.

12.0 MISCELLANEOUS

12.1 Authorization

12.1.1 ILEC is a corporation duly organized, validly existing and in good

standing under the laws of the State of Tennessee and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to any necessary regulatory approval.

- 12.1.2 CLEC is 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, subject to any necessary regulatory approval.
- 12.2 <u>Compliance</u>. Each Party shall comply with all applicable federal, state, and local laws, rules and regulations applicable to its performance under this Agreement.
- 12.3 <u>Independent Contractors.</u> Neither this Agreement, nor any actions taken by CLEC or ILEC in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between CLEC and ILEC, or any relationship other than that of provider and receiver of services. Neither this Agreement, nor any actions taken by CLEC or ILEC in compliance with this Agreement, shall create a contractual, agency, or any other type of relationship or third party liability between CLEC and ILEC end users or others.
- 12.4 Force Majeure. Neither Party shall be 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 including, without limitation, acts of nature, acts of civil or military authority, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, equipment failure, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions or any other circumstances beyond the reasonable control and without the fault or negligence of the Party affected. (collectively, a "Force Majeure Event"). If any Force Majeure Event occurs, the Party delayed or unable to perform shall give immediate notice to the other Party and shall take all reasonable steps to correct the conditions caused by the Force Majeure Event. During the pendency of the conditions caused by the Force Majeure Event, the duties of the Parties under this Agreement affected by the Force Majeure Event shall be abated and shall resume without liability thereafter.

12.5 Confidentiality

12.5.1 Any information such as specifications, drawings, sketches, business information, forecasts, models, samples, data, computer programs and other software and documentation of one Party (a "Disclosing Party") that is furnished or made available or otherwise disclosed to the other Party or any of its employees, contractors, or agents (its "Representatives" and with a Party, a "Receiving Party") pursuant to this Agreement ("Proprietary Information") shall be deemed the property of the Disclosing Party. Proprietary Information, if written, shall be clearly and conspicuously marked "Confidential" or "Proprietary" or other similar notice, and, if oral or visual, shall be confirmed in writing as confidential by the Disclosing Party to the Receiving Party within ten (10) days after disclosure. Unless Proprietary Information was previously known by the Receiving Party free of any obligation to keep it confidential, or has been or is subsequently made public by an act not

attributable to the Receiving Party, or is explicitly agreed in writing not to be regarded as confidential, such information: (i) shall be held in confidence by each Receiving Party; (ii) shall be disclosed to only those persons who have a need for it in connection with the provision of services required to fulfill this Agreement and shall be used by those persons only for such purposes; and (iii) may be used for other purposes only upon such terms and conditions as may be mutually agreed to in advance of such use in writing by the Parties. Notwithstanding the foregoing sentence, a Receiving Party shall be entitled to disclose or provide Proprietary Information as required by any governmental authority or applicable law, upon advice of counsel, only in accordance with Section 12.5.2 of this Agreement.

- 12.5.2 If any 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 prior to such disclosure. The Disclosing Party may then seek appropriate protective relief from all or part of such requirement. 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 obtain.
- 12.5.3 In the event of the expiration or termination of this Agreement for any reason whatsoever, each Party shall return to the other Party or destroy all Proprietary Information and other documents, work papers and other material (including all copies thereof) obtained from the other Party in connection with this Agreement and shall use all reasonable efforts, including instructing its employees and others who have had access to such information, to keep confidential and not to use any such information, unless such information is now, or is hereafter disclosed, through no act, omission or fault of such Party, in any manner making it available to the general public.
- 12.6 Governing Law. For all claims under this Agreement that are based upon issues within the jurisdiction (primary or otherwise) of the FCC, the exclusive jurisdiction and remedy for all such claims shall be as provided for by the FCC and the Act. For all claims under this Agreement that are based upon issues within the jurisdiction (primary or otherwise) of the Commission, the exclusive jurisdiction for all such claims shall be with the Commission, and the exclusive remedy for such claims shall be as provided for by such Commission. In all other respects, the domestic laws of the State of Tennessee without reference to conflict of law provisions shall govern this Agreement.
- 12.7 Change in Law. The terms and conditions of this Agreement shall be subject to any and all applicable laws, rules, regulations or guidelines that subsequently may be adopted by any federal, state, or local government authority. Any modifications to this Agreement occasioned by such change shall be effected through good faith negotiations. If the parties are unable to agree to modifications incorporating such change of law within ninety (90) days of the request, either party may seek resolution from the Commission or the FCC, as appropriate.
- 12.8 <u>Taxes.</u> 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. Whenever possible, these 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 provide such sale for resale tax exemption certificate will result in no exemption being available to the purchasing Party.

12.9 <u>Assignment.</u> This Agreement shall be binding upon the Parties and shall continue to be binding upon all such entities regardless of any subsequent change in their ownership. Each Party covenants that, if it sells or otherwise transfers to a third party, unless the Party which is not the subject of the sale or transfer reasonably determines that the legal structure of the transfer vitiates any such need, it will require as a condition of such transfer that the transferee agree to be bound by this Agreement with respect to services provided over the transferred facilities. Except as provided in this paragraph, neither Party may assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third party without the prior written consent of the other Party which consent will not be unreasonably withheld; provided that either Party may assign this Agreement to a corporate Affiliate or an entity under its common control or an entity acquiring all or substantially all of its assets or equity by providing prior written notice to the other Party of such assignment or transfer. Any attempted assignment or transfer that is not permitted is void *ab initio*. Without limiting the generality of the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties' respective successors and assigns.

12.10 <u>Non-Waiver</u>. 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

12.11 Notices.

12.11.1 Notices given by one Party to the other Party under this Agreement shall be in writing and shall be: (i) delivered personally; (ii) delivered by express delivery service; (iii) mailed, certified mail, return receipt requested to the following addresses of the Parties:

To: CLEC
TelCove Operations, Inc.
121 Champion Way
Canonsburg, PA 13517
Attn: General Counsel
Telephone Number: 724-743-9888

Telephone Number: 724-743-9888 FAX Number: 724-743-9791

To: ILEC United Telephone Company 120 Taylor Street Chapel Hill, TN 37034 Attn: Terry Wales, CEO

Telephone Number: (931) 364-2289 FAX Number: (931) 364-7202

Or to such other address as either Party shall designate by proper notice. Notices will be deemed given as of the earlier of: (i) the date of actual receipt; (ii) the next business day

when notice is sent via express mail or personal delivery; (iii) three (3) days after mailing in the case of certified U. S. mail.

12.11.2 In order to facilitate trouble reporting and to coordinate the repair of transport facilities, trunks, and other inter-network connection arrangements provided by the Parties under this Agreement, each Party has established contact(s) available 24 hours per day, seven days per week, at telephone numbers to be provided by the Parties. Each Party shall call the other at these respective telephone numbers to report trouble with connection facilities, trunks, and other inter-network connection arrangements, to inquire as to the status of trouble ticket numbers in progress, and to escalate trouble resolution.

Before either Party reports a trouble condition, it must first use its reasonable efforts to isolate the trouble to the other Party's facilities, service, and arrangements. Each Party will advise the other of any critical nature of the inoperative facilities, service, and arrangements and any need for expedited clearance of trouble. In cases where a Party has indicated the essential or critical need for restoration of the facilities, services or arrangements, the other Party shall use its best efforts to expedite the clearance of trouble.

- 12.12 <u>Publicity and Use of Trademarks or Service Marks.</u> Neither Party nor its subcontractors or agents shall use the other Party's trademarks, service marks, logos or other proprietary trade dress in any advertising, press releases, publicity matters or other promotional materials without such Party's prior written consent.
- 12.13 <u>Joint Work Product</u>. This Agreement is the joint work product of the Parties and has been negotiated by the Parties and/or their respective counsel and shall be fairly interpreted in accordance with its terms. In the event of any ambiguities, no inferences shall be drawn against either Party.
- 12.14 No Third Party Beneficiaries; Disclaimer of Agency. 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. 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, in the name of, 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.
- 12.15 No License. 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.
- 12.16 <u>Technology Upgrades</u>. Nothing in this Agreement shall limit either Parties' ability to upgrade its network through the incorporation of new equipment, new software or

otherwise, provided it is to industry standards, and that the Party initiating the upgrade shall provide the other Party written notice at least ninety (90) days prior to the incorporation of any such upgrade in its network which will materially impact the other Party's service. Each Party shall be solely responsible for the cost and effort of accommodating such changes in its own network.

12.17 Entire Agreement. The terms contained in this Agreement and any Schedules, Exhibits, tariffs and other documents or instruments referred to herein are hereby incorporated into this Agreement by reference as if set forth fully herein, and 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. 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. This Agreement may not be amended, modified, or supplemented, nor may any obligations hereunder be waived by a Party, except by written instrument signed by both Parties.

13.0 **REGULATORY**

The Parties agree that their entrance into this Agreement is without prejudice to any positions they may have taken previously, or may take in the future, in any legislative, regulatory, judicial or other public forum addressing any matters, including matters related to the same types of arrangements covered in this Agreement.

14.0 DISPUTE RESOLUTION

The Parties desire to resolve disputes arising out of or relating to this Agreement without litigation. Accordingly, except for action seeking a temporary restraining order or an injunction related to the purposes of this Agreement, or suit to compel compliance with this dispute resolution process, 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.

14.1 <u>Informal Resolution of Disputes.</u> At the written request of a Party, each Party will appoint a knowledgeable, responsible representative, empowered to resolve such dispute, to meet and negotiate in good faith to resolve any dispute arising out of or relating to this Agreement. The Parties intend that these negotiations be conducted by non-lawyer, business representatives. The location, format, frequency, duration, and conclusion of these discussions shall 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 correspondence among the representatives for purposes of these negotiations shall be treated as Confidential Information developed for purposes of settlement, exempt from discovery, and shall not be admissible in any arbitration or in any lawsuit without the concurrence of all Parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise discoverable,

be discovered or otherwise admissible, be admitted in evidence, in the arbitration or lawsuit.

14.2 Formal Dispute Resolution If negotiations fail to produce an agreeable resolution within thirty (30) days, then either Party may proceed with any remedy available to it pursuant to law, equity or agency mechanisms; provided, that upon mutual agreement of the Parties such disputes may also be submitted to binding arbitration. In the case of arbitration, each Party shall bear its own costs. The Parties shall equally split the fees of any mutually agreed upon arbitration procedure and the associated arbitrator.

14.3 Continuous Service The Parties shall continue providing services to each other during the pendency of any dispute resolution procedure, and the Parties shall continue to perform their payment obligations (including making payments in accordance with this Agreement).

15.0 COUNTERPARTS

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

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date.

United Telephone Company, Inc.

By: Amy M Wales

By:

TelCove Operations, Inc.

Printed: TERRY M WALES

Title: GENERAL MANAGER

Date: 11-30-06

Printed:

James E. Means Vice President, Legal

Title:

11-7-06 Date:

Appendix A

- I. This Appendix specifies the Local Service Areas referenced in Sec. 1.6 of this Agreement within which the parties will exchange traffic as follows:
 - The Local Service Areas are the geographic areas described in ILEC's tariff within which a ILEC Customer may place a call on a seven digit dialed basis and without a toll charge.
 - 2. ILEC will treat NPA-NXX's utilized by CLEC in parity with respect to the treatment afforded to other carriers with which ILEC exchanges traffic in accordance with its applicable tariff.
 - CLEC will provide ILEC notice and associated LERG related information to identify
 those CLEC NPA-NXXs that it reasonably believes should be treated as numbers that
 may be called by a ILEC customer on a seven digit dialed basis and without a toll
 charge.
 - 4. The intent of this Agreement is to apply the terms and conditions set forth in the Agreement to traffic between the Parties that are similar to those terms and conditions applied to traffic between the exchanges of ILEC and those operated by BellSouth or any other incumbent LEC within the Local Service Area as defined in 1 above.
 - 5. With respect to traffic terminated by one Party on the network of the other Party that does not qualify as EAS Traffic as defined in Sec. 1.6 of this Agreement, ISP-Bound Traffic, as defined in Sec. 1.9 of this Agreement, or Local Traffic, as defined in Sec. 1.12 of this Agreement, the terminating party will charge the other party for termination in accordance with its established intrastate access charges except as follows. Consistent with the network architecture pursuant to which intracounty calling is provided in Tennessee, each Party will participate in the TAR database. Each Party's obligation to treat the termination of a call as intracounty non-toll is predicated upon the input of the originating customer's number and terminating customer's number into the TAR database in order to identify the call as qualifying for treatment as toll-free.
 - 6. Designation of Points of Interconnection For the Delivery of Local Traffic pursuant to this Agreement, ILEC' service area boundary V =07106, H=02644.

II. Designation of Points of Connection For the Delivery of traffic Pursuant to this Agreement:

For the delivery of traffic between ILEC and CLEC, the Parties agree, subject to facility availability, to connect facilities at the same meetpoint utilized between ILEC and BellSouth, Inc., subject to subsequent mutual agreement of the Parties to establish a different POI on the ILEC network. ILEC will be responsible for the deployment of the facilities from the point of interconnection to the ILEC end office. CLEC will be responsible for the deployment of the facilities from the point of interconnection to the CLEC end office. In order to achieve the desired interconnection in accordance with applicable industry practices, CLEC will at its sole discretion either deploy or purchase terminating access service from the point of interconnection to the ILEC central office. In accordance with the Agreement and this Appendix hereto, neither Party will assess any charges to the other Party with respect to the termination of EAS traffic, ISP-Bound Traffic or Local Traffic as defined herein.

Approved and executed this 15th day of Nowanher 2006		
United Telephone Company, Inc.	TelCove Operations, Inc.	
By Jung M Wales Printed TORRY M WALES	ву	
Printed TCRRYM WALES	Printed James E. Means	
Title GENERA! MANAGER	Vice President, Lega	
Date: 11-15-06	Date: //- 7-06	

Disaster Recovery Plan

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1.0 PURPOSE

In the unlikely event of a disaster occurring that affects United Telephone long-term ability to deliver traffic to a competitive Local Exchange Carrier (CLEC), general procedures have been developed to hasten the recovery process. Since each location is different and could be affected by an assortment of potential problems a detailed recovery plan is impractical. However, in the process of reviewing recovery activities for specific locations, some basic procedures emerge that appear to be common in most cases.

These general procedures should apply to any disaster that affects the delivery of traffic for an extended time period. Each CLEC will be given the same consideration during an outage and service will be restored as quickly as possible.

This document will cover the basic recovery procedures that would apply to every CLEC.

2.0 SINGLE POINT OF CONTACT

When a problem is experienced, regardless of the severity, the United Telephone Network Operations Center (NOC) will observe traffic anomalies and begin monitoring the situation. Controls will be appropriately applied to insure the sanity of United Telephone's network; and, in the event that a switch or facility node is lost, the NOC will attempt to circumvent the failure using available reroutes.

United Telephone NOC will remain in control of the restoration efforts until the problem has been identified as being a long-term outage. At that time, the NOC will contact United Telephone Restoration Control Center (RCC) and relinquish control of the recovery efforts. Even though the RCC may take charge of the situation, the NOC will continue to monitor the circumstances and restore traffic as soon as damaged network elements are revitalized.

The telephone number for the United Telephone Network Operations Center is 931-364-2289.

3.0 IDENTIFYING THE PROBLEM

During the early stages of problem detection, the NOC will be able to tell which CLECs are affected by the catastrophe. Further analysis and/or first hand observation will determine if the disaster has affected CLEC equipment only, United Telephone equipment only, or a combination. The initial restoration activity will be largely determined by the equipment that is affected.

Once the nature of the disaster is determined and after verifying the cause of the problem, the NOC will initiate reroutes and/or transfers that are jointly agreed upon by the affected CLEC's Network Management Center and the United Telephone NOC. The type and percentage of controls used will depend upon available network capacity. Controls necessary to stabilize the situation will be invoked and the NOC will attempt to re-establish as much traffic as possible.

For long term outages, recovery efforts will be coordinated by the Restoration Control Center (RCC). Traffic controls will continue to be applied by the NOC until facilities are re-established.

As equipment is made available for service, the RCC will instruct the NOC to begin removing the controls and allow traffic to resume.

3.1 SITE CONTROL

In the total loss of building use scenario, what likely exists will be a smoking pile of rubble. This rubble will contain many components that could be dangerous. It could also contain any personnel on the premises at the time of the disaster. For these reasons, the local fire marshal with the assistance of the police will control the site until the building is no longer a threat to surrounding properties and the companies have secured the site from the general public.

During this time, the majority owner of the building should be arranging for a demolition contractor to mobilize to the site with the primary objective of reaching the cable entrance facility for a damage assessment. The results of this assessment would then dictate immediate plans for restoration, both short term and permanent.

In a less catastrophic event, i.e., the building is still standing and the cable entrance facility is usable, the situation is more complex. Local authorities will initially control the site until the threat to adjacent property has diminished. Once the site is returned to the control of the companies, the following events should occur.

An initial assessment of the main building infrastructure systems (mechanical, electrical, fire & life safety, elevators, and others) will establish building needs. Once these needs are determined, the majority owner should lead the building restoration efforts. There may be situations where the site will not be totally restored within the confines of the building. The companies must individually determine their needs and jointly assess the cost of permanent restoration to determine the overall plan of action.

Multiple restoration trailers from each company will result in the need for designated space and installation order. This layout and control is required to maximize the amount of restoration equipment that can be placed at the site, and the priority of placements.

Care must be taken in this planning to insure other restoration efforts have logistical access to the building. Major components of telephone and building equipment will need to be removed and replaced. A priority for this equipment must also be jointly established to facilitate overall site restoration (Example: If the AC power system has sustained damage, this would be of the highest priority in order to regain power, lighting, and HVAC throughout the building.)

If the site will not accommodate the required restoration equipment, the companies would then need to quickly arrange with local authorities for street closures, rights of way or other possible options available.

3.2 ENVIRONMENTAL CONCERNS

In the worse case scenario, many environmental concerns must be addressed. Along with the police and fire marshal, the state environmental protection department will be on site to monitor the situation.

Items to be concerned with in a large central office building could include:

- 1. Emergency engine fuel supply. Damage to the standby equipment and the fuel handling equipment could have created "spill" conditions that have to be handled within state and federal regulations.
- 2. Asbestos containing materials that may be spread throughout the wreckage. Asbestos could be in many components of building, electrical, mechanical, outside plant distribution, and telephone systems.
- 3. Lead and acid. These materials could be present in potentially large quantities depending upon the extent of drainage to the power room.
- 4. Mercury and other regulated compounds resident in telephone equipment.
- 5. Other compounds produced by the fire or heat.

Once a total loss event occurs at a large site, local authorities will control immediate clean up (water placed on the wreckage by the fire department) and site access.

At some point, the companies will become involved with local authorities in the overall planning associated with site clean up and restoration. Depending on the clean up approach taken, delays in the restoration of several hours to several days may occur.

In a less severe disaster, items listed above are more defined and can be addressed individually depending on the damage.

In each case, the majority owner should coordinate building and environmental restoration and well as maintain proper planning and site control.

4.0 RESTORATION CONTROL CENTER (RCC)

The Restoration Control Center will be activated in the event of a disaster. The RCC is chaired by the GM Tennessee. It is the GMs responsibility to declare the activation of the RCC and classification of the outage.

In the event of a major service interruption, the GM Tennessee will notify the RCC staff which will establish a conference bridge to be used for the communication link for the emergency restoral.

The RCC staff will assess the service outage or natural disaster and direct the appropriate staff functional task force groups to provide the necessary personnel and supplies based on review of outage reports, nature of outage and restoral estimate times.

The RCC will continuously monitor the progress and needs of functional work groups which will in turn issue information to the various state and local government agencies as to the status of restoring service.

The Tennessee RCC includes the following departments and is supported by the functional staff as indicated below:

- 1. Field Operations
- 2. Network Operations Center (NOC)
- 3. Engineering (Outside Plant)
- 4. Administration Support/ Customer Contact
- 5. Public and External Affairs

The RCC is supported by the functional staff from the following departments:

- 1. Human Resources
- 2. Supply
- 3. Security
- 4. Building / Vehicles / Energy
- 5. Planning
- 6. External / Public Affairs
- 7. Engineering OSP
- 8. Finance
- 9. Field Operations Supervisors
- 10. Sales / Business Services

Annually, the RCC will meet to review the United Telephone Company of Tennessee Emergency Program to ensure its functionally is in accordance with current United Policies and Practices.

Each member of the RCC will have a United Telephone call out manual for the state and their area of responsibility that will contain the following:

- 1. Names and telephone numbers of their support personnel.
- 2. Names of contacts for materials.
- 3. List of emergency equipment locations such as generators.
- 4. Any specialized information needed for them to perform their mission.

5.0 RECOVERY PROCEDURES

The nature and security of any disaster will influence the recovery procedures. One crucial factor in determining how United Telephone will proceed with restoration is whether or not United Telephone equipment is incapacitated. Regardless of whose equipment is out of service, United Telephone will move as quickly as possible to aid with service recovery; however, the approach that will be taken may differ depending upon the location of the problem.

5.1 CLEC OUTAGE

For a problem limited to One CLEC (or a building with multiple CLECs), United Telephone has several options available for restoring service quickly. For those CLECs that have agreements with other CLECs, United Telephone can immediately start directing traffic to a provisional CLEC for completion. This alternative is dependent upon United Telephone having concurrence from the affected CLECs.

Whether or not the affected CLECs have requested a traffic transfer to another CLEC will not impact United Telephone resolve to re-establish traffic to the original destination as quickly as possible.

5.2 UNITED TELEPHONES OUTAGE

Because United Telephones' equipment has varying degrees of impact on the service provided to the CLECs, restoring service from damaged United Telephones equipment is different. The outage will probably impact a number of Carriers simultaneously. However, the RCC will be able to initiate immediate actions to correct the problem.

A disaster involving any of United Telephones' equipment locations could impact the CLECs, some more than others. A disaster at a Central Office (CO) would only impact the delivery of traffic to and from that one location, but the incident could affect many Carriers. If the Central Office is a Serving Wire Center (SWC), then traffic from the entire area to those Carriers served from that switch would also be impacted. If the switch functions as an Access Tandem, or there is a tandem in the building, traffic from every CO to every CLEC could be interrupted. A disaster that destroys a facility hub could disrupt various traffic flows, even though the switching equipment may be unaffected.

The NOC would be the first group to observe a problem involving United Telephones' equipment. Shortly after a disaster, the NOC will begin applying controls and finding re-routes for the completion of as much traffic as possible. These reroutes may involve delivering traffic to alternate Carriers upon receiving approval from the CLECs involved. In some cases, changes in translations will be required. If the outage is caused by the destruction of equipment, then the RCC will assume control of the restoration

5.2.1 Loss of a Central Office

When United Telephone loses a Central Office, the RCC will

- a) Place specialists and emergency equipment on notice;
- b) Inventory the damage to determine what equipment and /or functions are lost;
- c) Move containerized emergency equipment and facility equipment to the stricken area, if necessary;
- d) Begin reconnecting service for Hospitals, Police, and other emergency agencies; and
- e) Begin restoring service to CLECs and other customers.

5.2.2 Loss of a Central Office with Serving Wire Center Functions

The loss of a Central Office that also serves as a Serving Wire Center (SWC) will be restored as described in section 5.2.1.

5.2.3 Loss of a Central Office with Tandem Functions

When United Telephone loses a Central Office building that serves as an Access Tandem and as a SWC, the RCC will:

- a) Place specialists and emergency equipment on notice;
- b) Inventory the damage to determine what equipment and/or functions are lost;
- c) Move containerized emergency equipment and facility equipment to the stricken area, if necessary;
- d) Begin reconnecting service for Hospitals, Police, and other emergency agencies;
- e) Re-direct as much traffic as possible to the alternate access tandem (if available) for delivery to those CLECs utilizing a different location as a SWC;
- f) Begin aggregating traffic to a location near the damaged building. From this location begin reestablishing trunk groups to the CLECs for the delivery of traffic normally found on the direct trunk groups. (This aggregation point may he the alternate access tandem location or another CO on a primary facility route.)
- g) Begin restoring service to CLECs and other customers

5.2.4 Loss of a Facility Hub

In the event that United Telephone loses a facility hub, the recovery process is much the same as above. Once the NOC has observed the problem and administered the appropriate controls, the RCC will assume authority for the repairs. The recovery effort will include

- a) Placing specialists and emergency equipment on notice;
- b) Inventorying the damage to determine what equipment and/or functions are lost;
- c) Moving containerized emergency equipment to the stricken area, if necessary;
- d) Reconnecting service for Hospitals, Police, and other emergency agencies; and
- e) Restoring service to CLEC; and other customers. If necessary, United Telephone will aggregate the traffic at another location and build temporary facilities, when available. This alternative would be viable for a location that is destroyed and building repairs are required.

5.3 COMBINED OUTAGE (CLEC AND UNITED TELEPHONES' EQUIPMENT)

In some instances, a disaster may impact United Telephones' equipment as well as the CLECs'. This situation will be handled in much the same way as described in section 5.2.3. Since United Telephone and the CLECs will be utilizing temporary equipment, close coordination will be required.

6.0 T1 IDENTIFICATION PROCEDURES

During the restoration of service after a disaster, United Telephone may be forced to aggregate traffic for delivery to a CLEC. During this process, T1 traffic may be consolidated onto DS3s and may become unidentifiable to the Carrier. Because resources will be limited, United Telephone may be forced to "package" this traffic entirely differently then normally received by the CLECs. Therefore, a method for identifying the TI traffic on the DS3s and providing the information to the Carriers is required.

7.0 ACRONYMS

CO Central Office (United Telephone Company)

DS3 Facility that carries 28 Tls (672 Circuits)

CLEC Competitive Local Exchange Carrier

NOC Network Operations Center

RCC Restoration Control Center

SWC Serving Wire Center (United Telephone switch)

T 1 Facility that carries 24 circuits

8.0 HURRICANE INFORMATION

During a hurricane, United Telephone will make every effort to keep CLECs updated on the status of our network. Information centers will be set up throughout United Telephone. These centers are not intended to be used for escalations, but rather to keep the CLEC informed or network related issues, area damages, and dispatch conditions, etc.

9.0 UNITED TELEPHONE DISASTER MANAGEMENT PLAN

United Telephone maintenance centers have geographical and redundant communication capabilities. In the event of a disaster removing any maintenance center from service another geographical center would assume maintenance responsibilities. The contact numbers will not change and the transfer will be transparent to the CLEC.