



ATTACHMENT 1
ALTERNATIVE DISPUTE RESOLUTION
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Appendix 1 Procedures for Resolution of Service-Affecting Disputes

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ALTERNATIVE DISPUTE RESOLUTION

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Purpose

This Attachment 1 is intended to provide for the expeditious, economical, and equitable resolution of disputes between GTE and AT&T arising under this Agreement, and to do so in a manner that permits uninterrupted, high quality services to be furnished to each Party's customers.

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Exclusive Remedy

2.1

Negotiation and arbitration under the procedures provided herein shall be the exclusive remedy for all disputes between GTE and AT&T arising out of this Agreement or its breach. GTE and AT&T agree not to resort to any court, agency, or private group with respect to such disputes except in accordance with this Attachment.

2.1.1

If, for any reason, certain claims or disputes are deemed to be non-arbitrable, the non-arbitrability of those claims or disputes shall in no way affect the arbitrability of any other claims or disputes.

2.1.2

If, for any reason, the FCC or any other federal or state regulatory agency exercises jurisdiction over and decides any dispute related to this Agreement or to any GTE Tariff and, as a result, a claim is adjudicated in both an agency proceeding and an arbitration proceeding under this Attachment 1, the following provisions shall apply:

2.1.2.1

To the extent required by law, the agency ruling shall be binding upon the parties for the limited purposes of regulation within the jurisdiction and authority of such agency.

2.1.2.2

The arbitration ruling rendered pursuant to this Attachment 1 shall be binding upon the parties for purposes of establishing their respective contractual rights and obligations under this Agreement. Upon notification, on a priority basis, the other Party of such failure, which notification shall occur within two (2) hours of the occurrence or sooner if required under Applicable Law. The Parties will exchange a list containing the names and telephone numbers of the support center personnel responsible for maintaining the 9 1 1 Service between the Parties.

GTE will provide the order number and circuit identification code in advance of the service due date.

A third party agent will provide CNA the 9 1 1 data base. The initial CNA data will be provided to GTE in a format prescribed by GTE. AT&T is responsible for providing GTE updates to the CNA data and error corrections which may occur during the entry of CNA data to the GTE 9 1 1 Database System. GTE will confirm receipt of such data and corrections by the next Business Day by providing AT&T with a report of the number of items sent, the number of items

entered correctly, and the number of errors.

AT&T will monitor the 9 1 1 circuits for the purpose of determining originating network traffic volumes. AT&T will notify GTE if the traffic study information indicates that additional circuits are required to meet the current level of 9 1 1 call volumes.

Incoming trunks provided for 9-1-1 shall be engineered to assure minimum **P.01** grade of service as measured during the busy day/busy hour.

Compensation

AT&T shall compensate GTE as set forth in Attachment 14

(Pricing.)

Transmission and Routing of Telephone Exchange Service Traffic Pursuant to Section 251(c)(2)

Scope of Traffic.

This Section prescribes parameters for trunk groups (the "Local/IntraLATA Trunks") to be effected over the Interconnections specified in Part IV for the transmission and routing of Local Traffic and IntraLATA Toll Traffic between the Parties' respective Telephone Exchange Service Customers.

Limitations.

No Party shall terminate Exchange Access traffic or originate untranslated 800/888 traffic over Local/IntraLATA Interconnection Trunks. Trunk Group Architecture and Traffic Routing.

The Parties shall jointly engineer and configure Local/IntraLATA Trunks over the physical Interconnection arrangements as follows:

Notwithstanding anything to the contrary contained in this Section, if the traffic volumes between any two Central Office Switches at any time exceeds the CCS busy hour equivalent of one DS1, the Parties shall within sixty (60) days after such occurrence establish new direct trunk groups to the applicable E) **consistent with the grades of** the Grooming Plan.

Only those valid NXX codes served by an End Office may be accessed through a direct connection to that End Office.

Each Party shall ensure that each Tandem connection permits the completion of traffic to all End Offices which sub-tend that Tandem or to End Offices which sub-tend an additional Tandem. Pursuant to Section 39, each Party shall establish and maintain separate trunk groups connected to each Tandem of the other Party which serves, or is sub tended by End Offices which serve, such other Party's Customers with **ange Areas served by such Tandem** Say be used for signaling between AT&T switches, between AT&T switches and GTE switches, and between AT&T switches and those third party networks with which GTE's SS7 network is interconnected.

Where available, CCIS signaling shall be used by the Parties to set up calls between the Parties' Telephone Exchange Service networks. Each party shall supply Calling Party Number (CPN) within the SS7 signaling message, if **If Common Channel Interoffice Signaling** shall be used by the Parties. Each Party shall charge the other Party equal and reciprocal rates for CCIS signaling in accordance with the Pricing Schedule.

Each Party is responsible for requesting Interconnection to the other Party's CCIS network, where SS7 signaling on the trunk group(s) is desired. Each Party shall connect to a pair of access STPs in each LATA where traffic will be exchanged or shall arrange for signaling connectivity through a third party provider which is connected to the other Party's signaling network. The Parties shall establish Interconnection at the STP.

The Parties will cooperate on the exchange of Transactional Capabilities Application Part (TCAP) messages to facilitate interoperability of CCIS based features between their respective networks, including all CLASS features and functions, to the extent each Party offers such features and functions to its Customers. All CCIS signaling parameters will be provided including, without limitation, Calling Party Number (CPN), Originating Line Information (OLI), calling party category and charge number. Such information shall be passed

by a Party to the extent that such information is provided to such Party.

Where available and upon the request of the other Party, each Party shall cooperate to ensure that its trunk groups are configured utilizing the B8ZS ESF protocol for 64 kbps clear channel transmission to allow for ISDN interoperability between the Parties' respective networks.

Grades of Service

The Parties shall initially engineer and shall jointly monitor and enhance all trunk groups consistent with the Grooming Plan.

Measurement and Billing

For billing purposes, each Party shall pass Calling Party Number (CPN) information on each call that it originates over the Local/IntraLATA Trunks; provided that all calls exchanged without CPN information shall be billed as either Local Traffic or IntraLATA Toll Traffic based upon a percentage of local usage (PLU) factor calculated based on the amount of actual volume during the preceding three months. The PLU will be reevaluated every three (3) months. If either Party fails to pass at least ninety percent (90%) of calls with CPN that it originates within a monthly billing period, then either Party may request that separate trunks groups for Local Traffic and IntraLATA Toll Traffic be established.

Measurement of Telecommunications traffic billed hereunder shall be (i) in actual conversation time as specified in FCC terminating FGD Switched access tariffs for Local Traffic and (ii) in accordance with applicable tariffs for all other types of Telecommunications traffic.

Reciprocal Compensation Arrangements

Reciprocal Compensation applies for transport and termination of Local Traffic billable by GTE or AT&T which a Telephone Exchange Service Customer originates on GTE's or AT&T's network for termination on the other Party's network. The Parties shall compensate each other for such transport and termination of Local Traffic at the rate provided in Attachment 14 (Pricing).

The Reciprocal Compensation arrangements set forth in this Agreement are not applicable to Switched Exchange Access Service. All Switched Exchange Access Service and all IntraLATA Toll Traffic shall continue to be governed by the terms and conditions of the applicable federal and state tariffs.

Each Party shall charge the other Party its effective tariffed FGD **switched access rates for the tran.**

Compensation for transport and termination of all traffic which has been subject to performance of Interim Number Portability by one Party for the other Party shall be as specified in Attachment 14 (Pricing.)

The exchange of Transiting Traffic is defined in Section 38.5.

AT&T shall pay to GTE a Transiting Service Charge for the use of its Tandem Switching as described in Attachment 14 (Pricing.)

Until such time as AT&T and the third party LEC or ILEC agree upon mutual

compensation, third party mutual compensation will be exchanged between AT&T and GTE as follows:

For traffic originating on AT&T's network and terminating on a third party LEC or ILEC network, AT&T will pay to GTE the terminating mutual compensation rate agreed upon between GTE and such LEC or ILEC. This includes any switched access IntraLATA Toll charges.

For traffic originating on a third party LEC or ILEC network and terminating on AT&T's network, GTE will pay to AT&T **mutual** upon between GTE and such LEC or ILEC. GTE shall pay AT&T for IntraLATA Toll Traffic terminating to AT&T from such third party LEC or ILEC.

Transmission and Routing of Exchange Access Traffic

Scope of Traffic

This Section prescribes parameters for certain trunk groups ("Access Toll Connecting Trunks") to be established over the Interconnections specified in Article III **mission and** traffic and nontranslated 800 traffic between AT&T Telephone Exchange Service Customers and Interexchange Carriers.

Trunk Group Architecture and Traffic Routing

The Parties shall jointly establish Access Toll Connecting Trunks by which they will jointly provide **ported Switched Excha** Carriers to enable such Interexchange Carriers to originate and terminate traffic from and to AT&Ts.

Access Tol be used solely for thd below, the Arbitrator's decision and award shall be final and binding, and shall be in writing unless the Parties mutually agree to waive the requirement of a written opinion. Judgment upon the award rendered by the Arbitrator may be entered in any court having jurisdiction thereof. Either Party may apply to the United States District Court for the district in which the hearing occurred for an order enforcing the decision.

11.2 A decision of the Arbitrator shall not be final in the following situations:

a) a Party appeals the decision of the Commission or FCC, and the matter is within the jurisdiction of the Commission or FCC, provided that the agency agrees to hear the matter;

b) the dispute concerns the misappropriation or use of intellectual property rights of a Party, including, but not limited to, the use of the trademark, tradename, trade dress or service mark of a Party, and the decision appealed by a Party to a federal or state court with jurisdiction over the dispute.

11.3 Each Party agrees that any permitted appeal must be commenced within thirty (30) days after the Arbitrator's decision in the arbitration proceedings is issued. In the event of an appeal, a Party must comply with the results of the arbitration process during the appeal process.

11.4 In the event that the Arbitrator's decision results in a written modification of this Agreement executed by the parties (the "Modification"), the Modification shall be filed with the appropriate state utilities commissions.

12. Fees

12.1 The Arbitrator's fees and expenses that are directly related to a particular proceeding shall be paid by the losing Party. In cases in which the Arbitrator determines that neither Party has, in some material respect, completely prevailed or lost in a proceeding, the Arbitrator shall, in his or her discretion, apportion expenses to reflect the relative success of each Party. Those fees and expenses not directly related to a particular proceeding shall be shared equally. In accordance with Section 3.2. of this Attachment 1, in the event that the Parties settle a dispute before the Arbitrator reaches a decision with respect to that dispute, the Settlement Agreement must specify how the Arbitrator's fees for the particular proceeding will be apportioned.

12.2 In an action to enforce or confirm a decision of the Arbitrator, the prevailing Party shall be entitled to its reasonable attorneys' fees, and costs, consistent with the local rules of the district in which the suit could have been brought.

13. Confidentiality

13.1 GTE, AT&T, and the Arbitrator will treat the arbitration proceeding, including the hearings and conferences, discovery, or other related events, as confidential, except as necessary in connection with a judicial challenge to, or enforcement of, an award, or unless otherwise required by an order or lawful process of a court or governmental body.

13.2 In order to maintain the privacy of all arbitration conferences and hearings, the Arbitrator shall have the power to require the exclusion of any person, other than a Party, counsel thereto, or other essential persons.

13.3 To the extent that any information or materials disclosed in the course of an arbitration proceeding contains proprietary or confidential Information of either Party, it shall be safeguarded in accordance with Section 16 of this Agreement. However, nothing in Section 16 of this Agreement shall be construed to prevent either Party from disclosing the other Party's Information to the Arbitrator in connection with or in anticipation of an arbitration proceeding. In addition, the Arbitrator may issue orders to protect the confidentiality of proprietary information, trade secrets, or other sensitive information.

14. **Service of Process**

- 14.1 Service may be made by submitting one copy of all pleadings and attachments and any other documents requiring service to each Party and one copy to the Arbitrator. Service shall be deemed made (i) upon receipt if delivered by hand; (ii) after three (3) business days if sent by first class certified U.S. mail; (iii) the next business day if sent by overnight courier service; (iv) upon confirmed receipt if transmitted by facsimile. If service is by facsimile, a copy shall be sent the same day by hand delivery, first class U.S. mail, or overnight courier service.
- 14.2 Service by AT&T to GTE and by GTE to AT&T at the address designated for delivery of notices in this Agreement shall be deemed to be service to GTE or AT&T, respectively. The initial address for delivery of notices is specified in Subsection 3.1 above.

Appendix I to Attachment 1
ALTERNATIVE DISPUTE RESOLUTION

Procedure for Resolution of Service-Affecting Disputes

1. **Purpose**

- a) This Appendix 1 describes the procedures for an expedited resolution of disputes between GTE and AT&T arising under this Agreement which directly affect the ability of a Party to provide uninterrupted, high quality services to its customers and which cannot be resolved using the procedures for informal resolution of disputes contained in Attachment 1 to the Agreement.
- b) Except as specifically provided in this Appendix 1 to Attachment 1, the provisions of Attachment 1 shall apply.

c) 2. **Initiation of an Arbitration**

- d) a) If the Inter-Company Review Board is unable to resolve a service affecting dispute within two (2) business days (or such longer period as agreed to in writing by the Parties) of such submission, and the Parties have not otherwise entered into a settlement of their dispute, a Party may initiate an arbitration in accordance with the requirements of this Appendix 1 to Attachment 1. However, in the sole discretion of the Party which submitted the dispute to the Inter-Company Review Board, the dispute may be arbitrated in accordance with the general procedures described in Attachment 1 rather than the expedited procedures of this Appendix 1 to Attachment 1.
- e) b) A proceeding for arbitration will be commenced by a Party ("Complaining Party") filing a complaint with the Arbitrator and simultaneously serving a copy on the other Party ("Complaint").
- f) c) Each Complaint will concern only the claims relating to an act or failure to act (or series of related acts or failures to act) of a Party which affect the Complaining Party's ability to offer a specific service (or group or related services) to its customers.
- g) A Complaint may be in letter or memorandum form and must specifically describe the action or inaction of a Party in dispute and identify with particularity how the complaining Party's service to its customers is affected.
- h)
- i) 3. **Response to Complaint**
- j) A response to the Complaint must be filed within five (5) business days after service of the Complaint.

k) 4. **Reply to Complaint**

- l) A reply is permitted to be filed by the Complaining Party within three (3) business days of service of the response. The reply must be limited to those matters raised in the response.

m) 5. **Discovery**

- n) The Parties shall cooperate on discovery matters as provided in Section 8 of Attachment 1, but following expedited procedures.

o) 6. **Hearing**

a) The Arbitrator will schedule a hearing on the Complaint to take place within twenty (20) business days after service of the Complaint. However, if mutually agreed to by the parties, a hearing may be waived and the decision of the Arbitrator will be based upon the papers filed by the Parties.

b) The hearing will be limited to four (4) days, with each Party allocated no more than two (2) days, including cross examination by the other Party, to present its evidence and arguments. For extraordinary reasons, including the need for extensive cross-examination, the Arbitrator may allocate more time for the hearing.

In order to focus the issues for purposes of the hearing, to present initial views concerning the issues, and to facilitate the presentation of evidence, the Arbitrator has the discretion to conduct a telephone pre-hearing conference at a mutually convenient time, but in no event later than three (3) days prior to any scheduled hearing.

Each Party may introduce evidence and call witnesses it has previously identified in its witness and exhibit lists. The witness and exhibit lists must be furnished to the other Party at least three (3) days prior to commencement of the hearing. The witness list will disclose the substance of each witness' expected testimony. The exhibit list will identify by name (author and recipient), date, title and any other identifying characteristics the exhibits to be used at the arbitration. Testimony from witnesses not listed on the witness list or exhibits not listed on the exhibit list may not be presented in the hearing.

c) The parties will make reasonable efforts to stipulate to undisputed facts prior to the date of the hearing.

d) Witnesses will testify under oath and a complete transcript of the proceeding, together with all pleadings and exhibits, shall be maintained by the Arbitrator.

7. **Decision**

- a) The Arbitrator will issue and serve his or her decision on the Parties within five (5) business days of the close of the hearing or receipt of the hearing transcript, whichever is later.
- b) The Parties agree to take the actions necessary to implement the decision of the Arbitrator immediately upon receipt of the decision.