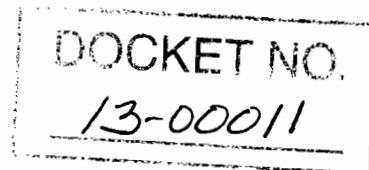


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January 9, 2013



Ms. Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243

Re: Amendment 1 to Traffic Exchange Agreement
Highland Telephone/Sprint/Nextel
TRA Docket No. 12-00118

Dear Ms. Dillon:

Pursuant to our telephone discussion today, please find attached the original and four copies of Amendment 1 to the above-identified Traffic Exchange Agreement between Highland Telephone Cooperative, Inc., and the Tennessee RSA No. 3 Limited Partnership. The Amendment has been executed to update the notice section (14.10) of the Agreement and to reflect the ICC Transformation Orders and rule changes now in effect.

We appreciate the continued assistance provided by your office, and if you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in dark ink, appearing to read "E. Petroff". The signature is fluid and cursive.

Ernest A. Petroff

Enclosures
cc: G. Mark Patterson
Dave Crawford

Amendment 1
to the Facilities-Based Network Interconnection For Transport
and Termination of Telecommunications Traffic CMRS-LEC Agreement
Between
Tennessee RSA No. 3 Limited Partnership
And
Highland Telephone Cooperative, Inc

This Amendment to the Facilities-Based Network Interconnection For Transport and Termination of Telecommunications Traffic CMRS-LEC Agreement ("Agreement"), effective October 1, 2001, is made and entered into by and between Highland Telephone Cooperative, Inc ("LEC"), with offices at 7840 Morgan County Highway, P.O. Box 119, Sunbright, Tennessee 37872 ("Highland"), and Tennessee RSA No. 3 Limited Partnership, a Commercial Mobile Radio Services ("CMRS") provider, with offices at 8410 W. Bryn Mawr Avenue, Chicago, IL 60631 ("U.S. Cellular") (collectively "the Parties").

RECITALS

WHEREAS, the Highland Telephone Cooperative and Tennessee RSA No. 3 Limited Partnership entered into the Agreement effective October 1, 2001; and

WHEREAS, the Parties wish to update section 14.10 of the Agreement, the provision entitled "Notices," to identify the correct individuals who should receive notice under the Agreement and its amendments; and

WHEREAS, the Federal Communications Commission ("FCC") released on November 18, 2011 a "Report and Order and Further Notice of Proposed Rulemaking" in *Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing an Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund*, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, GN Docket No. 09-51, CC Docket Nos. 01-92, 96-45, WT Docket No. 10- 208, FCC 11-161 ("*USF/ICC Transformation Order*"), as modified by Order on Reconsideration (rel. Dec. 23, 2011) ("*USF/ICC Transformation Order on Reconsideration*") (collectively referred to as the "*ICC Transformation Orders*"); and

WHEREAS, by its *ICC Transformation Orders*, the FCC has provided pursuant to 47 C.F.R. 51.705(a) that the default intercarrier compensation methodology for all Non-Access Telecommunications Traffic, within the scope of 51.701(b)(2), exchanged between LECs and CMRS providers is the "bill-and-keep" compensation methodology, effective July 1, 2012; and

WHEREAS, by its *ICC Transformation Orders*, the FCC adopted an interim rule, that limits the responsibility for transport provisioning responsibilities and costs

applicable to Non-Access Telecommunications Traffic exchanged between CMRS providers and rural, rate-of-return LECs for an interim period until the FCC adopts rules to complete the transition to a bill-and-keep methodology for all intercarrier compensation; and

WHEREAS, Highland Telephone Cooperative is a rural, rate of return carrier within the meaning of the *ICC Transformation Orders*.

WHEREAS, the Parties wish to amend the Agreement to reflect the FCC's rulings in its *ICC Transformation Orders* as noted above;

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing, and the promises and mutual agreements set forth in the Agreement and in this Amendment, the Parties hereby agree to amend the Agreement as follows:

1. Notices for in Section 14.10 of the Agreement shall be updated by deleting the contact information listed for Tennessee RSA No. 3 Limited Partnership and replacing it with the following:

Mike Dienhart
Senior Director, National Network Planning
United States Cellular Corporation
8410 West Bryn Mawr Avenue, Suite 700
Chicago, IL 60631
Phone: (773)399-7070
Fax: (773)399-4832
Email: Mike.Dienhart@uscellular.com

With a copy to:

Stephen P. Fitzell
c/o Sidley Austin LLP
One South Dearborn
Chicago, Illinois 60603
Phone: (312) 853-7379
Fax: (312) 853-7036
Email: sfitzell@sidley.com

2. Notwithstanding anything to the contrary in the Agreement, including any amendments to the Agreement, the charges for transport, termination and switching contained in Appendix B for Type I and Type 2A traffic shall be \$0.000 (i.e. "bill and keep" - and "bill-and-keep" is defined, as referenced in 47 C.F.R. 51.713, as an

arrangement in which carriers exchanging telecommunications traffic do not charge each other for specific transport and/or termination functions or services.

4. This Amendment does not modify the existing percentages for interstate interMTA and intrastate interMTA and the 80/20 traffic factor continues to apply.

5. Consistent with 47 C.F.R. 51.709(c), notwithstanding anything to the contrary in the Agreement, including any amendments to the Agreement, effective July 1, 2012, for Non-Access Telecommunications Traffic exchanged between U.S. Cellular and Highland Telephone, which is a rural telephone company, as defined in 47 C.F.R. 51.5, that is subject to rate-of-return regulation, LEC will be responsible for transport to the U.S. Cellular interconnection point when it is located within LEC's service area. When U.S. Cellular's interconnection point is located outside LEC's service area, LEC's transport and provisioning obligation stops at its meet point and U.S. Cellular is responsible for the remaining transport to its interconnection point. This provision will become null and void should LEC cease to be a rural rate-of-return LEC as defined herein and LEC will notify U.S. Cellular immediately if its status as a rural rate-of-return LEC changes.

6. Nothing in this Amendment shall affect the general application and effectiveness of the Agreement's "Interpretation and Construction," "change of law," "intervening law," "successor rates," "amendment," "notice" and/or any similarly purposed provisions. The rights and obligations set forth in this Amendment apply in addition to any other rights and obligations that may be created by such intervening law, change in law or other substantively similar provision.

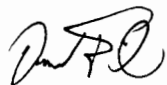
7. This Amendment will be deemed effective July 1, 2012. Notwithstanding the foregoing, if, as a result of any decision, order or determination of any judicial or regulatory authority with jurisdiction over the subject matter hereof, the FCC provisions in the *ICC Transformation Orders* and/or implementing rules regarding the bill-and-keep arrangement are reversed or remanded, the Parties agree to comply with all requirements of the applicable decision, order or determination which compliance efforts shall work in good faith to amend the agreement to incorporate all requirements of any such decision, order or determination. In the event the FCC provisions in the *ICC Transformation Orders* and/or implementing rules regarding the bill-and-keep arrangement are rescinded or vacated *ab initio* by a court of competent jurisdiction, the Parties agree this Amendment shall be suspended and of no effect from the date that such action or order becomes effective until such time that such action or order may itself be reversed or modified, and during such time the order or action is effective, the Parties' Agreement shall revert automatically to its prior terms. In the event a stay of the FCC provisions in the *ICC Transformation Orders* and/or implementing rules regarding the bill-and-keep arrangement is issued pending judicial review, the terms of this Agreement will be suspended and of no effect during the time such stay is effective. During such time the Parties will be subject to the terms of their prior Agreement unaffected by this Amendment.

8. This amendment shall be deemed to revise the transport, termination and switching compensation rates and other provisions of the Agreement only to reflect the ICC Transformation Orders on the subject matter hereof. The Agreement as amended (including the documents referred to herein) constitute the full and entire understanding and agreement between the Parties with regard to the subjects of the Agreement as amended and supersedes any prior understandings, agreements, or representations by or between the Parties, written or oral, to the extent they relate in any way to the subjects of the Agreement as amended.

9. The Parties intending to be legally bound have executed this Amendment as of the dates set forth below, in multiple counterparts, each of which is deemed an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the authorized representatives of the Parties hereto have signed this Amendment effective as of the date and year set forth above.

Tennessee RSA No. 3 Limited
Partnership
By: United States Cellular Operating
Company of Knoxville
Its: General Partner



Authorized Signature

David Fiala
Name Printed/Typed

Director, Telco Billing, Contract &
Number Management
Title

12/13/2012
Date

Highland Telephone Cooperative, Inc



Authorized Signature

G. M. Patterson
Name Printed/Typed

General Manager
Title

December 17, 2012
Date