

Joan Gage
State Manager – Regulatory Affairs

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REGISTRY DEPARTMENT

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STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

UT-023065 (IA)

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1-8-03

verizon

Verizon Northwest Inc.
1800 41st Street
P.O. Box 1003
Everett, Washington 98201
Mailcode: WA0101RA

Phone 425 261-5238
Fax 425 261-5262

December 9, 2002

Ms. Carole J. Washburn,
Executive Secretary
Washington Utilities and
Transportation Commission
Chandler Plaza Building
1300 S. Evergreen Park Drive SW
Olympia, Washington 98504

Subject: **INTERCONNECTION AGREEMENT**

Dear Ms. Washburn:

Enclosed for filing with the Commission is an original and three (3) copies of an adoption letter and the Interconnection Agreement between Verizon Northwest Inc. and PowerTelNET Communications, Inc. Also enclosed is an amendment to the agreement.

Please call me if you have any questions.

Very truly yours,



Joan Gage
State Manager – Regulatory Affairs

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Enclosure



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STANDARD TIME
UTIL. 2010 TO 11:51

Jeffrey A. Masoner
Vice President
Interconnection Services Policy and Planning
Wholesale Marketing

2107 Wilson Boulevard
Arlington, VA 22201

Phone 703 974-4610
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jeffrey.a.masoner@verizon.com

October 10, 2002

Michael J. Bradshaw
General Manager/Executive Vice President
PowerTelNET Communications, Inc.
402 7th Street
Prosser, WA 99350

Re: Requested Adoption Under the FCC Merger Conditions

Dear Mr. Bradshaw:

Verizon Northwest Inc. ("Verizon"), a Washington corporation with its principal place of business at 1800 41st Street, Everett, WA 98201, has received your letter stating that, pursuant to paragraph 32 of the BA/GTE Merger Conditions ("Merger Conditions"), released by the FCC on June 16, 2000 in CC Docket No. 98-184, PowerTelNET Communications, Inc. ("PowerTelNET"), a Washington corporation with its principal place of business at 402 7th Street, Prosser, WA 99350, wishes to provide services to customers in Verizon's service territory in the state of Washington by adopting the voluntarily negotiated terms of the Interconnection Agreement between Sprint Communications Company L.P. ("Sprint") and Verizon California Incorporated, f/k/a GTE California Incorporated ("Verizon California") that was approved by the California Public Utilities Commission as an effective agreement in the state of California, as such agreement exists on the date hereof after giving effect to operation of law (the "Verizon California Terms").

I understand that PowerTelNET has a copy of the Verizon California Terms which, in any case, are attached hereto as Appendix 1. Please note the following with respect to PowerTelNET's adoption of the Verizon California Terms.

1. By PowerTelNET's countersignature on this letter, PowerTelNET hereby represents and agrees to the following four points:

- (A) PowerTelNET agrees to be bound by and adopts in the service territory of Verizon, the Verizon California Terms, as they are in effect on the date hereof after giving effect to operation of law, and in applying the Verizon California Terms, agrees that PowerTelNET shall be substituted in place of Sprint Communications Company L.P. and Sprint in the Verizon California Terms wherever appropriate.
- (B) Notice to PowerTelNET and Verizon as may be required or permitted under the Verizon California Terms shall be provided as follows:

To PowerTelNET:

Attention: Michael J. Bradshaw
General Manager/Executive Vice President
402 7th Street
Prosser, WA 99350
Telephone Number: 509/786-8250
Facsimile Number: 509/786-7615
Internet Address: mbradshaw@bentonrea.org

To Verizon:

Director-Contract Performance & Administration
Verizon Wholesale Markets
600 Hidden Ridge, HQEWMNOTICES
Irving, TX 75038
Telephone Number: 972/718-5988
Facsimile Number: 972/719-1519
Internet Address: wmnotices@verizon.com

with a copy to:

Vice President and Associate General Counsel
Verizon Wholesale Markets
1515 North Court House Road, Suite 500
Arlington, VA 22201
Facsimile: 703/351-3664

- (C) PowerTelNET represents and warrants that it is a certified provider of local telecommunications service in the state of Washington, and that its adoption of the Verizon California Terms will only cover services in the service territory of Verizon in the state of Washington.
- (D) In the event an interconnection agreement between Verizon and PowerTelNET is currently in effect (the "Original ICA"), this adoption shall be an amendment and restatement of the operating terms and

conditions of the Original ICA, and shall replace in their entirety the terms of the Original ICA. This adoption is not intended to be, nor shall it be construed to create, a novation or accord and satisfaction with respect to the Original ICA. Any outstanding payment obligations of the parties that were incurred but not fully performed under the Original ICA shall constitute payment obligations of the parties under this adoption.

2. PowerTelNET's adoption of the Verizon California Terms shall become effective on October 17, 2002. Verizon shall file this adoption letter with the Washington Utilities & Transportation Commission ("Commission") promptly upon receipt of an original of this letter, countersigned by an authorized officer of PowerTelNET. The term and termination provisions of the Sprint/Verizon California agreement shall govern PowerTelNET's adoption of the Verizon California Terms. PowerTelNET's adoption of the Verizon California Terms is currently scheduled to expire on April 15, 2004.
3. As the Verizon California Terms are being adopted by PowerTelNET pursuant to the Merger Conditions, Verizon does not provide the Verizon California Terms to PowerTelNET as either a voluntary or negotiated agreement. The filing and performance by Verizon of the Verizon California Terms does not in any way constitute a waiver by Verizon of any position as to the Verizon California Terms or a portion thereof. Nor does it constitute a waiver by Verizon of any rights and remedies it may have to seek review of the Verizon California Terms, or to seek review of any provisions included in these Verizon California Terms as a result of PowerTelNET's election pursuant to the Merger Conditions.
4. For avoidance of doubt, please note that adoption of the Verizon California Terms will not result in reciprocal compensation payments for Internet traffic. Verizon has always taken the position that reciprocal compensation was not due to be paid for Internet traffic under section 251(b)(5) of the Act. Verizon's position that reciprocal compensation is not to be paid for Internet traffic was confirmed by the FCC in the Order on Remand and Report and Order adopted on April 18, 2001 ("*FCC Remand Order*"), which held that Internet traffic constitutes "information access" outside the scope of the reciprocal compensation obligations set forth in section 251(b)(5) of the Act.¹ Accordingly, compensation for Internet traffic – if any – is governed by the terms of the *FCC Remand Order*, not pursuant to adoption of the Verizon California Terms.² Moreover, in light of the *FCC Remand Order*, even if the Verizon California Terms include provisions invoking

¹ Order on Remand and Report and Order, In the Matters of: Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 and Intercarrier Compensation for ISP-Bound Traffic, CC Docket No. 99-68 (rel. April 27, 2001) ("*FCC Remand Order*") ¶144, *remanded*, *WorldCom, Inc. v. FCC*, No. 01-1218 (D.C. Cir. May 3, 2002). Although the D.C. Circuit remanded the *FCC Remand Order* to permit the FCC to clarify its reasoning, it left the order in place as governing federal law. See *WorldCom, Inc. v. FCC*, No. 01-1218, slip op. at 5 (D.C. Cir. May 3, 2002).

² For your convenience, an industry letter distributed by Verizon explaining its plans to implement the *FCC Remand Order* can be viewed at Verizon's Customer Support Website at URL www.verizon.com/wise (select Verizon East Customer Support, Resources, Industry Letters, CLEC).

an intercarrier compensation mechanism for Internet traffic, any reasonable amount of time permitted for adopting such provisions has expired under the FCC's rules implementing section 252(i) of the Act.³ In fact, the *FCC Remand Order* made clear that carriers may not adopt provisions of an existing interconnection agreement to the extent that such provisions provide compensation for Internet Traffic.⁴

5. PowerTelNET's adoption of the Verizon California Terms pursuant to the Merger Conditions is subject to all of the provisions of such Merger Conditions. Please note that the Merger Conditions exclude the following provisions from the interstate adoption requirements: state-specific pricing, state-specific performance measures, provisions that incorporate a determination reached in an arbitration conducted in the relevant state under 47 U.S.C. Section 252 and provisions that incorporate the results of negotiations with a state commission or telecommunications carrier outside of the negotiation procedures of 47 U.S.C. Section 252(a)(1). Verizon, however, does not oppose PowerTelNET's adoption of the Verizon California Terms at this time, subject to the following reservations and exclusions:
 - (A) Verizon's standard pricing schedule for interconnection agreements in Washington (as such schedule may be amended from time to time) (attached as Appendix 2 hereto), which includes (without limitation) rates for reciprocal compensation, shall apply to PowerTelNET's adoption of the Verizon California Terms. PowerTelNET should note that the aforementioned pricing schedule may contain rates for certain services the terms for which are not included in the Verizon California Terms or that are otherwise not part of this adoption. In an effort to expedite the adoption process, Verizon has not deleted such rates from the pricing schedule. However, the inclusion of such rates in no way obligates Verizon to provide the subject services and in no way waives Verizon's rights under the Merger Conditions.
 - (B) PowerTelNET's adoption of the Verizon California Terms shall not obligate Verizon to provide any interconnection arrangement or unbundled network element unless it is feasible to provide given the technical, network and Operations Support Systems attributes and limitations in, and is consistent with the laws and regulatory requirements of the state of Washington and with applicable collective bargaining agreements.
 - (C) Nothing herein shall be construed as or is intended to be a concession or admission by Verizon that any provision in the Verizon California Terms

³ See, e.g., 47 C.F.R. Section 51.809(c). These rules implementing section 252(i) of the Act apply to interstate adoptions under the Merger Conditions as well. See, e.g., Merger Conditions ¶132 (such adoptions shall be made available "under the same rules that would apply to a request under 47 U.S.C. Section 252(i)").

⁴ *FCC Remand Order* ¶82.

complies with the rights and duties imposed by the Act, the decisions of the FCC and the Commissions, the decisions of the courts, or other law, and Verizon expressly reserves its full right to assert and pursue claims arising from or related to the Verizon California Terms.

- (D) Terms, conditions and prices contained in tariffs cited in the Verizon California Terms shall not be considered negotiated and are excluded from PowerTelNET's adoption.
 - (E) PowerTelNET's adoption does not include any terms that were arbitrated in the Verizon California Terms.⁵
6. Verizon reserves the right to deny PowerTelNET's adoption and/or application of the Verizon California Terms, in whole or in part, at any time:
- (A) when the costs of providing the Verizon California Terms to PowerTelNET are greater than the costs of providing them to Sprint;
 - (B) if the provision of the Verizon California Terms to PowerTelNET is not technically feasible;
 - (C) if Verizon otherwise is not obligated to permit such adoption and/or application under the Merger Conditions or under applicable law.
7. Should PowerTelNET attempt to apply the Verizon California Terms in a manner that conflicts with paragraphs 3-6 above, Verizon reserves its rights to seek appropriate legal and/or equitable relief.

In the event that a voluntary or involuntary petition has been or is in the future filed against PowerTelNET under bankruptcy or insolvency laws, or any law relating to the relief of debtors, readjustment of indebtedness, debtor reorganization or composition or extension of debt (any such proceeding, an "Insolvency Proceeding"), then: (i) all rights of Verizon under such laws, including, without limitation, all rights of Verizon under 11 U.S.C. § 366, shall be preserved, and PowerTelNET's adoption of the Verizon California Terms shall in no way impair such rights of Verizon; and (ii) all rights of PowerTelNET resulting from PowerTelNET's adoption of the Verizon California Terms shall be subject to and modified by any Stipulations and Orders entered in the Insolvency Proceeding, including, without limitation, any Stipulation or Order providing adequate assurance of payment to Verizon pursuant to 11 U.S.C. § 366.

⁵ Please contact Verizon at your earliest convenience to amend PowerTelNET's adoption regarding any arbitrated terms.

Please arrange for a duly authorized representative of PowerTelNET to sign this letter in the space provided below and return it to the undersigned.

Sincerely,

VERIZON NORTHWEST INC.

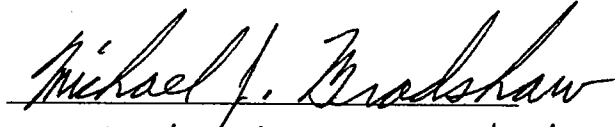


Jeffrey A. Masoner

Vice President – Interconnection Services Policy & Planning

Reviewed and countersigned as to points A, B, C, and D of paragraph 1:

POWERTELNET COMMUNICATIONS, INC.



By Michael J. Bradshaw

Title General Mgr/Exec VP

Attachment

c: Sherri D. Sebring - Verizon (w/out attachments)

251/252 AGREEMENT

between

VERIZON CALIFORNIA, INC. F/K/A GTE CALIFORNIA INCORPORATED

AND

SPRINT COMMUNICATIONS COMPANY L.P.

FOR THE STATE OF CALIFORNIA

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251/252 AGREEMENT

This 251/252 Agreement (the "Agreement") is effective upon the date of execution by both Parties as contained on the signature page below ("Effective Date"). The Agreement is by and between Verizon California, Inc. f/k/a GTE California Incorporated, with its address for purposes of this Agreement at 600 Hidden Ridge Drive, Irving, Texas 75038 ("VERIZON") and SPRINT Communications Company L.P., in its capacity as a certified provider of local telecommunication services ("SPRINT"), with its address for this Agreement at 8140 Ward Parkway, Kansas City, Missouri 64114 (VERIZON and SPRINT being referred to collectively as the "Parties" and individually as a "Party"). This Agreement covers services in the State of California only (the "State").

RECITALS

WHEREAS, Section 251 of the Telecommunications Act of 1996 (the "Act") imposes specific obligations upon VERIZON to negotiate in good faith in accordance with Section 252 of the Act, an agreement embodying the terms and conditions of the provision of certain telecommunications services and facilities to SPRINT and other terms and conditions that are legitimately related to, and constituting a part of, said arrangements; and

WHEREAS, pursuant to Section 252(a) of the Act, SPRINT issued a written request to VERIZON to enter into said negotiations; and

WHEREAS, the Parties completed good faith negotiations that led to the services and facilities arrangements, including all legitimately related terms and conditions, described herein.

WHEREAS, the Parties substantially completed negotiation of this Agreement prior to June 30, 2000.

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, and without waiving any reservation of rights set forth herein, VERIZON and SPRINT hereby covenant and agree as follows.

**ARTICLE I
SERVICES AND FACILITIES**

1. Definitions.

Except as otherwise specified herein, the definitions set forth in the Glossary that is attached hereto as Appendix A to Articles I and II shall apply to this Agreement. Additional definitions that are specific to the matters covered in a particular provision may appear in that provision. To the extent that there may be any conflict between a definition set forth on Appendix A and any definition in a specific provision, the definition set forth in the specific provision shall control with respect to that provision and the Article or Attachment in which such provision shall be included.

2. Service and Facility Arrangements.

2.1 Standard Alternatives.

VERIZON shall provide to SPRINT the services and/or facilities below pursuant to the designated service attachment (check all that apply):

- Interconnection Attachment
- Resale Attachment
- UNE Attachment
- Collocation Attachment

This Agreement consists of the designated services and/or facilities Attachment(s), and with respect to each such Attachment, all terms and conditions set forth in Articles I and II. The terms and conditions in a given Attachment together with all such Article I and II terms and conditions are integrally and legitimately related, and shall govern the provision of the designated services and/or facilities by VERIZON to SPRINT.

2.2 Poles, Ducts, Conduits and Rights-of-Way.

To the extent required by the Act, the FCC, or the Commission, VERIZON and SPRINT shall each afford to the other access to the poles, ducts, conduits and ROWs it owns or controls on terms, conditions and prices comparable to those offered to any other entity pursuant to each Party's tariffs and/or agreements. Accordingly, if VERIZON and SPRINT desire access to the other Party's poles, ducts, or ROWs, VERIZON and SPRINT shall adhere to the terms and conditions of the other Party's applicable tariffs and/or execute separate agreements. SPRINT agrees that pole attachment and conduit occupancy agreements must be executed separately before it makes any attachments to VERIZON facilities or uses VERIZON's conduit. Should SPRINT attempt to make any such attachments to VERIZON's facilities or to use VERIZON's conduit without first entering into such separate agreements, as applicable, then such actions shall constitute a breach of this agreement.

2.3 Directory Listings and Directory Distribution.

2.3.1 Separate Agreement. Except as set forth below, SPRINT will be required to negotiate a separate agreement for directory listings and directory distribution, with VERIZON's directory publication company.

2.3.2 Supply of Listing Information. SPRINT agrees to supply VERIZON on a regularly scheduled basis, at no charge, and in a mutually agreed upon format (e.g. ordering and billing forum developed), all listing information for SPRINT's subscribers who wish to be listed in any VERIZON published directory for the

relevant operating area. Listing information will consist of names, addresses (including city, state and zip code) and telephone numbers. Nothing in this Agreement shall require VERIZON to publish a directory where it would not otherwise do so. Listing inclusion in a given directory will be in accordance with VERIZON's solely determined directory configuration, scope, and schedules, and listings will be treated in the same manner as VERIZON's listings.

2.3.3 Distribution. Upon directory publication, VERIZON will arrange for the initial and secondary distribution of the directory to SPRINT Customers in the directory coverage area at no charge. SPRINT will supply VERIZON in a timely manner with all required Customer mailing information including non-listed and non-published Customer mailing information, to enable VERIZON to perform its distribution responsibilities.

2.4 Directory Assistance (DA) Listing Information.

2.4.1 Definition. DA listing information includes the listed names, addresses and telephone numbers of VERIZON and authorized LEC Customers, except as otherwise provided herein. DA listing information provided shall indicate whether the Customer is a residence or business Customer. Excluded are listings for restricted LEC lines and non-published listings. VERIZON DA listing information includes 800/888 listings, non-listed numbers and foreign listings within the VERIZON franchise.

2.4.2 Availability. VERIZON will make available to SPRINT, at SPRINT's request, VERIZON end-user and authorized LEC DA listing information stored in VERIZON's DA database for the purposes of SPRINT providing DA service to its Customers. VERIZON shall provide to SPRINT, at SPRINT's request, DA listing information within sixty (60) Business Days after an order is received for a specific state. The DA listing information will be provided in VERIZON format via magnetic tape or National Data Mover (NDM) as specified by SPRINT. Updates to the DA listing information shall be provided on a daily basis through the same means used to transmit the initial load. SPRINT agrees to pay VERIZON's standard charges for the initial load and daily updates of VERIZON's DA listing information, which will be provided upon request. The Parties will work together to identify and develop procedures for database error corrections.

2.4.3 Confidential Information. Such listings shall be confidential information pursuant to Article II, Section 4 and SPRINT will use the listings only for its DA services to its Customers. SPRINT is not authorized to release VERIZON's DA listing information to any third party or to provide DA to any other party using VERIZON DA listing information, including SPRINT's Affiliates, subsidiaries or partners, except with the express written permission of VERIZON. In those instances where SPRINT's affiliates, subsidiaries or partners also desire to use VERIZON's DA listing information, each affiliate, subsidiary or partner must negotiate a separate contract with VERIZON to obtain the listings. If SPRINT uses a third-party DA service for its Customers, SPRINT will ensure that such third party likewise treats the listings as confidential information pursuant to Article II, Section 4, and uses them only for SPRINT end-user DA. VERIZON will include SPRINT's DA listing information in VERIZON's DA data base which may be released to third parties which request VERIZON's DA listing information, unless SPRINT provides VERIZON written notice within sixty (60) Business Days after the effective date of this Agreement that its DA listing information is restricted and should not be released to third parties. In the event that SPRINT does properly notify VERIZON that its DA listing information is restricted, VERIZON will so advise third parties requesting such information.

2.5 Dialing Format Changes.

VERIZON will provide notification to SPRINT of changes to local dialing format (i.e. 7-10 digit, by end office) consistent with FCC or Commission requirements on such notification.

2.6 E911/911.

Except as provided herein, SPRINT will be required to negotiate a separate agreement or order separately pursuant to applicable VERIZON Tariffs.

2.7 Network Element Bona Fide Request (BFR).

Each Party shall promptly consider and analyze access to a new unbundled Network Element with the submission of a Network Element Bona Fide Request hereunder. The Network Element Bona Fide Request process set forth herein does not apply to those services requested pursuant to Report & Order and Notice of Proposed Rulemaking 91-141 (rel. Oct. 19, 1992) ¶ 259 and n.603 or subsequent orders.

2.7.1 A Network Element Bona Fide Request shall be submitted in writing and shall include a technical description of each requested Network Element.

2.7.2 The requesting Party may cancel a Network Element Bona Fide Request at any time, but shall pay the other Party's reasonable and demonstrable costs of processing and/or implementing the Network Element Bona Fide Request up to the date of cancellation.

2.7.3 Within ten (10) business days of its receipt, the receiving Party shall acknowledge receipt of the Network Element Bona Fide Request.

2.7.4 Except under extraordinary circumstances, within thirty (30) days of its receipt of a Network Element Bona Fide Request, the receiving Party shall provide to the requesting Party a preliminary analysis of such Network Element Bona Fide Request. The preliminary analysis shall confirm that the receiving Party will offer access to the Network Element or will provide a detailed explanation that access to the Network Element is not technically feasible and/or that the request does not qualify as a Network Element that is required to be provided under the Act.

2.7.5 If the receiving Party determines that the Network Element Bona Fide Request is technically feasible and otherwise qualifies under the Act, it shall promptly proceed with developing the Network Element Bona Fide Request upon receipt of written authorization from the requesting Party. When it receives such authorization, the receiving Party shall promptly develop the requested services, determine their availability, calculate the applicable prices and establish installation intervals.

2.7.6 Unless the Parties otherwise agree, the Network Element Requested must be priced in accordance with Section 252(d)(1) of the Act.

2.7.7 As soon as feasible, but not more than ninety (90) days after its receipt of authorization to proceed with developing the Network Element Bona Fide Request, the receiving Party shall provide to the requesting Party a Network Element Bona Fide Request quote which will include, at a minimum, a description of each Network Element, the availability, the applicable rates and the installation intervals.

2.7.8 Within thirty (30) days of its receipt of the Network Element Bona Fide Request quote, the requesting Party must either confirm its order for the Network Element Bona Fide Request pursuant to the Network Element Bona Fide Request quote or seek arbitration by the Commission pursuant to Section 252 of the Act.

2.7.9 If a Party to a Network Element Bona Fide Request believes that the other Party is not requesting, negotiating or processing the Network Element Bona Fide Request in good faith, or disputes a determination, or price or cost quote, or is failing to act in accordance with Section 251 of the Act, such Party may seek mediation or arbitration by the Commission pursuant to Section 252 of the Act.

3. Operations and Administrative Matters.

3.1 CLEC Profile.

Before orders can be taken, SPRINT must complete and return the CLEC Profile, and if required, pay an advance deposit. SPRINT will provide VERIZON with its Operating Company Number (OCN), Company Code (CC), and Customer Carrier Name Abbreviation (CCNA) as described in the GTE Guide located on GTE's WISE website at URL: <http://www.gte.com/wise>. SPRINT hereby represents and warrants to VERIZON that it is a certified provider of telecommunications service or shall obtain that certification prior to placing any orders under this Agreement. SPRINT will document its Certificate of Operating Authority on the CLEC Profile and agrees to update this CLEC Profile as required to reflect its current certification.

3.2 GTE Guide.

The GTE Guide is an Internet web site that contains VERIZON's operating practices and procedures; general information for pre-ordering, ordering, provisioning, repair and billing for resold services and unbundled network elements; and guidelines for obtaining interconnection with VERIZON's switched network. The Guide is intended to provide general guidelines and operational and administrative assistance to CLECs seeking to order services and facilities pursuant to this Agreement. VERIZON agrees that, as defined by the California OSS Change Control Process (as reflected in Decision Number 99-11-026), such changes will be made in accordance with the California OSS Change Control Process. Such guidelines and operating practices and procedures must be flexible to accommodate changes in the dynamic telecommunications industry, changes to promote increased effectiveness and efficiency, etc. Therefore, VERIZON reserves the right, upon prior advanced notice to SPRINT, to make changes to the Guide. In reserving its right to make changes to the Guide, it is not VERIZON's intention to discriminate against SPRINT's rights under this Agreement. If, in SPRINT's opinion, a particular change to the Guide materially and adversely discriminates against SPRINT's existing rights under this Agreement, SPRINT may so notify VERIZON. If the Parties cannot resolve SPRINT's concerns within a reasonable amount of time, SPRINT may invoke the Dispute Resolution provisions in Article II, Section 3 to resolve the matter.

3.3 Contact Exchange.

The Parties agree to exchange and to update contact and referral numbers for order inquiry, trouble reporting, billing inquiries, and information required to comply with law enforcement and other security agencies of the government.

3.4 Capacity Planning and Forecasting.

Within thirty (30) calendar days from the Effective Date, the Parties agree to have met

and developed joint planning and forecasting responsibilities which are applicable to the service and facilities Attachments described above in Section 2. Should SPRINT not perform its obligations as specified by this Section 3.4, VERIZON may increase its provisioning intervals by as much as 50% until such time as SPRINT performs the obligations specified in this Section 3.4. However, nothing contained in this Section 3.4 relieves SPRINT of its obligations to provide VERIZON periodic forecasts. Such responsibilities shall include, but are not limited to the following:

- 3.4.1 The Parties will establish periodic reviews of network and technology plans and will notify one another no later than six (6) months in advance of changes that would impact either Party's provision of services.
- 3.4.2 SPRINT will furnish to VERIZON information that provides for state-wide annual forecasts of order activity, in-service quantity forecasts, and facility/demand forecasts.
- 3.4.3 If this Agreement includes an Interconnection Attachment, the Parties will develop joint forecasting responsibilities for traffic utilization over trunk groups and yearly forecasted trunk quantities as set forth in that Attachment.
- 3.4.4 SPRINT shall notify VERIZON promptly of changes greater than thirty percent (30%) to current forecasts (increase or decrease) that generate a shift in the demand curve for the following forecasting period.

The Parties' compliance with the requirements of this provision shall not constitute a waiver of any rights or obligation either Party may have under Applicable Law relative to the offering and provisioning of services and facilities.

3.5 Electronic Interfaces.

The Parties shall work cooperatively in the implementation of electronic gateway access to VERIZON Operational Support Systems (OSS) functions in the long-term in accordance with established industry standards. SPRINT should refer to the GTE Guide for the current OSS capabilities.

- 3.5.1 The Parties agree that the Joint Settlement Agreement ("JSA") entered into between the Parties, and as reflected in California Public Utilities Commission Decision Number 99-11-026, shall govern any change management principles applicable to changes in the OSSs included in Decision Number 99-11-026.
- 3.5.2 All costs and expenses for any new or modified electronic interfaces exclusively to meet SPRINT requirements that VERIZON determines are different from what is Currently Available will be paid by SPRINT, if VERIZON agrees to provide such new or modified interfaces.
- 3.5.3 SPRINT shall be responsible for modifying and connecting any of its pre-ordering and ordering systems with VERIZON provided interfaces as described in the GTE Guide.

3.6 OSS Performance Measures.

- 3.6.1 General. As provided for in California Decision Number 99-08-020, the Parties will provide a level of service to each other with respect to services and facilities under this Agreement in compliance with the non-discrimination requirements of the Act. Performance measures detail the areas of performance to be tracked,

reported and audited to evaluate quality of service. The performance measures and related data will be posted monthly on GTE's WISE website at URL: <http://www.gte.com/wise>.

- 3.6.2 Changes. Performance measures to measure quality of service are subject to continued evolution as driven by the industry and state commissions. To the extent changes to performance measures adopted in Decision Number 99-08-020 are adopted by the California Public Utilities Commission, new or modified performance measures shall be made available to SPRINT and shall automatically modify and/or replace the existing performance measures VERIZON currently makes available to all CLECs. To the extent that the California Public Utilities Commission addresses the issue of incorporating performance measures, standards, incentives, and related issues into interconnection agreements in its Rulemaking 97-10-016/Investigation 97-10-017, the Parties agree to abide by and implement the Commissions decision.
- 3.6.3 Description. VERIZON's performance measures are made available on a nationwide basis to all qualifying CLECs. Such performance measures provide for standards to measure the quality of services and facilities offered by VERIZON within the following major categories, which are described below for purposes of information in the manner set forth in Decision Number 99-08-020:
- 3.6.3.1 Pre-ordering. Pre-ordering activities relate to the exchange of information between VERIZON and SPRINT regarding current or proposed Customer products and services, or any other information required to initiate ordering of service. Pre-ordering encompasses the critical information needed to submit a provisioning order from SPRINT to VERIZON. The pre-order measurement reports the timeliness with which pre-order inquiries are returned to SPRINT by VERIZON. Pre-ordering query types include: Address Verification/Dispatch required; Request for Telephone Number; Request for Customer Service Record; Service Availability; Service Appointment Scheduling (due Date); Rejected/Failed Inquires; and Facility Availability.
- 3.6.3.2 Ordering. Ordering activities include the exchange of information between VERIZON and SPRINT regarding requests for service. Ordering includes: (1) the submittal of the service request from SPRINT, (2) rejection of any service request with errors and (3) confirmation that a valid service request has been received and a due date for the request assigned. Ordering performance measurements report on the timeliness with which these various activities are completed by VERIZON. Also captured within this category is reporting on the number of SPRINT service requests that automatically generate a service order in VERIZON's service order creation system.
- 3.6.3.3 Provisioning. Provisioning is the set of activities required to install, change or disconnect a Customer's service. It includes the functions to establish or condition physical facilities as well as the completion of any required software translations to define the feature functionality of the service. Provisioning also involves communication between SPRINT and VERIZON on the status of a service order, including any delay in meeting the commitment date and the time at which actual completion of service installation has occurred. Measurements in this category evaluate the quality of service installations, the efficiency of the installation process and the timeliness of notifications to SPRINT that installation is completed or has been delayed.

- 3.6.3.4 Maintenance. Maintenance involves the repair and restoration of Customer service. Maintenance functions include the exchange of information between VERIZON and SPRINT related to service repair requests, the processing of trouble ticket requests by VERIZON, actual service restoration and tracking of maintenance history. Maintenance measures track the timeliness with which trouble requests are handled by VERIZON and the effectiveness and quality of the service restoration process.
- 3.6.3.5 Network Performance. Network performance involves the level at which VERIZON provides services and facilitates call processing within its network. VERIZON also has the responsibility to complete network upgrades efficiently. If network outages do occur, VERIZON needs to provide notification so appropriate network management and Customer notification can occur by SPRINT. Network performance is evaluated on the quality of interconnection, the timeliness of notification of network outages and the timeliness of network upgrades (code openings) VERIZON completes on behalf of SPRINT.
- 3.6.3.6 Billing. Billing involves the exchange of information necessary for SPRINT to bill its Customers, to process the end-user's claims and adjustments, to verify VERIZON's bill for services provided to SPRINT and to allow SPRINT to bill for access. Billing measures have been designed to gauge the quality, timeliness and overall effectiveness of VERIZON billing processes associated with SPRINT Customers.
- 3.6.3.7 Collocation. VERIZON is required to provide to CLECs available space as required by law to allow the installation of CLEC equipment. Performance measures in this category assess the timeliness with which VERIZON handles SPRINT's request for collocation as well as how timely the collocation arrangement is provided.
- 3.6.3.8 Database updates. Database updates for directory assistance/listings and E911 include the processes by which these systems are updated with Customer information which has changed due to the service provisioning activity. Measurements in this category are designed to evaluate the timeliness and accuracy with which changes to Customer information, as submitted to these databases, are completed by VERIZON.
- 3.6.3.9 Interfaces. VERIZON provides SPRINT with choices for access to OSS pre-ordering, ordering, maintenance and repair systems. Availability of the interfaces is fundamental to SPRINT being able to effectively do business with VERIZON. Additionally, in many instances, SPRINT personnel must work with the service personnel of VERIZON. Measurements in this category assess the availability to SPRINT of systems and personnel at VERIZON work centers.

3.7 Law Enforcement Interface.

Except to the extent not available in connection with VERIZON's operation of its own business, VERIZON shall provide seven day a week/twenty-four hour a day assistance to law enforcement agencies for installation and information retrieval pertaining to traps, traces, court orders and subpoenas. VERIZON reserves the right to charge for this service. SPRINT reserves the right to challenge VERIZON's assessment of such charges for this service.

3.8 Customer Contacts.

Except as otherwise provided in this Agreement or as agreed to in a separate notification signed by SPRINT, SPRINT shall provide the exclusive interface with SPRINT's customers in connection with the marketing or offering of SPRINT services. Except as otherwise provided in this Agreement, in those instances in which VERIZON personnel are required pursuant to this Agreement to (1) interface on behalf of SPRINT directly with SPRINT's current customers, or (2) interface directly with "pending" SPRINT customers for the purpose of effectuating a SPRINT order for change of service, such personnel shall not identify themselves as representing VERIZON. For purposes of this section, a "pending" SPRINT customer means any VERIZON customer for whom SPRINT has submitted a valid change in service order, but for whom the change in service has yet to be completed. In both such instances, all forms, business cards or other business materials furnished by VERIZON to SPRINT's current or pending customers shall be generic in nature. In no event shall VERIZON personnel acting on behalf of SPRINT pursuant to this Agreement provide information to SPRINT customers about VERIZON products or services unless otherwise authorized by SPRINT.

Nothing in this Section 3.8 shall preclude VERIZON from contacting SPRINT's current or pending customers in the normal course of VERIZON's marketing and sales activities; provided, however, that those VERIZON wholesale market personnel responsible for processing requests for customer service records, change in service orders, or other requests by SPRINT shall not share any CPNI with VERIZON's retail sales and marketing personnel in violation of the law or, to the extent required under applicable law, without SPRINT's consent.

4. Financial Matters.

4.1 Rates.

4.1.1 Rate Lists. Except as otherwise provided herein, the rate and charge list for a given facility or service ordered hereunder shall be set forth as an Appendix to the facility or service Attachment.

4.1.2 General Terms and Conditions Affecting Rates. Certain rates and charges specified in this Agreement were taken from the previously arbitrated Interconnection, Resale and Unbundling Agreement between GTE and AT&T Communications of California, Inc. (Arbitrated Agreement), which was approved by the Commission's Order dated January 13, 1997 (Arbitration Order) in Docket No. D.97-01-022. These certain rates and charges were imposed by the Commission on GTE as part of the Arbitrated Agreement (Arbitrated Rates) and are indicated as Arbitrated Rates ("AT&T") on the appropriate services appendix next to the GTE rates and charges ("GTE Rates").

The Parties each agree and acknowledge that they have mutually agreed to incorporate Arbitrated Rates into this Agreement because the Commission has already issued its decision approving the Arbitrated Rates in the Arbitration Order, and SPRINT has represented that it would request the same rates and charges in an arbitration before the Commission. Therefore, for the purposes of compromise and administrative ease, and in order to temporarily resolve issues regarding rates and charges without recourse to formal and expensive arbitration pursuant to Section 252 of the Act, VERIZON agrees to offer to SPRINT the Arbitrated Rates in this Agreement on an interim basis, subject to the following express agreements, conditions, limitations and reservation of rights.

- 4.1.2.1 By agreeing to incorporate the Arbitrated Rates into this Agreement, VERIZON offers the Arbitrated Rates herein solely for the reasons specified above. VERIZON does not waive, and hereby expressly reserves, its rights to assert or continue to assert that: (a) certain of the Arbitrated Rates are unlawful, illegal and improper, including, without limitation, the positions stated in any pending or future VERIZON court challenge regarding certain of the Arbitrated Rates; (b) the Arbitrated Rates do not afford VERIZON the opportunity to recover its actual costs, as mandated by the Act and applicable law; (c) the Arbitrated Rates should not have become effective until such time as the Commission has established an explicit, specific, predictable, sufficient and competitively neutral universal service mechanism that provides VERIZON the opportunity to recover its actual costs; and (d) certain provisions of the FCC's First, Second, Third and Fourth Report and Order in FCC Docket No. 96-98 and other FCC orders or rules (collectively, the "FCC Orders") are unlawful, illegal and improper. VERIZON further expressly reserves its past, present and future rights to challenge and seek review of any and all Arbitrated Rates or any permanent rates or charges established in any generic rate proceeding or any other proceeding, in any court or commission of competent jurisdiction or other available forum.
- 4.1.2.2 VERIZON and SPRINT agree that if the Arbitrated Rates are adjusted or otherwise modified, in whole or in part, by the Commission in any generic rate proceeding or any other rate proceeding (including any proceeding designed to implement deaveraged rates), then the Arbitrated Rates incorporated into this Agreement shall be deemed to have been automatically amended, and such amendment shall be effective upon the date of the applicable Order (the "Rate Modifying Order"), unless the Rate Modifying Order establishes a different effective date. Such adjusted or modified rates and charges will be applied prospectively pending the issuance of a final, binding and non-appealable order in the subject proceeding. At such time as an applicable Order becomes final, binding and non-appealable, the adjusted or modified rates and charges established therein shall be applied retroactively to the effective date of the Rate Modifying Order, unless the applicable Order expressly specifies otherwise. The Parties will true-up any resulting over or under billing. Such true-up payments, if any, shall also include interest computed at the prime rate of the Bank of America, NA in effect at the date of said final, binding and non-appealable Order. Any underpayment shall be paid, and any overpayment shall be refunded, within forty-five (45) Business Days after the date on which such Order becomes final, binding and non-appealable. The Parties agree that the retroactive true-up provisions of this Section 4.1.2.2 shall survive the termination or expiration of this Agreement only to the extent the Rate Modifying Order issues or becomes effective during the term of this Agreement. SPRINT acknowledges that VERIZON may seek to enforce the provisions in this Section 4.1.2.2 before a commission or court of competent jurisdiction.
- 4.1.2.3 VERIZON and SPRINT further agree that the Arbitrated Rates and any subsequent adjusted or modified rates or charges are further subject to change and/or modification resulting from future orders or decisions of any commission, court or other governmental authority having competent jurisdiction that address the following: (1) VERIZON's unrecovered costs (e.g., actual costs, contribution, undepreciated reserve deficiency, or similar unrecovered VERIZON costs (including VERIZON's interim universal service support charge)); (2) the establishment of a

competitively neutral universal service system; (3) any and all actions seeking to invalidate, stay, vacate or otherwise modify any FCC Order in effect as of the Effective Date, or during the term, of this Agreement which impact the Arbitrated Rates or any subsequent adjusted or modified rates or charges (or the methodology from which they were derived), including, without limitation, the current appeal of the FCC pricing rules pending before the Eighth Circuit Court of Appeals (See Docket No. 96-321) and any appeal of the FCC's new UNE rules; or (4) any other relevant appeal or litigation. The Parties agree that if the Arbitrated Rates or any subsequent adjusted or modified rates or charges are deemed to be unlawful or otherwise modified pursuant to such an order or decision, or are otherwise stayed, enjoined or impacted, or the methodology from which they were derived is held to be unlawful or otherwise invalid, in whole or in part, by such an order or decision, then this Agreement shall be deemed to have been automatically amended, by modification of rates or charges, or, as appropriate, by the substitution of the VERIZON Rates for such rates and charges, and such amendments shall be effective upon the date of the applicable Order. Such modified or substituted rates and charges will be applied prospectively pending the issuance of a final, binding and non-appealable Order in the subject proceeding. At such time as the applicable Order becomes final, binding and non-appealable, the modified or substituted rates and charges established therein shall be applied retroactively to the Effective Date of this Agreement. The Parties will true-up any resulting over or under billing. Such true-up payments, if any, shall also include interest computed at the prime rate of the Bank of America, NA in effect at the date of said final, binding and non-appealable Order. Any underpayment shall be paid, and any overpayment shall be refunded within forty-five (45) Business Days after the date on which such Order becomes final, binding and non-appealable. The Parties agree that the retroactive true-up provisions of this Section 4.1.2.3 shall survive the termination or expiration of this Agreement only to the extent the applicable Order issues or becomes effective during the term of this Agreement. SPRINT acknowledges that VERIZON may seek to enforce the provisions in this Section 4.1.2.3 before a commission or court of competent jurisdiction.

- 4.1.3 TBD Prices. Numerous provisions in this Agreement refer to pricing principles. If a provision references prices and there are no corresponding prices, such price shall be considered "To Be Determined" (TBD). With respect to all TBD prices, prior to SPRINT ordering any such TBD item, the Parties shall meet and confer to establish a price. If the Parties are unable to reach agreement on a price for such item, a price shall be set for such item that is equal to the price for the nearest analogous item for which a price has been established (for example, if there is not an established price for a Non-Recurring Charge (NRC) for a specific UNE, the Parties would use the NRC for the most analogous service for which there is an established price.

4.2 Cost Recovery.

VERIZON and SPRINT shall be entitled to seek recovery of all costs each Party incurs in meeting its obligations under this Agreement. If either Party is required to make expenditures or otherwise incur costs that are not otherwise specifically reimbursed under this Agreement, that Party is entitled to seek reimbursement from the other Party for all such expenditures and costs. For all such expenditures and costs, either Party is entitled to seek to receive through NRCs the actual costs and expenses incurred,

including labor costs and expenses, overhead and fixed charges, and a reasonable contribution to VERIZON's common costs. The Party seeking reimbursement shall provide, at the other Parties request, an explanation of the costs and expenses incurred. If a dispute arises from this process, either Party may use the Dispute Resolution provision described in Article II, Section 3 of this Agreement to resolve the dispute.

4.3 Billing and Payment.

4.3.1 General. Payment for all facilities and services provided hereunder is due thirty (30) calendar days from the bill date. Neither Party will bill the other Party for previously unbilled charges incurred more than one (1) year prior to the current billing date. If any undisputed amount due on the billing statement is not received by the billing Party on the payment due date, the billing Party shall calculate and assess, and the billed Party agrees to pay, at the billing Party's option, a charge on the past due balance at an interest rate equal to the amount allowed by the applicable state access tariffs, the state retail tariff, or federal tariff, in accordance with the service ordered, or the maximum nonusurious rate of interest under applicable law. Late payment charges shall be included on the next statement.

4.3.2 Security. Upon request by VERIZON, SPRINT shall, at any time and from time to time, provide VERIZON adequate assurance of payment of amounts due (or to become due) to VERIZON hereunder. Assurance of payment of charges may be requested by VERIZON if SPRINT (a) in VERIZON's reasonable judgement, at the Effective Date or at any time thereafter, is unable to demonstrate that it is creditworthy, (b) fails to timely pay a bill rendered to SPRINT by VERIZON, (c) in VERIZON's reasonable judgement, at the Effective Date or at any time thereafter, does not have established credit with VERIZON or (d) admits its inability to pay its debts as such debts become due, has commenced a voluntary case (or has had a case commenced against it) under the U.S. Bankruptcy Code or any other law relating to bankruptcy, insolvency, reorganization, winding-up, composition or adjustment of debts or the like, has made an assignment for the benefit of creditors or is subject to a receivership or similar proceeding. Unless otherwise agreed by the Parties, the assurance of payment shall, at VERIZON's request, consist of (i) a cash security deposit in U.S. dollars held in an account by VERIZON or (ii) an unconditional, irrevocable standby letter of credit naming VERIZON as the beneficiary thereof and that is otherwise in form and substance satisfactory to VERIZON from a financial institution acceptable to VERIZON, in either case in an amount equal to two (2) months anticipated charges (including, without limitation, both recurring and non-recurring charges), as reasonably determined by VERIZON, for the services, facilities or arrangements to be provided by VERIZON to SPRINT in connection with this Agreement. To the extent that VERIZON opts for a cash deposit, the Parties intend that the provision of such deposit shall constitute the grant of a security interest pursuant to Article 9 of the Uniform Commercial Code as in effect in any relevant jurisdiction. If required by an applicable VERIZON Tariff or by Applicable Law, interest will be paid on any such deposit held by VERIZON at the higher of the stated interest rate in such Tariff or in the provisions of the Applicable Law. VERIZON may (but is not obligated to) draw on the letter of credit or funds on deposit in the account, as applicable, upon notice to SPRINT in respect of any amounts billed hereunder that are not paid within thirty (30) calendar days of the date of the applicable statement of charges prepared by VERIZON. The fact that a security deposit or a letter of credit is requested by VERIZON hereunder shall in no way relieve SPRINT from compliance with VERIZON's regulations as to advance payments and payment for service, nor constitute a waiver or modification of the terms

herein pertaining to the discontinuance of service for nonpayment of any sums due to VERIZON for the services, facilities or arrangements rendered.

- 4.3.3 Billing Disputes. If the billed Party disputes a billing statement issued by the billing Party, the billed Party (the "Non-Paying Party") shall notify the billing Party in writing regarding the specific nature and basis of the dispute within six (6) months of the statement date or the dispute shall be waived. The Non-Paying Party shall pay when due all undisputed amounts to the Billing Party as specified in Section 4.3.1. The Parties shall diligently work toward resolution of all billing issues. If a dispute arises from this process, either Party may invoke the Dispute Resolution provision described in Article II, Section 3 of this Agreement to resolve the dispute.
- 4.3.4 Information Requirements/Audits. Except as provided elsewhere in this Agreement and where applicable, in conformance with Multiple Exchange Carrier Access Billing (MECAB) guidelines and Multiple Exchange Carriers Ordering and Design Guidelines for Access Services-Industry Support Interface (MECOD), SPRINT and VERIZON agree to exchange all information to accurately, reliably, and properly order and bill for features, functions and services rendered under this Agreement. Either Party may conduct an audit of the other Party's books and records pertaining to the Services provided under this Agreement, no more frequently than once per twelve (12) month period, to evaluate the other Party's accuracy of billing, data and invoicing in accordance with this Agreement. Any audit shall be performed as follows: (i) following at least thirty (30) calendar days' prior written notice to the audited Party; (ii) subject to the reasonable scheduling requirements and limitations of the audited Party; (iii) of a reasonable scope and duration; (iv) in a manner so as not to interfere with the audited Party's business operations; and (v) in compliance with the audited Party's security rules. Each Party shall bear its own expenses in connection with the conduct of the Audit or Examination. A Party requesting document reproduction shall bear the costs of such document reproduction. The reasonable cost of Special Data Extraction required by Sprint to conduct the Audit or Examination will be paid for by Sprint. For purposes of this Section, a "Special Data Extraction" shall mean the creation of an output record or informational report (from existing data files) that is not created in the normal course of business. If any program is developed to Sprint's specifications and at Sprint's expense, Sprint shall specify at the time of request whether the program is to be retained by VERIZON for reuse for any subsequent Audit or Examination.
- 4.3.5 Impact of Payment of Charges on Service. SPRINT is solely responsible for the payment of all charges for all services and facilities furnished to SPRINT under this Agreement, including, but not limited to, calls originated or accepted (e.g., sent paid, or received collect) at its or its Customers' service locations. If SPRINT fails to pay when due any and all charges billed to SPRINT under this Agreement, including any late payment charges (collectively, "unpaid charges"), and any or all such charges remain unpaid more than forty-five (45) calendar days after the bill date of such unpaid charges excepting previously disputed charges for which SPRINT may withhold payment, VERIZON shall notify SPRINT in writing that it must pay all unpaid charges to VERIZON. If SPRINT disputes the billed charges, it shall, within seven (7) Business Days, inform VERIZON in writing of which portion of the unpaid charges it disputes, including the specific details and reasons for the dispute, unless such reasons have been previously provided, and shall immediately pay to VERIZON all undisputed charges. If SPRINT and VERIZON are unable, within thirty (30) Business Days thereafter, to resolve issues related to the disputed charges, then either SPRINT or VERIZON may file a request for arbitration under General Provisions of this Agreement to

resolve those issues. Upon resolution of any dispute hereunder, if SPRINT owes payment it shall make such payment to VERIZON with any late payment charge from the original payment due date. If SPRINT owes no payment, but has previously paid VERIZON such disputed payment, then VERIZON shall credit such payment including any late payment charges. VERIZON may discontinue service to SPRINT upon failure to pay undisputed charges as provided in this Section and shall have no liability to SPRINT or SPRINT's Customers in the event of such disconnection. If SPRINT fails to provide such notification or any of SPRINT's Customers fail to select a new provider of services within the applicable time period, VERIZON may provide local exchange services to SPRINT's Customers under VERIZON's applicable Customer tariff at the then current charges for the services being provided. In this circumstance, otherwise applicable service establishment charges will not apply to SPRINT's Customer, but will be assessed to SPRINT.

4.4 Taxes.

- 4.4.1 With respect to any purchase of service under this Agreement, if any federal, state or local government tax, fee, surcharge, or other tax-like charge excluding any tax levied on property or income (a "Tax") is required or permitted by applicable law, ordinance or tariff to be collected from a purchasing Party by the providing Party, then (i) the providing Party will bill, as a separately stated item, the purchasing Party for such Tax, (ii) pursuant to Section 4.3.1, the purchasing Party will remit such Tax to the providing Party, and (iii) the providing Party will remit such collected Tax to the applicable governmental authority as required by law.
- 4.4.2 If the providing Party does not collect a Tax because the purchasing Party asserts that it is not responsible for the Tax, or is otherwise excepted from the obligation which is later determined by formal action to be wrong then, as between the providing Party and the purchasing Party, the purchasing Party will be liable for such uncollected Tax and any interest due and/or penalty assessed on the uncollected Tax by the applicable taxing authority or governmental entity.
- 4.4.3 If either Party is audited by a taxing authority or other governmental entity the other Party agrees to reasonably cooperate with the Party being audited in order to respond to any audit inquiries in a proper and timely manner so that the audit and/or any resulting controversy may be resolved expeditiously.
- 4.4.4 If applicable law does exclude or exempt a purchase of services under this Agreement from a Tax, and if such applicable law also provides an exemption procedure, such as an exemption certificate requirement, then, if the purchasing Party complies with such procedure, the providing Party, subject to Section 4.4.2, will not bill or collect such Tax during the effective period of the exemption. Such exemption will be effective upon receipt of the exemption certificate or affidavit in accordance with Section 4.4.7.
- 4.4.5 If applicable law does not exclude or exempt a purchase of services under this Agreement from a Tax, and does not also provide an exemption procedure, then the providing Party will not bill or collect such tax if the purchasing Party (i) furnishes the providing Party with a letter signed by an officer of the purchasing Party claiming an exemption and identifying the applicable law which allows such exemption, and (ii) supplies the providing Party with an indemnification agreement, reasonably acceptable to the providing Party, which holds the providing Party harmless on an after-tax basis with respect to forbearing to collect such Tax.

4.4.6 With respect to any Tax or Tax controversy covered by this Section 4.4, the purchasing Party will be entitled to contest, pursuant to applicable law, and at its own expense, any Tax that it is ultimately obligated to pay. The purchasing Party will be entitled to the benefit of any refund or recovery resulting from such a contest.

4.4.7 All exemption certificates or other communications required or permitted to be given by SPRINT to VERIZON under this Section 4.4, will be made in writing and will be delivered to VERIZON's Account Manager for SPRINT.

5. Term and Termination.

5.1 Effective Date.

This Agreement will be effective upon the Effective Date set forth at the beginning of this 251/252 Agreement. Subject to the Parties reservation of rights described in Article II, Section 1.4, any modifications to this Agreement required as a result of the Commission review and approval process will be deemed to be effective as of the Effective Date. The Parties agree LSR orders pursuant to this Agreement for resold services, INP services, and unbundled network elements may not be submitted or accepted within the first ten (10) Business Days after the Effective Date. In addition, notwithstanding the possible rejection or modification of this Agreement by the Commission, the Parties agree that all of their obligations and duties hereunder shall remain in full force and effect pending the final disposition of the Commission review and approval process.

5.2 Term.

Subject to the termination provisions contained in this Agreement, the term of this Agreement shall be from the Effective Date of this Agreement until April 15, 2004 ("Termination Date").

5.3 Renegotiation.

If either Party seeks to renegotiate, extend or amend this Agreement, it must provide written notice thereof to the other Party no later than nine (9) months prior to the Termination Date. Any such request shall be deemed by both Parties to be a good faith request for negotiations pursuant to Section 252 of the Act (or any successor provision), regardless of which Party made such request. If either Party makes such request, this Agreement may remain in effect for a period not to exceed three (3) months following the Termination Date, for the purpose of incorporating into the new agreement any arbitration decision or related order issued within three (3) months prior to the end of such nine (9) month period.

5.4 Termination Upon Default or Abandonment.

Either Party may terminate this Agreement prior to the Termination Date in whole or in part in the event of a default by the other Party; provided however, that the non-defaulting Party notifies the defaulting Party in writing of the alleged default and that the defaulting Party does not cure the alleged default within sixty (60) calendar days of receipt of written notice thereof. Default is defined to include:

5.4.1 A Party's insolvency or the initiation of bankruptcy or receivership proceedings by or against the Party; or

5.4.2 A Party's refusal or failure in any material respect to perform its obligations under this Agreement, or the violation of any of the material terms or conditions of this Agreement.

5.5 Termination Upon Sale.

Notwithstanding anything to the contrary contained in this Agreement, a Party may terminate this Agreement as to a specific operating area or portion thereof if such Party sells or otherwise transfers the area or portion thereof. To the extent the closing of the transfer occurs during the term of this Agreement the selling or transferring Party shall provide the other Party with at least ninety (90) calendar days' prior written notice of such termination, which shall be effective on the later of the date specified in the notice or the closing of the transfer. Notwithstanding termination of this Agreement as to a specific operating area, this Agreement shall remain in full force and effect in the remaining operating areas.

5.6 Liability Upon Termination.

Termination of this Agreement, or any part hereof, for any cause shall not release either Party from any liability which at the time of termination had already accrued to the other Party or which thereafter accrues in any respect to any act or omission occurring prior to the termination or from an obligation which is expressly stated in this Agreement to survive termination.

5.7 252(i) Adoptions.

SPRINT shall have the right to adopt any publicly filed agreement, or any interconnection, resale, collocation or network element arrangement contained therein, to which VERIZON is a Party and that has been approved by the Commission for the State pursuant to section 252 of the 1996 Act subsequent to the approval of this Agreement. This right shall be exercised in accordance with, and subject to, the requirements of 47 U.S.C. §252(i) and applicable rules and regulations, including without limitation, the following: (a) SPRINT must adopt all of the terms and conditions "legitimately related" to, and thus constituting part of, the requested interconnection, resale, collocation or network element arrangement; (b) VERIZON shall not be required to provide a given arrangement or agreement to the SPRINT if it is either (i) more costly than providing it to the original carrier, or (ii) technically infeasible; (c) to the extent inconsistent with such adopted arrangement or agreement, this Agreement shall be superseded by the adopted arrangement or agreement; and (d) the parties shall document said adoption in writing and make an appropriate filing with the Commission pursuant to applicable procedures.

ARTICLE II GENERAL PROVISIONS

1. Regulatory/Legal Matters.

1.1 Regulatory Approvals.

This Agreement will be submitted to the Commission for approval. Each Party shall be responsible for obtaining and keeping in effect all FCC, Commission, franchise authority and other regulatory approvals that may be required in connection with the performance of its obligations under this Agreement. If either Party does not provide necessary filing materials within ninety (90) days of execution of this Agreement, any contract signatures will no longer be effective.

1.2 Applicable Law/Changes in Law.

Each Party shall comply with all federal, state, and local statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings applicable to its performance under this Agreement. The terms and conditions of this Agreement were composed in order to effectuate the legal requirements in effect at the time this Agreement was produced, and shall be subject to any and all applicable statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings that subsequently may be prescribed by any federal, state or local governmental authority having appropriate jurisdiction. Except as otherwise expressly provided herein, such subsequently prescribed statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings will be deemed to automatically supersede any conflicting terms and conditions of this Agreement. In addition, subject to the requirements and limitations set forth in Section 1.3, to the extent required or reasonably necessary, the Parties shall modify, in writing, the affected term(s) and condition(s) of this Agreement to bring them into compliance with such statute, regulation, rule, ordinance, judicial decision or administrative ruling. Should the Parties fail to agree on appropriate modification arising out of a change in law, within sixty (60) calendar days of such change in law the dispute shall be governed by Section 3 of Article II.

1.3 Severability/Unenforceable Terms.

If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be unenforceable, the rest of the Agreement shall remain in full force and effect and shall not be affected unless removal of that provision results, in the reasonable opinion of either Party, in a material change to this Agreement. If a material change occurs as a result of action by a court or regulatory agency of competent jurisdiction, the Parties shall negotiate in good faith for replacement language. If replacement language cannot be agreed upon within a reasonable period, either Party may invoke the dispute resolution process in this Agreement to resolve the dispute.

1.4 Reservation of Rights.

The Parties agree that their entrance into this Agreement is without prejudice to and does not waive 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, without limitation, matters related to VERIZON's cost recovery set forth in this Agreement. Moreover, except as expressly provided herein, neither Party waives any right with respect to any position it may take in the future with respect to the establishment of rates, terms and conditions related to the subject matter of this Agreement which may become effective subsequent to the termination of this Agreement. By executing this Agreement, VERIZON does not waive, and hereby expressly reserves,

its rights to continue to assert that: (a) the rates and charges in this Agreement should not become effective until such time as the Commission has established an explicit, specific, predictable, sufficient and competitively neutral universal service mechanism that provides VERIZON the opportunity to recover its actual costs; and (b) certain provisions of the FCC's First Report and Order in FCC Docket No. 96-98 and other FCC orders or rules (collectively, the "FCC Orders") in effect as of the Effective Date or during the term of this Agreement are unlawful, illegal and improper. VERIZON and SPRINT further agree that the terms and conditions of this Agreement reflect certain requirements of the FCC Orders, and thus, except as provided herein, shall be subject to any and all actions by any court or other governmental authority that invalidate, stay, vacate or otherwise modify any such FCC Orders. SPRINT acknowledges that VERIZON may seek to enforce such action before a commission or court of competent jurisdiction. This Section 1.4 shall survive the termination, expiration, modification or rescission of this Agreement without limit as to time, regardless of the date of said action.

1.5 Tariff Offerings.

Some of the services and facilities to be provided to SPRINT by VERIZON, or to VERIZON by Sprint, in satisfaction of this Agreement may be provided, in whole or part, pursuant to existing VERIZON, or Sprint, tariffs. VERIZON and Sprint shall each have the right to modify its tariffs subsequent to the Effective Date of this Agreement, and upon written notice to SPRINT or VERIZON, such modifications shall automatically apply to such services and facilities. The Parties shall cooperate with one another for the purpose of incorporating such modifications into this Agreement to the extent reasonably necessary or appropriate. Notwithstanding the foregoing, except as otherwise specifically provided herein: (a) VERIZON and Sprint shall not have the right to file tariffs for services and facilities that supersede the terms and conditions of this Agreement if the services and/or facilities were not previously provided pursuant to tariff hereunder; unless otherwise ordered by the Commission (pursuant to Applicable Law and not at the request of either Party) and (b) the Parties shall have the right to modify the terms of such VERIZON and Sprint tariffs as applied to this Agreement, as reasonably necessary or appropriate to fulfill their obligations under the Act or applicable rules and regulations in connection with the implementation of this Agreement. This section shall apply only to VERIZON and SPRINT and shall not be construed as applying to any non-parties.

When new services are offered pursuant to tariff, or existing tariffed services are modified, the Party which is introducing or modifying the tariffed service will notify the other Party at the same time it notifies the Commission via the tariff filing of proposed new or modified Services, or as required under applicable Commission rules.

1.6 Certificate of Operating Authority.

When ordering any service or facility hereunder, SPRINT hereby represents and warrants to VERIZON that it is a certified provider of local exchange telecommunications service. SPRINT will provide a copy of its Certificate of Operating Authority or other evidence of its status to VERIZON upon request.

2. Liability Matters.

2.1 Indemnification.

2.1.1 General Requirement. Subject to the limitations set forth in Section 2.7, each Party (the "Indemnifying Party") shall release, defend, indemnify and save harmless the other Party, its directors, officers, employees, servants, agents, Affiliates, subsidiaries and parent, and any third-party provider or operator of facilities involved in the provision of services or

facilities under this Agreement (collectively, the "Indemnified Party"), from and against any and all suits, claims, obligations, liabilities, damages, demands, losses, expenses, causes of action and costs, deficiencies, taxes, interest on taxes, or penalties, court costs and reasonable attorneys' fees, injuries, damage, destruction, delay damages, loss or death to property or persons (including payments made under workers' compensation law or under any plan for employees' disability and death benefits) and actual or alleged defamation, libel, slander, interference with or misappropriation of proprietary or creative right, suffered, made, instituted, or asserted by the Indemnified Party or any other party or person, including, without limitation, the Indemnified Party's Customers (collectively, the "Indemnification Claims") which are proximately caused by:

- 2.1.1.1 any breach or nonfulfillment of any representation, covenant, term, condition or agreement on the part of the Indemnifying Party under this Agreement;
- 2.1.1.2 the negligence, gross negligence, or willful misconduct of the Indemnifying Party or any of its directors, officers, employees, servants, agents, Affiliates, subsidiaries and parent, regardless of the form of action;
- 2.1.1.3 the installation, maintenance, repair, replacement, presence, engineering, use or removal of the Indemnifying Party's collocation equipment, in VERIZON's central office(s), wire center(s) or access tandem(s);
- 2.1.1.4 the violation or alleged violation by the Indemnifying Party or any of its directors, officers, employees, servants, agents, Affiliates, subsidiaries and parent of any federal, state, or local law, regulation, permit, or agency requirement; or
- 2.1.1.5 the presence or alleged presence of contamination arising out of the Indemnifying Party's acts or omissions concerning its operations at a VERIZON Facility.

To the extent the Indemnified Party pays for an indemnifiable loss, cost or expense, or otherwise incurs pecuniary obligations, in satisfaction of, or arising out of or related to any Indemnification Claim, the Indemnifying Party shall also be liable to the Indemnified Party for interest on such payments at the prime rate of the Bank of America, N.A. from the date that the Indemnified Party makes such payments. The obligations of this Section shall survive the termination, cancellation, modification or rescission of this Agreement, without limit as to time.

2.1.2 Notice and Claim Procedure.

- 2.1.2.1 General Requirements. The Indemnified Party: (i) shall give the Indemnifying Party notice (which shall include all facts known to the Indemnified Party giving rise to such right and an estimate of the amount thereof) of the Indemnification Claim and any Third Party Claim (as hereinafter defined) relating to such right promptly after receipt or becoming aware thereof, including copies of any written documentation regarding any such claim received by the Indemnified Party; (ii) prior to taking any material action with respect to a Third Party Claim, shall consult with the Indemnifying Party as to the procedure to be followed in defending, settling, or compromising the Third Party Claim; (iii) shall not consent to any settlement or compromise of the Third Party Claim without the written consent of the Indemnifying Party (which consent,

unless the Indemnifying Party has elected to assume the exclusive defense of such Claim, shall not be unreasonably withheld or delayed); (iv) shall permit the Indemnifying Party, if it so elects, to assume the defense of such Third Party Claim (including, except as provided below, the compromise or settlement thereof) at its own cost and expense, *provided, however*, that in such event the Indemnified Party shall have the right to approve the Indemnifying Party's choice of legal counsel, which approval shall not be unreasonably withheld; and (v) shall cooperate in every reasonable way to facilitate defense or settlement of claims. For the purposes of this Agreement, "Third Party Claim" shall mean any Indemnification Claim by any third party.

2.1.2.2 Consultation and Consent. If the Indemnified Party (i) fails to notify or to consult with the Indemnifying Party with respect to any Third Party Claim in accordance with subparagraph 2.1.2.1(i) or 2.1.2.1(ii) above (which failure shall have a material and adverse effect upon the Indemnifying Party); or (ii) consents to the settlement or compromise of any Third Party Claim without having received the written consent of the Indemnifying Party (unless, if the Indemnifying Party has not elected to assume the defense of such Claim, the consent of the Indemnifying Party is unreasonably withheld or delayed), then the Indemnifying Party shall be relieved of its indemnification obligation with respect to such Third Party Claim under this Agreement.

2.1.2.3 Defense of Claim. If the Indemnifying Party elects to assume the defense of any Third Party Claim pursuant to this Agreement, it shall notify the Indemnified Party in writing of such election. The Indemnifying Party shall not compromise or settle any such Third Party Claim without the written consent of the Indemnified Party (which consent shall not be unreasonably withheld or delayed).

2.1.3 Intellectual Property Exception.

2.1.3.1 Nothing in this Agreement shall be construed as the grant of a license with respect to any patent, copyright, trademark, trade name, trade secret or any other proprietary or intellectual property now or hereafter owned, controlled or licensable by either Party. Neither Party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right of the other Party except in accordance with the terms of a separate license agreement between the Parties granting such rights.

2.1.3.2 Neither Party shall have any obligation to defend, indemnify or hold harmless, or acquire any license or right for the benefit of, or owe any other obligation or have any liability to, the other Party or its Customers based on or arising from any claim, demand, or proceeding by any third party alleging or asserting that the use of any circuit, apparatus, or system, or the use of any software, or the performance of any service or method, or the provision of any facilities by either Party under this Agreement, alone or in combination with that of the other Party, constitutes direct, vicarious or contributory infringement or inducement to infringe, misuse or misappropriation of any patent, copyright, trademark, trade secret, or any other proprietary or intellectual property right of any Party or third party. Each Party, however, shall offer to the other reasonable cooperation and assistance in the defense of any such claim.

2.1.3.3 NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE PARTIES AGREE THAT NEITHER PARTY HAS MADE, AND THAT THERE DOES NOT EXIST, ANY WARRANTY, EXPRESS OR IMPLIED, THAT THE USE BY EACH PARTY OF THE OTHER'S FACILITIES, ARRANGEMENTS, OR SERVICES PROVIDED UNDER THIS AGREEMENT SHALL NOT GIVE RISE TO A CLAIM OF INFRINGEMENT, MISUSE, OR MISAPPROPRIATION OF ANY INTELLECTUAL PROPERTY RIGHT.

2.1.3.4 SPRINT agrees that the rights granted by VERIZON hereunder shall, where applicable, be subject to the restrictions, if any, contained in any current software license agreements between VERIZON and VERIZON 's software vendors in existence on the Effective Date of this Agreement. SPRINT acknowledges that functions and features made available to it hereunder through the use of third party proprietary products may involve additional terms and conditions and/or separate licensing to SPRINT.

2.2 Environmental Responsibility.

2.2.1 General Requirements. SPRINT shall:

- 2.2.1.1 comply with all laws regarding the handling, use, transport, storage, and disposal of, and be responsible for all hazards created by and damages or injuries caused by, any materials brought to or used at the VERIZON Facility by SPRINT;
- 2.2.1.2 ensure all activities conducted by SPRINT at the VERIZON Facility are in accordance with all applicable federal, state, and local laws, regulations, permits, and agency orders, approvals, and authorizations relating to safety, health, and the environment;
- 2.2.1.3 cause its invitees, agents, employees, and contractors to comply with such reasonable environmental or safety practices/procedures, whether or not required by law, as requested by VERIZON when working at a VERIZON Facility;
- 2.2.1.4 ensure that no substantial new safety or environmental hazards shall be created or new hazardous substances shall be used at a VERIZON Facility;
- 2.2.1.5 demonstrate adequate training and emergency response capabilities related to materials brought to, used, or existing at the VERIZON Facility;
- 2.2.1.6 follow appropriate practices/procedures in evaluating and managing any water, sediment, or other material present in the manhole or vault area so as to ensure compliance with all applicable laws, regulations, permits, and requirements applicable in such circumstances and to ensure safe practices, when conducting operations in any VERIZON manhole or vault area;
- 2.2.1.7 obtain and use its own environmental permits, approvals, or identification numbers to the extent that such permits, approvals, or identification numbers are required under applicable laws, including, without limitation, any of its operations involving the evaluation, collection, discharge,

storage, disposal, or other management of water, sediment, or other material present in a VERIZON manhole or vault area;

2.2.1.8 provide reasonable and adequate compensation to VERIZON for any additional or increased costs associated with compliance with any federal, state, or local law, regulation, permit, or agency requirement related to safety, health, or the environment where such additional or increased cost is incurred as a result of providing SPRINT with interconnection or collocation, including, but not limited to, costs associated with obtaining appropriate permits or agency authorizations or approvals, re-remediation or response to any release or threatened release of any regulated substance, investigation or testing related, and training or notification requirements;

2.2.1.9 ensure that activities impacting safety or the environment of a Right of Way (ROW) are harmonized with the specific agreement and the relationship between VERIZON and the land owner; and

2.2.1.10 comply with any limitations associated with a ROW, including limitations on equipment access due to environmental conditions (e.g., wetland areas having equipment restrictions).

VERIZON shall not be responsible for any costs incurred by SPRINT in meeting its obligations under this Section.

2.2.2 Required Notices. VERIZON and SPRINT shall provide to each other specific notice of known and recognized physical hazards or hazardous substances brought to, used, or existing at the VERIZON Facility and conditions or circumstances potentially posing a threat of imminent danger, including, by way of example only, a defective utility pole or significant petroleum contamination in a manhole. If SPRINT discovers Third Party Contamination at a VERIZON Facility, SPRINT will immediately notify VERIZON and will consult with VERIZON prior to making any required notification, unless the time required for prior consultation would preclude SPRINT from complying with an applicable reporting requirement. VERIZON and SPRINT shall coordinate plans or information required to be submitted to government agencies, such as, by way of example only, emergency response plans and chemical inventory reporting. If fees are associated with such filings, VERIZON and SPRINT shall develop a cost sharing procedure.

2.2.3 Use of VERIZON Permits. If the relevant regulatory authority refuses to issue a separate permit, approval, or identification number to SPRINT after a complete and proper request by SPRINT for same, then VERIZON's permit, approval, or identification number may be used as authorized by law and upon prior approval by VERIZON. In that case, SPRINT must comply with all of VERIZON's environmental, health, and safety practices/procedures relating to the activity in question, including, but not limited to, use of environmental "best management practices (BMP) and selection criteria for vendors and disposal sites.

2.2.4 No Warranty. The Parties acknowledge and agree that: (a) nothing in this Agreement or in any of VERIZON's practices/procedures constitutes a warranty or representation by VERIZON that SPRINT's use of VERIZON's permits, approvals, or identification numbers or compliance with VERIZON's practices/procedures, this Agreement or VERIZON's directions or recommendations, will achieve compliance with any applicable law; and (b) such compliance or use of VERIZON's permits, approvals, or identification numbers creates no right of action against VERIZON.

2.3 Impairment of Service.

The characteristics and methods of operation of any circuits, facilities or equipment of SPRINT connected with the services, facilities or equipment of VERIZON pursuant to this Agreement shall not interfere with or impair service over any facilities of VERIZON, its Affiliated companies, or its connecting and concurring carriers involved in its services, cause damage to its plant, violate any applicable law or regulation regarding the invasion of privacy of any communications carried over VERIZON's facilities or create hazards to the employees of VERIZON or to the public (each hereinafter referred to as an "Impairment of Service"). If SPRINT causes an Impairment in Service, VERIZON shall promptly notify SPRINT of the nature and location of the problem and that, unless promptly rectified, a temporary discontinuance of the use of any circuit, facility or equipment may be required. VERIZON and SPRINT agree to work together to attempt to promptly resolve the Impairment of Service. If the SPRINT is unable to promptly remedy the Impairment of Service, then VERIZON may at its option temporarily discontinue the use of the affected circuit, facility or equipment.

2.4 Fraud.

SPRINT assumes responsibility for all fraud associated with its Customers and accounts. VERIZON shall bear no responsibility for, nor is it required to investigate or make adjustments to SPRINT's account in cases of fraud. For services provided to SPRINT pursuant to the Resale Attachment to this Agreement, VERIZON will provide monitoring of fraud at parity to what it provides for itself.

2.5 DISCLAIMER.

EXCEPT AS SPECIFICALLY PROVIDED TO THE CONTRARY IN THIS AGREEMENT, PROVIDER MAKES NO EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES CONCERNING THE SPECIFIC QUALITY OF ANY SERVICES, FACILITIES PROVIDED UNDER THIS AGREEMENT. PROVIDER DISCLAIMS, WITHOUT LIMITATION, ANY WARRANTY OR GUARANTEE OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING, OR FROM USAGES OF TRADE.

2.6 Limitation of Liability.

Each Party's liability under this agreement to the other Party, whether direct or otherwise arising out of the duty to indemnify against a third-party under this Section 2, all whether in contract, tort or otherwise, shall be limited to direct damages, and except with respect to Indemnification Claims relating to personal injury, environmental, fraud or collocation matters, said liability shall not exceed an amount equal to the amount due and owing by Sprint to VERIZON under this Agreement during the Contract Year in which such claim and/or cause of action accrues or arises, plus any related costs/expenses the Parties may recover, including those under Article I, Section 4.2 above, for the services, UNEs or facilities for the month(s) during which the claim of liability arose. For purposes of this Section, "Contract Year" means a twelve (12) month period during the term of the contract commencing on the Effective Date and each anniversary thereafter. Under no circumstance shall either Party be responsible or liable for indirect, incidental, consequential, special, punitive or exemplary damages, including, but not limited to, interruption of service or designated facilities, economic loss or lost business, revenues or profits, loss of AC or DC power, HVAC interruptions, damages arising from the use or performance of equipment or software, or the loss of use of software or equipment, or any accessories attached thereto, delay, error, or loss of data, even if the Party has been advised of the possibility of the same. Should either Party provide advice, make recommendations, or supply other analysis related to the services or facilities described

in this Agreement, this limitation of liability shall apply to provision of such advice, recommendations, and analysis.

2.7 Inapplicability of Tariff Liability.

VERIZON's general liability, as described in the VERIZON retail tariff, does not extend to SPRINT's customers or any other third party. Liability of VERIZON to SPRINT resulting from any and all causes arising out of services and facilities or any other items relating to this Agreement shall be governed by the liability provisions contained in this Agreement and no other liability whatsoever shall attach to VERIZON. VERIZON shall be liable for the individual services, facilities or elements that it separately provides to SPRINT and shall not be liable for the integration of components combined by SPRINT.

2.8 SPRINT Tariffs or Contracts.

SPRINT shall, in its tariffs or other contracts for services provided to its customers using services obtained from VERIZON, provide that in no case shall VERIZON be liable to SPRINT's customers or any third parties for any indirect, special or consequential damages, including, but not limited to, economic loss or lost business or profits, whether foreseeable or not, and regardless of notification by SPRINT of the possibility of such damages and SPRINT shall indemnify and hold VERIZON harmless from any and all claims, demands, causes of action and liabilities based on any reason whatsoever from its customers as provided in this Agreement. Nothing in this Agreement shall be deemed to create a third-party beneficiary relationship with SPRINT's customers.

2.9 No Liability for Errors.

VERIZON is not liable for mistakes that appear in VERIZON's listings, 911 and other information databases, or for incorrect referrals of customers to SPRINT for any ongoing SPRINT service, sales or repair inquiries, and with respect to such mistakes or incorrect referrals, SPRINT shall indemnify and hold VERIZON harmless from any and all claims, demands, causes of action and liabilities whatsoever, including costs, expenses and reasonable attorney's fees incurred on account thereof, by third parties, including SPRINT's customers or employees. For purposes of this Section mistakes and incorrect referrals shall not include matters arising out of the, gross negligence, or willful misconduct of VERIZON or its employees or agents.

2.10 Unlawful Use of Service.

Services provided by VERIZON pursuant to this Agreement shall not be used by SPRINT or its customers for any purpose in violation of law. SPRINT, and not VERIZON, shall be responsible to ensure that SPRINT and its customers' use of services provided hereunder comply at all times with all applicable laws. VERIZON may refuse to furnish service to SPRINT or disconnect particular services provided under this Agreement to SPRINT or, as appropriate, SPRINT's customer when (i) an order is issued by a court of competent jurisdiction finding that probable cause exists to believe that the use made or to be made of the service is prohibited by law or (ii) VERIZON is notified in writing by a law enforcement agency acting within its jurisdiction that any facility furnished by VERIZON is being used or will be used for the purpose of transmitting or receiving gambling information in interstate or foreign commerce in violation of law. Termination of service shall take place after reasonable notice is provided to SPRINT, or as ordered by the court. If facilities have been physically disconnected by law enforcement officials at the premises where located, and if there is not presented to VERIZON the written finding of a court, then upon request of SPRINT and agreement to pay restoral of service charges and other applicable service charges, VERIZON shall promptly restore such service.

3. Dispute Resolution.

3.1 Alternative to Litigation.

Except as provided under Section 252 of the Act with respect to the approval of this Agreement by the Commission, the Parties desire to resolve disputes arising out of or relating to this Agreement without litigation. Accordingly, the Parties may agree to use the following alternative dispute resolution procedures with respect to any action, dispute, controversy or claim arising out of or relating to this Agreement or its breach, except with respect to the following:

- 3.1.1 An action seeking a temporary restraining order or an injunction related to the purposes of this Agreement;
- 3.1.2 A dispute, controversy or claim relating to or arising out of a change in law or reservation of rights under the provisions of Article II, Section 1; and
- 3.1.3 A suit to compel compliance with this dispute resolution process.

Any such actions, disputes, controversies or claims may be pursued by either Party before any court, commission or agency of competent jurisdiction. Notwithstanding the foregoing, and subject to Section 3.2, nothing herein shall be construed as limiting a Party's right to seek resolution of such disputes before the Commission or any other available forum.

3.2 Negotiations.

At the written request of a Party, each Party will appoint a knowledgeable, responsible representative 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 the arbitration described below 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.

3.3 Arbitration.

If the dispute is not resolved within sixty (60) days of the initial written request, the dispute, upon mutual agreement of the Parties, may be submitted to binding arbitration by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association except that the Parties may select an arbitrator outside American Arbitration Association rules upon mutual agreement. If the Parties mutually agree to arbitrate the dispute, a Party may demand such arbitration in accordance with the procedures set out in those rules. Discovery shall be controlled by the arbitrator and shall be permitted to the extent set out in this section. Each Party may submit in writing to a Party, and that Party shall so respond to, a maximum of any combination of thirty-five (35) (none of which may have subparts) of the following: interrogatories, demands to produce documents, or requests for admission. Each Party is also entitled to take the

oral deposition of one individual of another Party. Additional discovery may be permitted upon mutual agreement of the Parties. The arbitration hearing shall be commenced within sixty (60) Business Days of the demand for arbitration. The arbitration shall be held in a mutually agreeable city. The arbitrator shall control the scheduling so as to process the matter expeditiously. The Parties may submit written briefs. The arbitrator shall rule on the dispute by issuing a written opinion within thirty (30) Business Days after the close of hearings. The times specified in this section may be extended upon mutual agreement of the Parties or by the arbitrator upon a showing of good cause. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

3.4 Expedited Arbitration Procedures.

If the issue to be resolved through the negotiations referenced in Section 3.2 directly and materially affects service to either Party's end-user customers and the Parties have mutually agreed to arbitrate the issue, then the period of resolution of the dispute through negotiations before the dispute is to be submitted to binding arbitration shall be five (5) Business Days. Once such a service affecting dispute is submitted to arbitration, the arbitration shall be conducted pursuant to the expedited procedures rules of the Commercial Arbitration Rules of the American Arbitration Association (i.e., rules 53 through 57).

3.5 Litigation

If the dispute is not resolved within thirty (30) days of the initial written request, and the Parties do not agree to submit the dispute to arbitration, either Party may submit the dispute to the Commission or any other available forum for resolution.

3.6 Costs.

Each Party shall bear its own costs in any proceeding before an arbitrator, court, the Commission or any other forum. A Party seeking discovery shall reimburse the responding Party the costs of reproducing documents to the extent allowed by the state's rules of civil procedure governing discovery. Where the Parties have agreed to arbitrate, the Parties shall equally split the fees of the arbitration and the arbitrator. Where a Commission appoints a neutral, third-party expert(s) or other facilitator(s) to assist in its decision making, the Parties shall equally split the fees and expenses of such expert(s) or facilitator(s).

3.7 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 obligations, including making payments in accordance with Article I, Section 4.3 of this Agreement.

4. Confidential Information.

4.1 Identification.

Either Party may disclose to the other proprietary or confidential Customer, technical, or business information in written, graphic, oral or other tangible or intangible forms ("Confidential Information"). In order for information to be considered Confidential Information under this Agreement, it must be marked "Confidential" or "Proprietary," or bear a marking of similar import. Orally or visually disclosed information shall be deemed Confidential Information only if contemporaneously identified as such and reduced to

writing and delivered to the other Party with a statement or marking of confidentiality within thirty (30) calendar days after oral or visual disclosure. Notwithstanding the foregoing, the following shall be deemed Confidential Information for all purposes under this Agreement whether or not specifically marked or designated as confidential or proprietary: (a) preorders and all orders for services or UNEs placed by SPRINT pursuant to this Agreement, and information that would constitute Customer proprietary network information of SPRINT end-user Customers pursuant to the Act and the rules and regulations of the FCC, as well as recorded usage information with respect to SPRINT Customers, whether disclosed by SPRINT to VERIZON or otherwise acquired by VERIZON in the course of its performance under this Agreement; and (b) all information of a competitive nature provided to a Party in connection with collocation or known to the Party as a result of access to VERIZON's wire center(s), central office(s) or access tandem(s) or as a result of the interconnection of SPRINT's equipment to VERIZON's facilities.

4.2 Handling.

In order to protect Confidential Information from improper disclosure, each Party shall not use or disclose and shall hold in confidence Confidential Information and hereby agrees:

- 4.2.1 That all Confidential Information shall be and shall remain the exclusive property of the source;
- 4.2.2 To limit access to such Confidential Information to authorized employees who have a need to know the Confidential Information for performance of this Agreement;
- 4.2.3 To keep such Confidential Information confidential and to use the same level of care to prevent disclosure or unauthorized use of the received Confidential Information as it exercises in protecting its own Confidential Information of a similar nature;
- 4.2.4 Not to copy, publish, or disclose such Confidential Information to others or authorize anyone else to copy, publish, or disclose such Confidential Information to others without the prior written approval of the source;
- 4.2.5 Upon the source's request, to return or destroy promptly any copies of such Confidential Information at its request; and
- 4.2.6 To use such Confidential Information only for purposes of fulfilling work or services performed hereunder and for other purposes only upon such terms as may be agreed upon between the Parties in writing.

4.3 Exceptions.

These obligations shall not apply to any Confidential Information that: (a) was legally in the recipient's possession prior to receipt from the source; (b) was received in good faith from a third party not subject to a confidential obligation to the source; (c) now is or later becomes publicly known through no breach of confidential obligation by the recipient; (d) was developed by the recipient without the developing persons having access to any of the Confidential Information received in confidence from the source; (e) or is required to be disclosed pursuant to subpoena or other process issued by a court or administrative agency having appropriate jurisdiction, provided, however, that the recipient shall give prior notice to the source and shall reasonably cooperate if the source deems it necessary to seek protective arrangements. VERIZON reserves the right to provide to any information service provider a list of any and all telecommunications providers doing

business with VERIZON. Nothing in this Section 4 is intended to expand or limit the Parties' rights and obligations under Section 222 of the Act.

4.4 Survival.

The obligation of confidentiality and use with respect to Confidential Information disclosed by one party to the other shall survive any termination of this Agreement for a period of three (3) years from the date of the initial disclosure of the Confidential Information.

5. Miscellaneous.

5.1 Binding Effect.

This Agreement shall be binding on and inure to the benefit of the respective successors and permitted assigns of the Parties.

5.2 Consent.

Where consent, approval, or mutual agreement is required of a Party, it shall not be conditional, unreasonably withheld, or delayed.

5.3 Expenses.

Except as specifically set out in this Agreement, each Party shall be solely responsible for its own expenses involved in all activities related to the subject of this Agreement.

5.4 Force Majeure.

In the event performance of this Agreement, or any obligation hereunder, is either directly or indirectly prevented, restricted, or interfered with by reason of fire, flood, earthquake or likes acts of God, wars, revolution, civil commotion, explosion, acts of public enemy, embargo, acts of the government in its sovereign capacity, labor difficulties, including without limitation, strikes, slowdowns, picketing, or boycotts, unavailability of equipment from vendor, changes requested by Customer, or any other circumstances beyond the reasonable control and without the fault or negligence of the Party affected, the Party affected, upon giving prompt notice to the other Party, shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction, or interference (and the other Party shall likewise be excused from performance of its obligations on a day-to-day basis until the delay, restriction or interference has ceased); *provided however*, that the Party so affected shall use diligent efforts to avoid or remove such causes of nonperformance and both Parties shall proceed whenever such causes are removed or cease.

5.5 Good Faith Performance.

In the performance of their obligations under this Agreement, the Parties shall act in good faith. In situations in which notice, consent, approval or similar action by a Party is permitted or required by any provision of this Agreement, such action shall not be conditional, unreasonably withheld or delayed.

5.6 Governing Law.

This Agreement shall be governed by and construed in accordance with the Telecommunications Act of 1996, applicable federal and (to the extent not inconsistent

therewith) domestic laws of the state where the services are provided or the facilities reside and shall be subject to the exclusive jurisdiction of the courts therein.

5.7 Headings.

The headings and numbering of Sections, Parts and Attachments in this Agreement are inserted for convenience and identification only and shall not be considered in the interpretation of this Agreement or construed to define or limit any of the terms herein.

5.8 Independent Contractor Relationship.

The persons provided by each Party shall be solely that Party's employees and shall be under the sole and exclusive direction and control of that Party. They shall not be considered employees of the other Party for any purpose. Each Party shall remain an independent contractor with respect to the other and shall be responsible for compliance with all laws, rules and regulations involving, but not limited to, employment of labor, hours of labor, health and safety, working conditions and payment of wages. Each Party shall also be responsible for payment of taxes, including federal, state and municipal taxes, chargeable or assessed with respect to its employees, such as Social Security, unemployment, workers' compensation, disability insurance, and federal and state withholding. Each Party shall indemnify the other for any loss, damage, liability, claim, demand, or penalty that may be sustained by reason of its failure to comply with this provision.

5.9 Multiple Counterparts.

This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall together constitute but one and the same document.

5.10 No Third Party Beneficiaries.

Except as may be specifically set forth in this Agreement, this Agreement does not provide and shall not be construed to provide third parties with any remedy, claim, liability, reimbursement, cause of action, or other right or privilege.

5.11 Notices.

Any notice to a Party required or permitted under this Agreement shall be in writing and shall be deemed to have been received on the date of service if served personally, on the date receipt is acknowledged in writing by the recipient if delivered by regular U.S. mail, or on the date stated on the receipt if delivered by certified or registered mail or by a courier service that obtains a written receipt. Notice may also be provided by facsimile, Internet or electronic messaging system, which shall be effective if sent before 5:00 p.m. on that day, in the time zone in which it is received, or if sent after 5:00 p.m. it will be effective on the next Business Day following the date sent, *provided, however*, that any such notice shall be confirmed via personal delivery, regular U.S. Mail or certified mail/courier service. Any notice shall be delivered using one of the alternatives mentioned in this section and shall be directed to the applicable address or Internet ID indicated below or such address as the Party to be notified has designated by giving notice in compliance with this section:

If to VERIZON:

VERIZON California, Inc.

Attention: Assistant Vice President/Associate General Counsel
Service Corporation
600 Hidden Ridge - HQEWMNOTICES
Irving, TX 75038
Telephone number: 972/718-6361
Facsimile number: 972/718-3403
Internet Address: wmnotices@verizon.com

and

VERIZON California, Inc.
Attn: Director-Wholesale Contract Compliance
Network Services
600 Hidden Ridge - HQEWMNOTICES
Irving, TX 75038
Telephone Number: 972/718-5988
Facsimile Number: 972/719-1519
Internet Address: wmnotices@verizon.com

If to SPRINT:

SPRINT Communications Company L.P.
Attention: Attention: W. Richard Morris
Vice-President-Local Market Integration
7301 College Blvd. KSOPKV0214
Overland Park, KS 66210
Telephone number: 913-534-6102
Facsimile number: 913-534-6818
Internet Address: (E-mail)

5.12 Publicity.

Any news release, public announcement, advertising, or any form of publicity pertaining to this Agreement, provision of services, or facilities pursuant to it, or association of the Parties with respect to provision of the services described in this Agreement shall be subject to prior written approval of both VERIZON and SPRINT.

5.13 Rule of Construction.

No rule of construction requiring interpretation against the drafting Party hereof shall apply in the interpretation of this Agreement. All references to sections, exhibits, attachments, appendices, etc. shall be deemed to be references to sections, exhibits, attachments, appendices, etc. of this Agreement, as amended or superseded from time to time, unless the context shall otherwise require. Each Party hereby incorporates by reference those provisions of its tariffs that govern the provision of any of the services or facilities provided hereunder. If any provision of this Agreement and an applicable tariff or any schedule, exhibit or appendix hereto cannot be reasonably construed or interpreted to avoid conflict, the provision contained in this Agreement shall prevail, provided that in all cases the more specific shall prevail over the more general. The fact that a condition, right, obligation, or other terms appears in this Agreement, but not in any such applicable tariff or any such schedule, exhibit or appendix hereto, shall not alone be interpreted as, or alone be deemed grounds for finding, a conflict.

5.14 Section References.

Except as otherwise specified, references within an Article, Attachment or Appendix of this Agreement to a Section refer to Sections within that same respective Article, Attachment or Appendix.

5.15 Attachments.

All attachments, appendices, exhibits and schedules attached hereto are deemed to be an integral part of this Agreement, and all references to the term Agreement herein shall be deemed to include such attachments, appendices, exhibits and schedules.

5.16 Subcontractors.

Provider may enter into subcontracts with third parties or Affiliates for the performance of any of Provider's duties or obligations under this Agreement.

5.17 Trademarks and Trade Names.

Unless otherwise mutually agreed upon, neither Party shall publish or use the other Party's logo, trademark, service mark, name, language, pictures, or symbols or words from which the other Party's name may reasonably be inferred or implied in any product, service, advertisement, promotion, or any other publicity matter, except that nothing in this paragraph shall prohibit a Party from engaging in valid comparative advertising. This paragraph shall confer no rights on a Party to the service marks, trademarks and tradenames owned or used in connection with services by the other Party or its Affiliates, except as expressly authorized in writing by the other Party.

5.18 Waiver.

The failure of either Party to insist upon the performance of any provision of this Agreement, or to exercise any right or privilege granted to it under this Agreement, shall not be construed as a waiver of such provision or any provisions of this Agreement, and the same shall continue in full force and effect. Waiver by either Party of any default by the other Party shall not be deemed a waiver of any other default.

5.19 Amendments.

Any amendment, modification, or supplement to this Agreement must be in writing and signed by an authorized representative of each Party. The term "this Agreement" shall include future amendments, modifications, and supplements.

5.20 Assignment.

Any assignment by either Party of any right, obligation, or duty, in whole or in part, or of any interest, without the written consent of the other Party shall be void, except that either Party may assign all of its rights, and delegate its obligations, liabilities and duties under this Agreement, either in whole or in part, to any entity that is, or that was immediately preceding such assignment, a Subsidiary or Affiliate of that Party without consent, but with written notification. The effectiveness of an assignment shall be conditioned upon the assignee's written assumption of the rights, obligations, and duties of the assigning Party. However, when VERIZON is the assignor, VERIZON agrees that it will only assign to an assignee that is an ILEC as defined by the Act.

5.21 Authority.

Each person whose signature appears on this Agreement represents and warrants that he or she has authority to bind the Party on whose behalf he or she has executed this Agreement. Each Party represents he or she has had the opportunity to consult with legal counsel of his or her choosing and SPRINT has not relied on VERIZON counsel, pursuant to this Agreement.

5.22 Entire Agreement.

This Agreement constitutes the entire agreement of the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, negotiations, proposals, and representations, whether written or oral, and all contemporaneous oral agreements, negotiations, proposals, and representations concerning such subject matter. No representations, understandings, agreements, or warranties, expressed or implied, have been made or relied upon in the making of this Agreement other than those specifically set forth herein.

(THIS PAGE IS INTENTIONALLY LEFT BLANK—RESERVED FOR FUTURE USE)

SIGNATURE PAGE

IN WITNESS WHEREOF, each Party has executed this Agreement effective on the Effective Date described above.

VERIZON CALIFORNIA, INC.

SPRINT COMMUNICATIONS COMPANY L.P.

By _____

By _____

Name _____

Name _____

Title _____

Title _____

Date _____

Date _____

**APPENDIX A TO ARTICLES I & II
GLOSSARY**

911 Service

A universal telephone number which gives the public direct access to the Public Safety Answering Point (PSAP). Basic 911 service collects 911 calls from one or more local exchange switches that serve a geographic area. The calls are then sent to the correct authority designated to receive such calls.

Access Service Request (ASR)

An industry standard form, which contains data elements and usage rules used by the Parties to add, establish, change or disconnect services or trunks for the purposes of Interconnection.

Act

The Communications Act of 1934 (47 U.S.C. §151 et. seq.), as from time to time amended (including, without limitation by the Telecommunications Act of 1996, Public Law 104-104 of the 104th United States Congress effective February 8, 1996), and as further interpreted in the duly authorized rules and regulations of the FCC or the Commission.

Affiliate

A person, corporation or other legal entity that, directly or indirectly, owns or controls a Party, or is owned or controlled by, or is under common ownership or control with a Party. For purposes of this paragraph, the term "own" means an equity interest (or the equivalent thereof) of more than ten percent.

Answer Supervision

An off-hook supervisory signal.

Applicable Law

All laws, statutes, common law, regulations, ordinances, codes, rules, guidelines, orders, permits, and approvals of any Governmental Authority, which apply or relate to the subject matter of this Agreement, and are applicable to each Party's performance of its obligations hereunder.

As-Is Transfer (AIT)

The transfer of all Telecommunications Services and features available for resale, that are currently being provided for a specific account, without the requirements of a specific enumeration of the services and features on the Local Service Request (LSR).

Automatic Location Identification/Data Management System (ALI/DMS)

The emergency services (E-911/911) database containing Customer location information (including name, address, telephone number, and sometimes-special information from the local service Provider) used to process subscriber access records into Automatic Location Identification (ALI) records. From this database, records are forwarded to VERIZON's ALI Gateway for downloading by local ALI database systems to be available for retrieval in response to Automatic Number Identification (ANI) from a 9-1-1 call. Also, from this database, VERIZON will upload to its selective routers the selective router ALI (SR/ALI) which is used to determine to which Public Safety Answering Point (PSAP) to route the call.

Automated Message Accounting (AMA)

The structure inherent in switch technology that initially records telecommunication message information. AMA format is contained in the Automated Message Accounting document, published by Telcordia Technologies as GR-1100-CORE which defines the industry standard for message recording.

Automatic Number Identification (ANI)

The signaling parameter which refers to the number transmitted through the network identifying the billing number of the calling Party.

Bill-and-Keep Arrangement

A compensation arrangement whereby the Parties do not render bills to each other for the termination of Local Traffic specified in this Agreement and whereby the Parties terminate local exchange traffic originating from End-Users served by the networks of the other Party without explicit charging among or between said carriers for such traffic exchange.

Bona Fide Request (BFR)

A process for SPRINT to request certain services, features, capabilities or functionality, associated with unbundled network elements, that are not currently offered in the Agreement.

Business Day

Monday through Friday, except for holidays on which the U.S. mail is not delivered.

Central Office Switch

A switch used to provide telecommunications services including but not limited to (1) End Office Switches which are Class 5 switches from which end-user Exchange Services are directly connected and offered, and (2) Tandem Office Switches which are Class 4 switches which are used to connect and switch trunk circuits between and among central office switches. Central office switches may be employed as combination end office/tandem office switches (combination Class 5/Class 4).

Centralized Message Distribution System (CMDS)

The billing record and clearing house transport system that the Regional Bell Operating Companies (RBOCs) and other incumbent LECs use to efficiently exchange out collects and in collects as well as Carrier Access Billing System (CABS) records.

CLLI Codes

Common Language Location Identifier Codes.

Commission

California Public Utilities Commission.

Common Channel Signaling (CCS)

A high-speed specialized packet-switched communications network that is separate (out-of-band) from the public packet-switched and message networks. CCS carries addressed signaling messages for individual trunk circuits and/or database-related services between Signaling Points in the CCS network using SS7 signaling protocol.

Competitive Local Exchange Carrier (CLEC)

Any company or person authorized to provide local exchange services in competition with an ILEC.

Compliance

Environmental and safety laws and regulations based upon a federal regulatory framework, with certain responsibilities delegated to the States. An environmental/safety compliance program may include review of applicable laws/regulations, development of written procedures, training of employees and auditing.

Conversation Time

The time that both Parties' equipment is used for a completed call measured from the receipt of Answer Supervision to the receipt of Disconnect Supervision.

Currently Available

Existing as part of VERIZON's network at the time of the requested order or service and does not include any service, feature, function or capability that VERIZON either does not provide to itself, its affiliates, or to its own End-Users, or does not have the capability to provide.

Customer

A third-party residence or business that subscribes to Telecommunications Services provided by either of the Parties, or by another Telecommunications Service provider, and does not resell it to others.

Customer Service Record Search

Applied to LSR when CLEC requests a Customer service record search prior to account conversion from VERIZON or from another CLEC. Search typically is for basic account information, listing/directory information, service and equipment listing, and billing information. Applied on a per requested loop and/or port basis.

Dedicated Transport

An Unbundled Network Element that is purchased for the purpose of transporting Telecommunication Services between designated Serving Wire Centers (SWC). Dedicated Transport may extend between two VERIZON SWCs (Interoffice Dedicated Transport or IDT) or may extend from the VERIZON SWC to the CLEC premise (CLEC Dedicated Transport or CDT). CDT remains within the exchange boundaries of the SWC, while IDT traverses exchange boundaries.

Disconnect Supervision

An on-hook supervisory signal end at the completion of a call.

DS-1 or Digital Signal Level

A service transmitted at digital signal rate of 1.544 Mbps in the first level signal of the time-division multiplex hierarchy.

DS-3 or Digital Signal Level 3

A service transmitted at digital signal rate of 44.736 Mbps, in the third-level signal of the time-division multiplex hierarchy.

Electronic File Transfer

A system or process that utilizes an electronic format and protocol to send/receive data files.

End Office Switches

Switches that are Class 5 switches from which end-user Exchange Services are directly connected and offered.

Enhanced Service Provider (ESP) /Internet Service Provider (ISP) Traffic

Traffic bound to any Enhanced Service Provider or Internet Service Provider. Unless and until the Commission rules differently in Docket No. 00-02-005, ESP/ISP Traffic is separate and distinct from Local Traffic.

E-911 Service

A method of routing 911 calls to a PSAP that uses a Customer location database to determine the location to which a call should be routed. E-911 service includes the forwarding of the caller's Automatic Number Identification (ANI) to the PSAP where the ANI is used to retrieve and display the Automatic Location Identification (ALI) on a terminal screen at the answering Attendant's position. It usually includes selective routing.

Exchange Message Interface (EMI)

Standard used for the interexchange of telecommunications message information between exchange carriers and interexchange carriers for billable, nonbillable, sample, settlement and study data. Data is provided between companies via a unique record layout that contains Customer billing information, account summary and tracking analysis. EMI format is contained in document SR-320 published by the Alliance for Telecom Industry Solutions.

Exchange Access

The offering of access to telephone exchange services or facilities for the purpose of the origination or termination of the telephone toll services.

Expanded Interconnection Service (EIS)/Collocation

Collocation provides for access to the Company's premises, including, its wire centers and access tandems listed in the National Exchange Carrier Association, Inc., Tariff FCC 4 and other buildings or similar structures owned or leased by the Company that house the Company's network facilities for the purpose of interconnection for the exchange of traffic with the Company and/or for access to unbundled network elements.

Facility

All buildings, equipment, structures and other items located on a single site or contiguous or adjacent sites owned or operated by the same persons or person as used in Article II, Section 2.2.

FCC

The Federal Communications Commission, or any successory agency of the United States government; provided such succession has assumed such duties and responsibilities of the former FCC.

Generator

Under the Resource Conservation Recovery Act (RCRA), the person whose act produces a hazardous waste (40 CFR 261) or whose act first causes a hazardous waste to become subject to regulation. The generator is legally responsible for the proper management and disposal of hazardous wastes in accordance with regulations (see reference in Article II, Section 2.2).

GTE Guide

The VERIZON internet web site which contains VERIZON's operating practices and procedures and general information for pre-ordering, ordering, provisioning, repair and billing for resold services and unbundled elements and guidelines for obtaining interconnection with VERIZON's switched network.

GTOC

GTE Telephone Operating Company.

Imminent Danger

As described in the Occupational Safety and Health Act and expanded for environmental matters, any conditions or practices at a facility which are such that a danger exists which could reasonably be expected to cause death or serious harm or significant damage to the environment or natural resources.

Incumbent Local Exchange Carrier (ILEC)

Any local exchange carrier that was as of February 8, 1996, deemed to be a member of the Exchange Carrier Association as set forth in 47 C.F.R. (69.601(b) of the FCC's regulations.

Initial Service Order

A charge applied to each LSR of Unbundled Loops and/or Ports with the exception of Subsequent Service Order changes to existing CLEC accounts.

Interconnection Facility

See "Internetwork Facilities".

Interconnection Point (IP)

The physical point on the network where the two parties interconnect. The IP is the demarcation point between ownership of the transmission facility. (For purposes of this Agreement, the term "IP" is used interchangeably with the term Point of Interconnection, or POI.)

Interexchange Carrier (IXC)

A telecommunications service Provider authorized by the FCC to provide interstate long distance communications services between LATAs and is authorized by the State to provide InterLATA and/or IntraLATA long distance communications services within the State.

Internet Traffic

Traffic that is transmitted to or returned from the Internet at any point during the duration of the transmission.

Interim Number Portability (INP)

The delivery of Local Number Portability (LNP) capabilities, from a Customer standpoint in terms of call completion, with as little impairment of functioning, quality, reliability, and convenience as possible and from a carrier standpoint in terms of compensation, through the use of existing and available call routing, forwarding, and addressing capabilities.

InterLATA

Telecommunications services between a point located in a local access and transport area and a point located outside such areas.

Internetwork Facilities

The physical connection of separate pieces of equipment, transmission facilities, etc., within, between and among networks, for the transmission and routing of Exchange Service and Exchange Access.

IntraLATA

Telecommunications services that originate and terminate at a point within the same local access and transport area.

ISDN User Part (ISUP)

A part of the SS7 protocol that defines call setup messages and call takedown messages.

Line Information Data Base (LIDB)

One or all, as the context may require, of the Line Information databases owned individually by VERIZON and other entities which provide, among other things, calling card validation functionality for telephone line number cards issued by VERIZON and other entities. A LIDB also contains validation data for collect and third number-billed calls; i.e., Billed Number Screening.

Line Side

Refers to an end office switch connection that has been programmed to treat the circuit as a local line connected to an ordinary telephone station set. Line side connections offer only those transmission and signaling features appropriate for a connection between an end office and an ordinary telephone set.

Local Access and Transport Area (LATA)

A contiguous geographic area for the provision and administration of communications service; i.e., intraLATA or interLATA. Established before the date of enactment of the Telecommunications Act of 1996 by a Bell operating company such that no exchange area includes points within more than one metropolitan statistical area, consolidated metropolitan statistical area, or State, except as expressly permitted under the AT&T Consent Decree dated August 24, 1982; or established or modified by a Bell operating company after such date of enactment and approved by the FCC.

Local Exchange Carrier (LEC)

Any person that is engaged in the provision of telephone Exchange Service or Exchange Access.

Exchange Routing Guide (LERG)

The Telcordia Technologies reference customarily used to identify NPANXX routing and homing information, as well as network element and equipment designation.

Local Number Portability (LNP)

The ability of users of Telecommunications Services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another.

Local Service Request (LSR)

The industry standard form, which contains data elements and usage rules, used by the Parties to establish, add, change or disconnect resold services and Unbundled Network Elements for the purposes of competitive local services.

Local Traffic

For purposes of compensation between the Parties, Local Traffic is VERIZON Traffic that terminates to SPRINT and SPRINT traffic that terminates to VERIZON, that is within VERIZON's then current local serving area, including mandatory local calling scope arrangements. A mandatory local calling scope arrangement is an arrangement that provides End-Users a local calling scope, i.e. Extended Area Service (EAS), beyond their basic exchange serving area. The Parties agree that the points of call origination and termination shall be used to determine Local Traffic, and agree to use the Rate Center assignments of the calling and called NPA/NXX's as shown in the LERG to make such determination. Local Traffic does not include optional local calling scopes, i.e. optional rate packages that permit the End-User to choose a local calling scope beyond their basic exchange serving area for an additional fee, referred to hereafter as "optional EAS". Unless and until the Commission rules differently in Docket No. 00-02-005, Local Traffic does not include Enhanced Service Provider (ESP) and Internet Service Provider (ISP) traffic, in addition to, but not limited to, it excludes Internet traffic, 900/976, etc., and Internet Protocol (IP) based voice or fax telephony.

Loop Facility Charge

A charge applied to LSRs when fieldwork is required for establishment of unbundled loop service. Applied on a per LSR basis.

Main Distribution Frame (MDF)

The primary point at which outside plant facilities terminate within a Wire Center, for interconnection to other telecommunications facilities within the Wire Center. The distribution frame used to interconnect cable pairs and line trunk equipment terminating on a switching system.

Meet-Point Billing (MPB)

Refers to an arrangement whereby two LECs jointly provide the transport element of a switched access service to one of the LEC's end office switches, with each LEC receiving an appropriate share of the transport element revenues as defined by the effective access tariffs.

Mid-Span Fiber Meet

An Interconnection architecture whereby two carriers' fiber transmission facilities meet at a mutually agreed upon IP.

Multiple Exchange Carrier Access Billing (MECAB)

Refers to the document prepared by the Billing Committee of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for Telecommunications Industry Solutions (ATIS). The MECAB document, published by [BellCore] Telcordia Technologies as Special Report SR-BDS-000983, contains the recommended guidelines for the billing of an access service provided by two or more LECs, or by one LEC in two or more states within a single LATA.

Multiple Exchange Carriers Ordering and Design Guidelines for Access Services - Industry Support Interface (MECOD)

A document developed by the Ordering/Provisioning Committee under the auspices of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee (CLC) of the Alliance for Telecommunications Industry Solutions (ATIS). The MECOD document, published by [BellCore] Telcordia Technologies as Special Report SR-STC-002643, establishes methods for processing orders for access service that is to be provided by two or more LECs.

Network Interface Device (NID)

The VERIZON provided interface terminating VERIZON's telecommunication network on the property where the customer's End-User service is located at a point determined by VERIZON. The NID contains an FCC Part 68 registered jack from which inside wire may be connected to VERIZON's network. The point of demarcation between the End-User's inside wiring and VERIZON's facilities.

North American Numbering Plan (NANP)

The system of telephone numbering employed in the United States, Canada, Bermuda, Puerto Rico and certain Caribbean islands that employ NPA 809. The format is a 10-digit number that consist of a 3-digit NPA Code (commonly referred to as area code), followed by a 3-digit NXX code and 4 digit line number.

Numbering Plan Area (NPA)

Also sometimes referred to as an area code, is the three-digit indicator which is defined by the "A", "B", and "C" digits of each 10-digit telephone number within the NANP. Each NPA contains 800 possible NXX Codes. There are two general categories of NPA, "Geographic NPAs" and "Non-Geographic NPAs". A Geographic NPA is associated with a defined geographic area, and all telephone numbers bearing such NPA are associated with services provided within that geographic area. A Non-Geographic NPA, also known as a "Service Access Code" or "SAC Code" is typically associated with a specialized telecommunications service that may be provided across multiple geographic NPA areas. 500, 700, 800, 888 and 900 are examples of Non-Geographic NPAs.

NXX, NXX Code, Central Office Code or CO Code

The three-digit switch entity indicator which is defined by the "D", "E", and "F" digits of a 10-digit telephone number within the NANP. Each NXX Code contains 10,000 station numbers. It is the first three digits of a seven-digit telephone number.

Owner or Operator

As used in OSHA regulations, owner is the legal entity, including a lessee, which exercises control over management and record keeping functions relating to a building or facility. As used in the Resource Conservation and Recovery Act (RCRA), operator means the person responsible for the overall (or part of the) operations of a facility (see reference in Article II, Section 2.2).

Party/Parties

VERIZON and/or SPRINT.

Provider

VERIZON or SPRINT depending on the context and which Party is providing the service to the other Party.

Public Safety Answering Point (PSAP)

An answering location for 9-1-1 calls originating in a given area. A PSAP may be designated as Primary or Secondary, which refers to the order in which calls are directed for answering. Primary PSAPs respond first; Secondary PSAPs receive calls on a transfer basis only, and generally serve as a centralized answering location for a particular type of emergency call. PSAPs are staffed by employees of Emergency Response Agencies (ERAs) such as police, fire or emergency medical agencies or by employees of a common bureau serving a group of such entities.

Public Switched Telecommunications Network (PSTN)

The worldwide voice telephone network accessible to all those with telephones and access privileges. In the U.S., formerly known as the "Bell System network" or the "AT&T long distance network".

Rate Center

The specific geographic point and corresponding exclusive geographic area that are associated with one or more particular NPA-NXX Codes that have been assigned to a LEC for its provision of Exchange Services. The geographic point is identified by a specific Vertical and Horizontal (V&H) coordinate that is used to calculate distance-sensitive End-User traffic to/from the particular NPA-NXXs associated with the specific Rate Center.

Right-of-way (ROW)

The right to use the land or other property of another Party to place poles, conduits, cables, other structures and equipment, or to provide passage to access such structures and equipment. A ROW may run under, on, or above public or private property (including air space above public or private property) and may include the right to use discrete space in buildings, building complexes, or other locations.

Routing Point

Denotes a location that a LEC has designated on its network as the homing (routing) point for traffic that terminates to Exchange Services provided by the LEC that bear a certain NPA-NXX designation. The Routing Point is used to calculate airline mileage for the distance-sensitive transport element charges of Switched Access Services. Pursuant to Telcordia Technologies Practice BR795-100-100, the Routing Point may be an end office location, or a "LEC Consortium Point of Interconnection." The Routing Point must be in the same LATA as the associated NPA-NXX.

Service Control Point (SCP)

The node in the Common Channel Signaling network to which informational requests for service handling, such as routing, are directed and processed. The SCP is a real time database system that, based on a query from the SSP and via a Signaling Transfer Point, performs subscriber or application-specific service logic, and then sends instructions back to the SSP on how to continue call processing.

Service Switching Point (SSP)

A Signaling Point that can launch queries to databases and receive/interpret responses used to provide specific Customer services.

Shared Transport

The physical interoffice facility not dedicated to any one Customer, which is used to transport a call between switching offices. A central office switch translates the End-User dialed digits and routes the call over a Common Transport Trunk Group that rides interoffice transmission facilities. These trunk groups and the associated interoffice transmission facilities are accessible by any End-User (VERIZON End-User or SPRINT End-User when SPRINT has purchased unbundled local switching), and are referred to as "shared transport facilities".

Signaling Point (SP)

A node in the CCS network that originates and/or receives signaling messages, or transfers signaling messages from one signaling link to another, or both.

Signaling System 7 (SS7)

The signaling protocol, Version 7, of the CCS network, based upon American National Standards Institute (ANSI) standards.

Signal Transfer Point (STP)

A packet switch in the CCS network that is used to route signaling messages among SSPs, SCPs and other STPs in order to set up calls and to query databases for advanced services. VERIZON's network includes mated pairs of local and regional STPs. STPs are provided in pairs for redundancy. VERIZON STPs conform to ANSI T1.111-8 standards. It provides SS7 Network Access and performs SS7 message routing and screening.

Subsidiary

A corporation or other legal entity that is majority owned by a Party.

Subsequent Service Order

Applied to LSRs requesting a service change to an existing unbundled account (no CLEC transfer). For disconnect-only LSRs, no NRC will be applied.

Synchronous Optical Network (SONET)

Synchronous electrical (STS) or optical channel (OC) connections between LECs.

Switched Exchange Access Service

The offering of facilities for the purpose of the origination or termination of traffic to or from Exchange Service Customers in a given area pursuant to a switched access tariff. Switched Access Services including but not limited to: Feature Group A, Feature Group B, Feature Group C, Feature Group D, 500, 700, 800, 888 and 900 access services.

Tandem Office Switches

Switches that are Class 4 switches which are used to connect and switch trunk circuits between and among central office switches.

Telcordia Technologies

Formally known as BellCore, a wholly owned subsidiary of Science Applications International Corporation (SAIC). The organization conducts research and development projects for its owners, including development of new Telecommunications Services. Telcordia Technologies also provides certain centralized technical and management services for the regional holding companies and also provides generic requirements for the telecommunications industry for products, services and technologies.

Telecommunications Services

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.

Telephone Exchange Service

(1) Service within a telephone exchange, or within a connected system of telephone exchanges within the same exchange area operated to furnish to subscribers intercommunicating service of the character ordinarily furnished by a single exchange, and which is covered by the exchange service charge; or (2) comparable service provided through a system of switches, transmission equipment, or other facilities (or combination thereof) by which a subscriber can originate and terminate a telecommunications service.

Third Party Contamination

Environmental pollution that is not generated by the LEC or SPRINT but results from off-site activities impacting a facility.

Transfer of Service

A charge applied to LSR's that involve account changes (e.g., CLEC to CLEC transfers, DA & CPE billing changes on Unbundled Ports).

Trunk Side

Refers to a Central Office Switch connection that is capable of, and has been programmed to treat the circuit as, connecting to another switching entity, for example, to another Central Office Switch. Trunk side connections offer those transmission and signaling features appropriate for the connection of switching entities and cannot be used for the direct connection of ordinary telephone station sets.

Unbundled Network Element (UNE)

Generally a facility or equipment used in the provision of a Telecommunications Service. Specific references to UNEs contained throughout this Agreement shall be to the network elements that are to be unbundled pursuant to the UNE Attachment.

Undefined Terms

Terms that may appear in this Agreement which are not defined. Parties acknowledge and agree that any such terms shall be construed in accordance with customary usage in the telecommunications industry as of the effective date of this Agreement.

Vertical Features (including CLASS Features)

Vertical services and switch functionalities provided to VERIZON's retail customers, including but not limited to: Automatic Call Back; Automatic Recall; Call Forwarding Busy Line/Don't Answer; Call Forwarding Don't Answer; Call Forwarding Variable; Call Forwarding - Busy Line; Call Trace; Call Waiting; Call Number Delivery Blocking Per Call; Calling Number Blocking Per Line; Cancel Call Waiting; Distinctive Ringing/Call Waiting; Incoming Call Line Identification Delivery; Selective Call Forward; Selective Call Rejection; Speed Calling; and Three Way Calling/Call Transfer.

Wire Center

A building or space within a building that serves as an aggregation point on a LEC's network, where transmission facilities and circuits are connected or switched. Wire Center can also denote a building in which one or more Central Offices, used for the provision of Exchange Services and Exchange Access Services, are located.

INTERCONNECTION ATTACHMENT

1. General.

This Interconnection Attachment (Attachment) together with Articles I and II, sets forth the terms and conditions under which VERIZON and SPRINT will interconnect their networks for the transmission and mutual exchange of telephone exchange and exchange access traffic. This Attachment governs the provision and compensation of internetwork facilities (i.e., physical interconnection services and facilities), switched transport, and switched termination for Local, IntraLATA Toll, and optional EAS traffic. This Attachment also sets forth the terms and conditions under which VERIZON and SPRINT will provide the Meet-Point Billing (MPB) of jointly provided Interexchange Carrier (IXC) access between VERIZON and SPRINT. The interconnection services and facilities described in this Attachment shall be referred to herein collectively as "Services" and individually as "Service".

The Parties have agreed, pursuant to their August 21, 2000 letter agreement (which is attached hereto and incorporated by reference), not to compensate each other under this Agreement for the exchange of Internet traffic and to treat such traffic as excluded from Local Traffic, unless and until the Commission orders otherwise in a final Order in the Rulemaking in Docket No. 00-02-005. If and when the Commission issues such final Order, the Parties have further agreed, pursuant to their August 21, 2000 letter agreement, to negotiate in good faith and to amend the terms and provisions of this Agreement as necessary to bring this Agreement in conformity with such final Order.

2. Service Arrangements Provided Under this Attachment.

2.1 Transport and Termination of Traffic.

The Parties shall reciprocally terminate Local, IntraLATA Toll, and optional EAS traffic (or other traffic the Parties agree to exchange) originating on each other's networks utilizing either Direct or Indirect Network Interconnections as provided herein in Section 2.3 or Section 2.5, respectively. To this end, the Parties agree that there will be interoperability between their networks. The Parties agree to exchange traffic associated with third party ILECs, CLECs and Wireless Service Providers pursuant to the compensation arrangement specified in Section 5.5 herein. In addition, the Parties will notify each other of any anticipated change in traffic to be exchanged (e.g., traffic type, volume).

2.2 Tandem Switched Traffic.

The Parties will provide tandem switching for traffic between the Parties' end offices subtending each other's tandem, as well as for traffic between either Party's Customers and any third party which is interconnected to the other Party's tandems.

2.3 Direct Network Interconnection.

SPRINT may interconnect with VERIZON on its network at any of the minimum points required by the FCC that are Currently Available in VERIZON's existing network. Interconnection at additional points will be reviewed on an individual case basis. Where the Parties mutually agree to directly interconnect their respective networks, interconnection will be as specified in the following subsections. Unless otherwise agreed by the Parties, the interconnection installation time line where no construction is required shall be twenty-five (25) Business Days after the date on which Sprint delivered notice via an ASR to VERIZON. Where construction is required, the interconnection installation time line shall be as mutually agreed by the Parties, with due consideration given to delays that are not within VERIZON's control. Internetwork connection and

protocol must be based on industry standards developed consistent with Section 256 of the Act.

2.3.1 Subject to mutual agreement, the Parties may use the following types of network facility interconnection, using such interface media as are (i) appropriate to support the type of interconnection requested and (ii) available at the facility at which interconnection is requested. However, if the appropriate interface is not available at the facility at which the interconnection is requested, the Parties shall mutually agree to establish a timetable for provision of the requested interconnection.

2.3.1.1 A Mid-Span Fiber Meet within an existing VERIZON exchange area whereby the Parties mutually agree to jointly plan and engineer their facility interconnection at a designated location. The Interconnection Point (IP) is the demarcation between ownership of the fiber transmission facility. Each Party is individually responsible for its incurred costs in establishing this arrangement.

2.3.1.2 A collocation arrangement at a VERIZON Wire Center subject to the rates, terms, and conditions contained in VERIZON's applicable tariffs, except as provided in the Collocation Attachment.

2.3.1.3 A special access arrangement terminating at a VERIZON Wire Center.

2.3.2 The Parties will mutually designate at least one IP on VERIZON's network within each LATA for the exchange of Local Traffic. As specified in section 2.4.6.2 of this Attachment, Sprint may establish additional routing point(s) through the establishment of trunk groups provisioned over dedicated facilities between the IP and additional VERIZON switches.

2.4 Trunking Requirements.

In accordance with Article I, Section 3.4, it will be necessary for the Parties to have met and agreed on trunking availability and requirements in order for the Parties to begin exchange of traffic.

2.4.1 Switching Center Trunking. The Parties agree to establish trunk groups of sufficient capacity from the interconnecting facilities such that trunking is available to any switching center designated by either Party, including end offices, tandems, 911 routing switches, and directory assistance/operator service switches. The Parties will mutually agree where one-way or two-way trunking will be available. The Parties may use two-way trunks for delivery of Local Traffic or either Party may elect to provision its own one-way trunks for delivery of Local Traffic to the other Party. If a Party elects to provision its own one-way trunks, that Party will be responsible for its own expenses associated with the trunks.

SPRINT and VERIZON shall, where applicable, make reciprocally available, by mutual agreement, the required trunk groups to handle different traffic types. SPRINT and VERIZON will support the provisioning of trunk groups that carry combined or separate Local Traffic, intraLATA toll and optional EAS traffic. Sprint will establish separate trunk groups, to the extent Sprint subtends a VERIZON access tandem, for the routing of exchange access traffic used to provide Switched Access Service to IXCs. To the extent SPRINT desires to have any IXCs originate or terminate switched access traffic to or from SPRINT, using jointly provided switched access facilities routed through a VERIZON access

tandem, it is the responsibility of SPRINT to arrange for such IXC to issue an Access Service Request ("ASR") to VERIZON to direct VERIZON to route the traffic. If VERIZON does not receive an ASR from the IXC, VERIZON will initially route the switched access traffic between the IXC and SPRINT. If the IXC subsequently indicates that it does not want the traffic routed to or from SPRINT, VERIZON will not route the traffic.

2.4.1.1 Notwithstanding Section 2.1 of this Attachment, each Party agrees to initially route traffic only over the proper jurisdictional trunk group, as follows:

- a) originating traffic destined for the Sprint Operator Services platform (e.g., 00-1010333 or other Sprint routed CIC plus "0" to reach the Sprint operator) will be routed to Sprint over new or existing Sprint access trunks, as leased from VERIZON by Sprint pursuant to the terms of VERIZON access tariff(s).
- b) VERIZON originated traffic destined to a Sprint Customer (e.g., 7 or 10 digit dialed) will be routed to Sprint over local interconnection trunks.
- c) Sprint originated traffic destined to a VERIZON Customer (e.g., 7 or 10 digit dialed) will be routed to VERIZON over local interconnection trunks. This traffic may include local traffic terminated to VERIZON from a Sprint Operator Services platform.
- d) Sprint originated traffic routed to an interexchange carrier (e.g., 1+ Toll) connected at a VERIZON access tandem will be routed to VERIZON over access interconnection trunks.
- e) Toll traffic routed to Sprint from an interexchange carrier connected at a VERIZON tandem (e.g., terminating toll) will be routed to Sprint over access interconnection trunks.

While the initial trunking will be as specified above, the Parties may agree to additional trunk groups, or a combination of trunk groups.

2.4.1.2 Each Party shall only deliver traffic over the local interconnection trunk groups to the other Party's tandem for those publicly-dialable NXX Codes served by end offices that directly subtend the tandem or to those wireless service providers that directly subtend the tandem.

2.4.1.3 Neither Party shall route Switched Access Service traffic over local interconnection trunks, or Local Traffic over Switched Access Service trunks.

2.4.2 Tandem Trunking—Interconnection at the Tandem for Local, InterLATA Toll, and/or IntraLATA Toll Traffic

2.4.2.1 Single Tandem LATAs. Where VERIZON has a single Tandem in a LATA, IntraLATA Toll, and/or Local Traffic may be segregated on separate interconnection trunk groups, or combined on a single interconnection trunk group, as specified in Section 2.4.1, for calls destined to or from all end offices and NXX's which subtend VERIZON's tandem. This trunk group shall be two-way, unless the Parties mutually agree to one-way, and will utilize Signaling System 7 (SS7) signaling, where available.

2.4.2.2 Multiple Tandem LATAs. Where VERIZON has more than one Tandem in a LATA, IntraLATA Toll, and/or Local Traffic may be segregated on separate interconnection trunk groups, or may be combined on a single interconnection trunk group, as specified in Section 2.4.1, at every VERIZON tandem to terminate calls destined to or from all end offices and NXX's which subtend each tandem.

At Sprint's option, pursuant to Section 2.3.2 of this Attachment, such interconnection trunk groups may interconnect at only one of the VERIZON Tandems in the LATA. In such case SPRINT may establish additional routing points through the establishment of trunk groups provisioned over dedicated facilities between the IP and additional VERIZON switches. SPRINT agrees to pay the appropriate facilities, switching, transport, and end-office termination charges to compensate VERIZON for terminating calls to all VERIZON subscribers in that LATA.

2.4.3 End-Office Trunking. When SPRINT elects to order additional trunks using standard industry engineering principles, based on forecasted or actual traffic at SPRINT's average busy season, and there is a DS1 worth of traffic (512 CCS) between SPRINT and a VERIZON end office, the ordered trunks will be direct trunks to VERIZON's end office. To the extent that SPRINT has established a Collocation arrangement at a VERIZON end office location, and has available capacity, the Parties agree that SPRINT shall provide two-way direct trunk facilities, when required, from that end office to SPRINT's switch.

2.4.4 Overflow Trunking. Sprint shall overflow traffic at parity with how VERIZON overflows its own traffic.

2.5 Indirect Network Interconnection.

The Parties agree that to the extent they exchange traffic through a third party's tandem, compensation arrangements will be established between the Parties in accordance with Section 5.4 below.

2.6 Number Portability (NP).

2.6.1 Interim Number Portability (INP). Each Party shall provide the other Party with service provider number portability as an INP option for the purpose of allowing Customers to change service-providing Party without changing their telephone number. The Parties shall provide service provider number portability to each other using remote call forwarding ("RCF") and/or direct inward dialing ("DID"). The requesting Party will provide "forward to" telephone number that is within the same Wire Center. The VERIZON rates for INP service using RCF are set out in Appendix B attached to this Attachment and made a part of this Agreement. SPRINT shall provide INP to VERIZON at the rates specified for SPRINT in Appendix B.

2.6.2 If a Party wishes to use DID to provide INP to its Customers, a dedicated trunk group is required between the VERIZON end office where the DID numbers are served into the SPRINT switch. If there are no existing facilities between VERIZON and the SPRINT, the dedicated facilities and transport trunks will be provisioned as unbundled service using the ASR provisioning process. The requesting Party will reroute the DID numbers to the pre-positioned trunk group using a Local Service Request ("LSR"). SPRINT may purchase DID trunk service from VERIZON's tariff.

2.6.3 Local Number Portability (LNP). The Parties agree that they shall develop and deploy LNP in accordance with the Act, such binding FCC and state mandates, and industry standards, as may be applicable.

2.6.3.1 The Parties agree that all INP accounts will be converted to LNP within a reasonable period of time after the conversion of an INP providing switch to commercially available LNP, and that a reasonable period of time is ninety (90) calendar days unless otherwise negotiated.

2.6.3.2 New requests for INP will not be allowed in a switch once LNP has been deployed in that switch.

2.6.3.3 When SPRINT ports a telephone number to a SPRINT switch, SPRINT will order access interconnection trunks to the access tandem which the NPA/NXX of the ported number subtends for terminating feature group D switched access traffic, as shown in the LERG.

2.7 Meet-Point Billing (MPB). The Parties may mutually establish MPB arrangements in order to provide Switched Access Services to Access Service Customers via a VERIZON access tandem in accordance with the MPB guidelines adopted by and contained in the Ordering and Billing Forum's MECAB and MECOD documents, except as modified herein and as described in Section 5.4.4 for INP.

2.7.1 VERIZON shall permit and enable SPRINT to sub-tend the VERIZON access tandem(s) nearest to the SPRINT Rating Point(s) associated with the NPA-NXX(s) to/from which the Switched Access Services are homed. In instances of trunk port capacity limitation at a given access tandem, VERIZON will provision trunk ports to SPRINT in the same manner in which it provisions trunk ports to itself. SPRINT shall be allowed to subtend the next-nearest VERIZON access tandem in which sufficient trunk port capacity is available.

3. Operations Matters.

3.1 Service Ordering.

SPRINT initiates orders to establish, add, change or disconnect trunk-side interconnection services by sending an ASR to VERIZON. SPRINT should submit ASRs to VERIZON through on-line applications or electronic files. SPRINT will order services for INP and LNP by sending a LSR to VERIZON. SPRINT should submit LSRs to VERIZON through an electronic interface or via facsimile (fax). The ordering process is described in the GTE Guide. The ASR and/or LSR will be reviewed by VERIZON for validation and correction of errors. Errors will be referred back to SPRINT. SPRINT then will correct any errors that VERIZON has identified and resubmit the request to VERIZON electronically through a supplemental ASR/LSR.

In instances where VERIZON initiates a service order to Sprint for interconnection facilities or trunks, until such time as VERIZON is capable of initiating such orders electronically, VERIZON will complete the necessary fields on the ASR and transmit the order to Sprint via FAX. The ASR will be reviewed by Sprint, and any errors will be referred back to VERIZON.

3.2 Trunk Provisioning.

- 3.2.1 Trunk Connections. Reciprocal traffic exchange arrangement trunk connections shall be made at a DS1 or multiple DS-1 level, DS-3, or where technically available, Synchronous Optical Network ("SONET"), and shall be jointly-engineered to the appropriate industry grade of service standard such that the overall probability of call blockage does not exceed B.01.
- 3.2.2 Grooming. SPRINT and VERIZON agree to use diligent efforts to develop and agree on a Joint Interconnection Grooming Plan prescribing standards to ensure that the reciprocal traffic exchange arrangement trunk groups are maintained at the appropriate industry grades of service standard B.01, overall. Such plan shall also include mutually-agreed upon default standards for the configuration of all segregated trunk groups.
- 3.2.3 Signaling. SS7 Common Channel Signaling will be used to the extent that such technology is available. If SS7 is not available, Multi-Frequency Signaling (MF) will be used as specified.
- 3.2.4 ESF Facilities. The Parties agree to offer and provide to each other B8ZS Extended Superframe Format (ESF) facilities, where available, capable of voice and data traffic transmission.
- 3.2.5 64kbps Channel. The Parties will support intercompany 64kbps clear channel where available.

3.3 Toll Free Code Traffic (800, 888, etc.)

- 3.3.1 If Sprint chooses VERIZON to handle toll free code database queries from Sprint's central office switches, all Sprint originating toll free code service queries will be routed over the interconnecting trunk group. This traffic will include a combination of both Interexchange Carrier toll free code service and LEC toll free code service that will be identified and segregated by carrier through the database query handled through the VERIZON tandem switch.
- 3.3.2 Sprint may handle its own toll free code database queries from its switch. If so, Sprint will determine the nature (exchange carrier or IXC 800 service provider) of the toll free code call based on the response from the database. If the query determines that the toll free service provider is an exchange carrier, Sprint will route the post-query ten-digit local number to VERIZON over the intra-LATA/Local trunk group. If the query reveals the toll free service provider is an IXC, Sprint will route the post-query call (toll free code number) directly from its switch for carriers interconnected with its network or over the Access Toll Connecting group to carriers not directly connected to its network but are connected to VERIZON's access tandem.

3.4 High Volume Call-In Network

- 3.4.1 A separate High Volume Call In-Local Interconnection (HVCI-LI) trunk group may be provisioned between Sprint's end office(s) and VERIZON's LERG-designated High Volume Call-In tandem(s) or High Volume Call-In Serving Office(s) for each of VERIZON's Mass Calling NPA-NXX(s) in a LATA or, alternatively, between Sprint's tandem and VERIZON's LERG-designated HVCI tandem(s) or HVCI Serving Office(s). This HVCI-LI trunk group shall be designed and built as one-way (Sprint Central Office-to-VERIZON tandem) only and shall use SS7

signaling. As the HVCI-LI trunk group is designed to block all excessive attempts toward HVCI/Mass Calling NXXs, it is necessarily exempt from the one percent blocking standard described elsewhere for other final Local Interconnection Trunk Groups. Sprint may use call-gapping and software designed networks to control congestion in the mass calling network.

It is recommended that this group be sized as follows:

Number of Access Lines Served	Number of HVCI-LI Trunks
0 – 5,000	2
5,001 – 25,000	3
25,001 – 50,000	4
50,001 – 75,000	5
75,000+	6 Maximum

- 3.4.2 All applicable compensation arrangements described elsewhere for Local Interconnection Trunks/Trunk Groups and terminating access shall apply to HVCI-LI Trunks/Trunk Groups and traffic.
- 3.4.3 Should Sprint assign a Mass Calling code and establish an HVCI-LI interface for traffic destined to its HVCI central office(s), VERIZON shall establish reciprocal mass calling trunks to Sprint subject to the requirements set forth in this Section. Sprint has the option of call gapping or trunking in a specific tandem for gapping by VERIZON.
- 3.4.4 Where VERIZON and Sprint both provide HVCI-LI trunking, both Parties' HVCI-LI trunks may ride the same DS-1. MF and SS7 trunk groups shall not be provided within a DS-1 facility; a separate DS-1 per signaling type must be used.

3.5 Trunk Forecasting.

- 3.5.1 Joint Forecasting. The Parties will develop joint forecasting of trunk groups in accordance with Article I, Section 3.3. Intercompany forecast information must be provided by the Parties to each other twice a year. The semi-annual forecasts will include:
 - 3.5.1.1 yearly forecasted trunk quantities for no less than a two-year period (current year, plus one year); and
 - 3.5.1.2 the use of (i) CLCI• MSG codes, which are described in Telcordia Technologies document BR 795-100-100; (ii) circuit identifier codes as described in BR 795-400-100; and (iii) Trunk Group Serial Number (TGSN) as described in BR 751-100-195.
- 3.5.2 Major Network Projects. Description of major network projects that affect the other Party will be provided with the semi-annual forecasts provided pursuant to Section 3.3.1. Major network projects include but are not limited to trunking or network rearrangements, shifts in anticipated traffic patterns, or other activities by either Party that are reflected by a significant increase or decrease in trunking demand for the following forecasting period.

3.5.3 Forecast Reviews. Parties will meet to review and reconcile their forecasts if their respective forecasts differ significantly from one another.

3.5.4 Trunk Facility Underutilization. At least once a year the Parties shall exchange trunk group measurement reports for trunk groups terminating to the other Party's network. In addition and from time to time, each Party will determine the required trunks for each of the other Party's trunk groups from the previous 12 months servicing data. Required trunks will be based on the appropriate grade of service standard (B.01 (end office) or B.005 (tandem)) or the Joint Interconnection Grooming Plan referenced in Section 3.2.2. When a condition of excess capacity is identified, VERIZON will facilitate a review of the trunk group existing and near term (3 to 6 months) traffic requirements with the Customer for possible network efficiency adjustment.

3.6 Network Redesigns Initiated by VERIZON.

VERIZON will not charge SPRINT when VERIZON initiates its own network redesigns/reconfigurations.

3.7 Routing Points.

When SPRINT submits an ASR requesting trunks for the exchange of SPRINT traffic, the ASR must reflect the NPA/NXX(s) associated with the trunks being ordered. Unless specified on the Additional NXX Code Opening form, subsequent NXXs of SPRINT will be routed in the same manner as the initial NXXs.

3.8 Common Channel Signaling.

3.8.1 Service Description. The Parties will provide Common Channel Signaling (CCS) to one another via SS7 network interconnection, where and as available, in the manner specified in FCC Order 95-187, in conjunction with all traffic exchange trunk groups. SS7 signaling and transport services shall be provided by VERIZON in accordance with the terms and conditions of this Section 3.6. The Parties will cooperate on the exchange of all appropriate SS7 messages for local and intraLATA call set-up signaling, including ISDN User Part ("ISUP") and Transaction Capabilities Application Part ("TCAP") messages to facilitate full interoperability of all CLASS Features and functions between their respective networks. Any other SS7 message services to be provided using TCAP messages (such as database queries) will be jointly negotiated and agreed upon.

3.8.2 Signaling Parameters. All SS7 signaling parameters will be provided in conjunction with traffic exchange trunk groups, where and as available. These parameters include Automatic Number Identification ("ANI"), Calling Party Number ("CPN"), Privacy Indicator, calling party category information, originating line information, charge number, etc. Also included are all parameters relating to network signaling information, such as Carrier Information Parameter ("CIP"), wherever such information is needed for call routing or billing. VERIZON will provide SS7 via GR-394-SS7 and/or GR-317-SS7 format(s).

3.8.3 Privacy Indicators. Each Party will honor all privacy indicators as required under applicable law.

3.8.4 Connection Through Signal Transfer Point (STP). SPRINT must interconnect with the VERIZON STP(s) serving the LATA in which the traffic exchange trunk groups are interconnected. Additionally, all interconnection to VERIZON's

800/888 database and VERIZON's Line Information Data Base (LIDB) shall, consistent with this section, take place only through appropriate STP pairs.

3.8.5 Third Party Signaling Providers. SPRINT may choose a third-party SS7 signaling provider to transport messages to and from the VERIZON SS7 network. In that event, that third party provider must present a letter of agency to VERIZON, prior to the testing of the interconnection, authorizing the third party to act on behalf of SPRINT in transporting SS7 messages to and from VERIZON. The third-party provider must interconnect with the VERIZON STP(s) serving the LATA in which the traffic exchange trunk groups are interconnected.

3.8.6 MultiFrequency Signaling. In the case where CCS is not available, in band Multi-Frequency (MF), wink start, and E & M channel associated signaling with ANI will be provided by the Parties. Network signaling information, such as CIC/OZZ, will be provided wherever such information is needed for call routing or billing.

3.9 Network Management Controls.

Each Party shall provide a 24-hour contact number for Network Traffic Management issues to the other's network surveillance management center. A fax number must also be provided to facilitate event notifications for planned mass calling events. Additionally, both Parties agree that they shall work cooperatively that all such events shall attempt to be conducted in such a manner as to avoid degradation or loss of service to other Customers. Each Party shall maintain the capability of respectively implementing basic protective controls such as "Cancel To" and "Call Gap."

4. Technical/Regulatory Requirements and Restrictions.

4.1 Interconnection Calling Scopes.

4.1.1 VERIZON Tandem Interconnection calling scope (terminating usage from SPRINT) is to those VERIZON end offices which subtend the VERIZON tandem to which the connection is made except as provided for in Section 4.2.

4.1.2 VERIZON End Office Interconnection calling scope (terminating usage from SPRINT) is only to the end office and its remotes to which the connection is made.

4.2 Inter-Tandem Switching.

The Parties will only use inter-tandem switching for the transport and termination of Local Traffic, Optional EAS and IntraLATA Toll originating on each other's network at and after such time as the Parties have agreed to and fully implemented generally accepted industry signaling standards and Automated Message Accounting ("AMA") record standards which shall support the recognition of multiple tandem switching events.

4.3 Number Resources.

4.3.1 Number Assignment. Nothing in this Agreement shall be construed to, in any manner, limit or otherwise adversely impact SPRINT's right to employ or to request and be assigned any NANP number resources including, but not limited to, Central Office (NXX) Codes pursuant to the Central Office Code Assignment Guidelines. Any request for numbering resources by SPRINT shall be made directly to the NANP Number Plan Administrator. The Parties agree that disputes arising from numbering assignment shall be resolved by the NANP

Number Plan Administrator. SPRINT shall not request number resources to be assigned to any VERIZON switching entity.

4.3.2 Numbering/Dialing Arrangement Changes. Each Party shall be responsible for notifying its Customers of any changes in numbering or dialing arrangements to include changes such as the introduction of new NPAs or new NXX codes. Each Party is responsible for administering NXX codes assigned to it.

4.4 Rate Centers.

For purposes of compensation between the Parties and the ability of the Parties to appropriately apply their toll rates to their end-user Customers, SPRINT shall adopt the Rate Center areas and Rate Center points that the Commission has approved, and shall assign whole NPA-NXX codes to each Rate Center within which SPRINT is providing Local Exchange Service, or as otherwise allowed by NANP guidelines.

4.5 Code and Numbers Administration.

The Parties will comply with code administration requirements as prescribed by the FCC, the Commission, and accepted industry guidelines.

4.6 Programming Switches.

It shall be the responsibility of each Party to program and update its own switches and network systems pursuant to information provided on ASRs as well as the Local Exchange Routing Guide ("LERG") to recognize and route traffic to the other Party's assigned NXX codes. Neither Party shall impose any fees or charges whatsoever on the other Party for such activities.

4.7 Maintenance of Tariffs.

SPRINT and VERIZON will use diligent efforts, individually and collectively, to maintain provisions in their respective federal and state access tariffs, and/or provisions within the National Exchange Carrier Association (NECA) Tariff No. 4, or any successor tariff, sufficient to reflect any Meet-Point Billing arrangement between the Parties entered into pursuant to this Agreement, including MPB percentages.

5. Financial Matters.

5.1 Rates and Charges.

Sprint agrees to pay to VERIZON the rates and charges for the Services set forth in the applicable appendices to this Attachment, which constitutes part of this Agreement. VERIZON's rates and charges for transport and termination of traffic are set forth in Appendix A. VERIZON's rates and charges for INP using RCF are set forth in Appendix B. VERIZON agrees to pay to Sprint these same rates and charges for the Services set forth in the applicable appendices, or to pay a separate set of cost-based rates and charges for local reciprocally compensated traffic pursuant to 47 C.F. R. § 51.711. Should Sprint file cost studies to establish cost based rates for termination of local traffic, Sprint shall provide Notice to VERIZON of such filing. Once a State Commission has approved a cost based traffic termination rate for Sprint, Sprint may provide Notice to VERIZON requesting the Parties negotiate to amend this agreement to incorporate Sprint's cost based rate. If the Parties are unable to agree upon an amendment within 90 days of such notice (or a longer period of time as agreed), either Party shall have the right to arbitrate the issue before the State Commission.

5.2 Billing.

The providing Party shall render to receiving Party a bill for interconnection services on a current basis. Charges for physical facilities and other non-usage sensitive charges shall be billed in advance, except for charges and credits associated with the initial or final bills. Usage sensitive charges, such as charges for termination of Local Traffic, shall be billed in arrears.

5.3 Billing Specifications.

The Parties agree that billing requirements and outputs will be consistent with the Telcordia Technologies Billing Output Specifications (BOS).

5.3.1 Usage measurement for calls shall begin when Answer Supervision or equivalent SS7 message is received from the terminating office and shall end at the time of call disconnect by the calling or called subscriber, whichever occurs first.

5.3.2 Minutes of use ("MOU"), or fractions thereof, shall not be rounded upward on a per-call basis, but will be accumulated over the billing period. At the end of the billing period, any remaining fraction shall be rounded up to the nearest whole minute to arrive at total billable minutes for each interconnection. MOU shall be collected and measured in minutes, seconds, and tenths of seconds.

5.3.3 In the event detailed billing records are not available (e.g. indirect interconnection), summary billing reports may be utilized.

5.4 Compensation For Exchange Of Traffic.

5.4.1 Mutual Compensation. The Parties shall compensate each other for the exchange of Local Traffic originated by or terminating to the Parties' Customers in accordance with Section 5.4.3. Charges for the transport and termination of optional EAS, intraLATA toll and interexchange traffic shall be in accordance with the Parties' respective intrastate or interstate access tariffs, as appropriate.

5.4.1.1 For purposes of reciprocal compensation, this Agreement recognizes that unless and until the Commission rules differently in Docket No. 00-02-005, traffic originated by and passed to Internet Service Providers (ISPs), i.e., internet traffic, shall not be treated as Local Traffic and, therefore, shall not be subject to reciprocal compensation.

5.4.2 PLU Factors. If required, SPRINT and VERIZON will reciprocally provide Percent Local Usage ("PLU") factors to each other on a semi-annual basis to identify the proper percent of Local Traffic carried on local interconnection trunks. PLU's shall be reported in whole numbers only. If either Party does not provide to the other Party an updated PLU, the previous PLU will be utilized. The Parties agree to the initial PLU factor as set forth in Appendix A.

5.4.3 Bill-and-Keep. The Parties shall assume that Local Traffic originated by or terminating to the Parties' Customers is roughly balanced between the Parties unless traffic studies indicate otherwise. Accordingly, the Parties agree to use a Bill-and-Keep Arrangement with respect to termination of Local Traffic only. Either Party may request, pursuant to Article II, Section 5.1.1, that a traffic study be performed no more frequently than once a quarter. Should such traffic study indicate, in the aggregate, that either Party is terminating more than sixty (60) percent of the Parties' total terminated minutes for Local Traffic, either Party may

notify the other that mutual compensation will commence on a going forward basis pursuant to the rates set forth in Appendix A and following such notice it shall begin and continue for the duration of the Term of this Agreement unless otherwise agreed. Nothing in Section 5.4 shall be interpreted to (i) change compensation set forth in this Agreement for traffic or services other than Local Traffic, including but not limited to internetwork facilities, access traffic or wireless traffic, or (ii) allow either Party to aggregate traffic other than Local Traffic for the purpose of compensation under the Bill-and-Keep Arrangement described in this Section.

5.4.4 Compensation for Terminating Access Charges on Calls to Ported Numbers via RCF. The Parties agree that a meet point billing arrangement will be used to bill for terminating switched access charges associated with calls terminated to a ported number. Each Party will bill the IXCs applicable switched access rate elements for functions provided over each respective Party's facilities. The Parties will follow any industry standards established for call record exchanges for meet point billing. Until industry standards for call record exchanges are established for interim number portability, the Parties agree that switched access termination to a ported number will be billed by the Party providing interim number portability and that the Party billing the switched access will share the switched access revenue with the other Party. The Party providing interim number portability is entitled to keep the portion of collected access revenue associated with tandem switching, transport, and residual/transport interconnection charge rate elements, as applicable. The Party terminating ported calls is entitled to receive the portion of collected access revenue associated with the end office switching rate elements. As part of this revenue sharing arrangement, the Parties agree to compensate each other as specified in Appendix B.

5.4.4.1 As part of the revenue sharing arrangement described in Section 5.4.4 the number of lines per ported number that are subject to compensation will be determined at the time the Customer's local service is changed from one Party to the other. The number of lines per ported number eligible for the shared revenue arrangement described in this section will be limited to the number of lines in service on the date of conversion plus a 10% growth margin. After conversion the number of lines per ported number available for compensation can only be increased by mutual consent of the Parties.

5.4.4.2 As part of the revenue sharing arrangement described in Section 5.4.4 the Parties agree that the compensation rates may change as a result of changes in access rates, traffic volume or for other reasons and agree to renegotiate the rates if a significant event occurs. At a minimum, the Parties agree to reevaluate the rates on an annual basis.

5.4.4.3 The Parties agree that terminating switched access calls ported via interim number portability may appear to the receiving Party to be a local call and that the implementation of reciprocal compensation for terminating local calls may result in overcompensation for ported switched access calls. The Parties agree that no charges shall be applied to the ported switched access calls as part of the local traffic termination. When the access revenue sharing arrangement described in Section 5.4.4 is in effect, the Parties agree to renegotiate the terminating shared access compensation rates if reciprocal compensation for local calls is implemented.

5.4.4.4 As part of the revenue sharing arrangement described in Section 5.4.4 the Party receiving the payments on a per line per month basis agrees to provide the following information on its invoice; name of the end user accounts; the ported telephone numbers; the telephone numbers assigned to the lines in its switch; the INP methods used; class of service; and dates of initial installation and disconnects.

5.4.4.5 Upon implementation of permanent local number portability, the Parties agree to transition all interim number portability Customers and their services to permanent local number portability methods within a mutually agreed upon time frame and discontinue use of further interim methods of number portability.

5.5 Tandem Switched Traffic.

The Parties will provide tandem switching for traffic between the Parties' end offices subtending each other's tandem, as well as for traffic between either Party's end-users and any third party which is interconnected to the other Party's tandem as follows:

5.5.1 Compensation Arrangements.

Sprint as the originating Party will compensate VERIZON as the tandem Party for each minute of originated tandem switched traffic which terminates to third party (e.g., other CLEC, ILEC, or wireless service provider). The applicable rate for this charge is the tandem transiting charge identified in Appendix A.

VERIZON as the originating Party will compensate Sprint as the tandem Party for each minute of originated tandem switched traffic which terminates to third party (e.g., other CLEC, ILEC, or wireless service provider). The applicable rate for this charge is the tandem transiting charge identified in Appendix A, or Sprint's cost based rate as provided for in Section 5.1.

The originating Party also assumes responsibility for compensation to the company which terminates the call. Neither the terminating Party nor the tandem provider will be required to function as a billing intermediary, e.g., clearing house.

5.5.2 Third-Party Providers. The Parties agree to enter into their own agreements with third-party providers. In the event that one Party originates traffic that transits the second Party's network to reach a third-party provider with whom the originating Party does not have a traffic interexchange agreement, then the originating Party will indemnify the second Party against any and all charges rendered by a third-party provider for such traffic, including any termination charges related to such traffic and attorneys fees and expenses.

5.6 Compensation for Internetwork Facilities.

The Parties agree to the following compensation for internetwork facilities, depending on facility type. Only Local Traffic and IntraLATA Toll Traffic will be used for calculation of this compensation.

5.6.1 Mid-Span Fiber Meet. VERIZON will charge special access (flat rated) transport from the applicable intrastate access tariff and will rate charges between the IP and VERIZON's interconnection switch. Subject to mutual agreement of the Parties, the Parties may agree to interconnect utilizing alternative interconnection arrangements, e.g., Optical Networking or MetroLAN. DS1 facility charges will

be reduced to reflect the proportionate share of the facility that is used for transport of Local Traffic originated by VERIZON. The initial proportionate share factor for facilities is set forth in Appendix A. This factor will be updated quarterly in like manner or as the Parties otherwise agree. SPRINT will charge flat rated transport (i.e. non-usage sensitive) to VERIZON for SPRINT facilities used by VERIZON at tariffed rates or as mutually agreed. SPRINT will apply charges based on the lesser of; (i) the airline mileage from the IP to the SPRINT switch; or (ii) the airline mileage from the VERIZON switch to the serving area boundary.

5.6.2 Collocation. VERIZON will charge EIS/Collocation rates from the applicable VERIZON tariff, unless otherwise specified in this Agreement. SPRINT will charge VERIZON flat rated transport at tariffed rates or as mutually agreed, to reflect the proportionate share of the facility that is used for transport of Local Traffic originated by VERIZON. SPRINT will apply charges based on the lesser of (i) the airline mileage from the IP to the SPRINT switch; or (ii) two (2) times the airline mileage from the VERIZON switch to the serving area boundary.

5.6.3 Special Access. VERIZON will charge special access rates from the applicable VERIZON intrastate access tariff. DS1 charges will be reduced to reflect the proportionate share of the facility that is used for transport of Local Traffic originated by VERIZON. The Parties will negotiate an initial factor representative of the proportionate share of the facilities. This factor will be updated quarterly in like manner or as the Parties otherwise agree. Subject to mutual agreement of the Parties, the Parties may agree to interconnect utilizing alternative interconnection arrangements, e.g., Optical Networking or MetroLAN.

5.7 Meet-Point Billing (MPB) and Exchange Access Service.

5.7.1 Billing. As detailed in the MECAB document, SPRINT and VERIZON will, in a timely fashion, exchange all information necessary to accurately, reliably and promptly bill Access Service Customers for Switched Access Services traffic jointly handled by SPRINT and VERIZON via the meet-point arrangement. Information shall be exchanged in Exchange Message Interface ("EMI") format, on magnetic tape or via a mutually acceptable Electronic File Transfer protocol.

5.7.1.1 SPRINT and VERIZON will exchange all information necessary to enable each Party to transmit usage data to the other Party. Subsequent to the exchange of transmission information, the tandem Party, as the subsequent billing company (SBC), will provide the end office Party, as the initial billing company (IBC), detailed Exchange Access usage data (EMI Category 11-01) within thirty (30) calendar days of the end of the billing period. The IBC will perform its responsibilities as defined by MECAB, and will provide to the SBC summary usage data (EMI Category 11-50) within ninety (90) calendar days of the detail recording, or within ten (10) business days after the date that the IBC renders a bill to the IXC(s), whichever date is sooner.

5.7.1.2 SPRINT and VERIZON shall work cooperatively to coordinate rendering of Meet-Point bills to Customers, and shall reciprocally provide each other usage data and related information at the appropriate charge.

5.7.2 Compensation. Initially, billing to Access Service Customers for the Switched Access Services jointly provided by SPRINT and VERIZON via the MPB arrangement shall be according to the multiple-bill method as described in the MECAB guidelines. This means each Party will bill the Access Service Customer for the portion of service it provided at the appropriate tariff, or price list.

Subsequently, SPRINT and VERIZON may mutually agree to implement one of the following options for billing to third parties for the Switched Access Services jointly provided by SPRINT and VERIZON via the MPB arrangement: single-bill/single tariff method; single-bill/multiple tariff method; or to continue the multiple-bill method. Should either Party prefer to change among these billing methods, that Party shall notify the other Party of such a request in writing, ninety (90) Business Days in advance of the date on which such change is desired to be implemented. Such changes then may be made in accordance with MECAB guidelines and, if the Parties mutually agree, the change will be made.

**APPENDIX A TO THE INTERCONNECTION ATTACHMENT
RATES AND CHARGES FOR TRANSPORT AND TERMINATION OF TRAFFIC**

General. The rates contained in this Appendix A are the rates as defined in the Interconnection Attachment and are subject to change resulting from future Commission or other proceedings, including but not limited to any generic proceeding to determine VERIZON's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered VERIZON costs (including VERIZON's interim Universal Service Support Surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other litigation.

Each Party will bill the other Party as appropriate:

- A. The Local Interconnection rate element that applies to Local Traffic on a minute of use basis that each Party switches for termination purposes at its wire centers. The local interconnection rate is: \$0.0068413.
- B. The Tandem Switching rate element that applies to tandem routed Local Traffic on a minute of use basis. The tandem switching rate is: \$0.0048870
- C. The Common Transport Facility rate element that applies to tandem routed Local Traffic on a per minute/per mile basis. The Common Transport Facility rate is

VERIZON	AT&T Arbitrated
\$0.0000266	\$0.0000155

- D. The Common Transport Termination element that applies to tandem routed Local Traffic on a per minute/per termination basis. The Common Transport Termination rate is

VERIZON	AT&T Arbitrated
\$0.0002092	\$0.0002047

- E. The Tandem Transiting Charge is comprised of the following rate elements:

	VERIZON Arb.	AT&T
Tandem Switching:	= \$0.0048870	N/A
Tandem Transport (10 mile average): 10 x \$0.0000266	= \$0.0002660	\$0.000155
Transport Termination (2 Terminations): 2 x \$0.0002092	= \$0.0004184	\$0.0004094
Transiting Charge:	= \$0.0055714	\$0.005451

- F. Initial Factors:

1.	PLU	95%
2.	Initial Proportionate Share Factor	50%
3.	Exempt Factor	5%

**APPENDIX B TO THE INTERCONNECTION ATTACHMENT
RATES AND CHARGES FOR INTERIM NUMBER PORTABILITY USING RCF**

General. The rates contained in this Appendix B are as defined in the Interconnection Attachment, and are subject to change resulting from future Commission or other proceedings, including but not limited to any generic proceeding to determine VERIZON's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered VERIZON costs (including VERIZON's interim Universal Service Support Surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other litigation.

Interim Number Portability

	VERIZON	AT&T
Remote Call Forwarding (line/month)	\$ 3.00	2.73

Non-Recurring Charges (NRCs) for Interim Number Portability

Pre-ordering

CLEC Account Establishment Per CLEC	\$ 269.00
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Ordering and Provisioning

Initial Service Order	\$ 37.45
Subsequent Service Order	\$ 28.23
Manual Ordering Charge	\$ 11.51

Custom Handling (Applicable to both INP and LNP)

Service Order Expedite	\$ 5.58
Coordinated Conversion	\$ 21.25
Hot Coordinated Conversion First Hour	\$ 37.07
Hot Coordinated Conversion Per Additional Quarter Hour	\$ 8.57

Application of NRCs

Pre-ordering:

CLEC Account Establishment is a one-time charge applied the first time that SPRINT orders any service from this Agreement.

Ordering and Provisioning:

Initial Service Order (ISO) applies per Local Service Request (LSR) if not apart of a Unbundled Network Element (UNE) ISO.

Subsequent Service Order applies per LSR for modifications to an existing LNP service.

Manual Ordering Charge applies to orders that require VERIZON to manually enter SPRINT's order into VERIZON's Secure Integrated Gateway System (SIGS), e.g. faxed orders and orders sent via physical or electronic mail.

Custom Handling (These NRCs are in addition to any Preordering or Ordering and Provisioning NRCs):

Service Order Expedite applies if SPRINT requests service prior to the standard due date intervals and if not a part of a UNE Expedite.

Coordinated Conversion applies if SPRINT requests notification and coordination of service cutover prior to the service becoming effective and if not a part of a UNE Coordinated Conversion.

Hot Coordinated Conversion First Hour applies if SPRINT requests real-time coordination of a service cut-over that takes one hour or less, and if not a part of a UNE Hot Coordinated Conversion First Hour.

Hot Coordinated Conversion Per Additional Quarter Hour applies, in addition to the Hot Coordinated Conversion First Hour, for every 15-minute segment of real-time coordination of a service cut-over that takes more than one hour, and if not a part of a UNE Hot Coordinated Conversion Per Additional Quarter Hour.

In addition, as defined in the Interconnection Attachment, the Party providing the ported number will pay the other Party the following rate per line per month for each ported business line and the rate per line per month for each ported residential line for the sharing of Access Charges on calls to ported numbers.

California Contel

Business Rate Per Line Per Month:	\$ 3.05
Residential Rate Per Line Per Month:	\$ 2.40

California VERIZON

Business Rate Per Line Per Month:	\$ 2.08
Residential Rate Per Line Per Month:	\$ 2.62

California West Coast

Business Rate Per Line Per Month:	\$ 5.58
Residential Rate Per Line Per Month:	\$ 4.88

AUGUST 21, 200 LETTER AGREEMENT



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August 21, 2000

Mr. W. Richard Morris
Vice President
External Affairs Local Markets
Sprint Communications Company L.P.
7301 College Boulevard
Overland Park, KS 66210

Dear Mr. Morris:

You have informed me that Sprint Communications Company L.P. ("Sprint") intends to file a petition with the California Public Utilities Commission (the "Commission") on or about August 25, 2000 to compel arbitration of an interconnection agreement with Verizon California Inc. f/k/a GTE California Incorporated ("Verizon CA"). This letter confirms the intentions of Sprint and Verizon CA (the "Parties") regarding the treatment to be accorded Internet traffic under the reciprocal compensation provisions of the agreement that results from that arbitration (the "Agreement").

In recognition of the fact that the Commission intends to address the issue of reciprocal compensation for Internet traffic in Rulemaking No. 00-02-005 (the "Rulemaking"), the Parties agree that while the issue will be raised in Sprint's Petition regarding the proper treatment for Internet traffic in the Arbitration, Sprint will state in the Petition that the Parties have agreed to abide by the outcome of the Rulemaking in Docket No. 00-02-005 and will state that the Parties have agreed that neither party will present testimony in the arbitration on the issue. Instead, the Parties agree to negotiate in good faith to conform the reciprocal compensation and related provisions of the Agreement (as it pertains to the state of California) to reflect the final Order of the Commission in the Rulemaking, and, if necessary, to true-up prior reciprocal compensation billings and payments to reflect the terms of the Order retroactively to the effective date of the Agreement. Such true-up will occur within sixty (60) days of the date on which the Commission Order becomes effective and is not stayed.

It is expressly understood and agreed that except as may be required by the Order in the Rulemaking and by the terms of this letter agreement, neither Party shall have any obligation to pay reciprocal compensation on Internet traffic delivered to the other Party, and any provisions included in the Agreement prior to the issuance of the Order shall so provide.

The Parties further agree that once the Agreement has been renegotiated to reflect the terms of the Order, they shall also include the following provision in the Agreement:

If the Commission, the FCC or a court of competent jurisdiction should issue or release an order, or if a federal or state legislative authority should enact a statute, that by its terms (i) expressly supercedes or modifies existing interconnection agreements and (ii) specifies a rate or rate structure for reciprocal compensation, intercarrier compensation, or access charges that is to apply to Internet traffic, then the Parties shall promptly amend this Agreement to reflect the terms of such order or statute. If an order or statute specifies such a rate or rate structure, but does not expressly supercede or modify existing interconnection agreements, then either Party may demand negotiations with the other Party to amend this Agreement to reflect the terms of such order or statute. If such negotiations do not result in the Parties' amendment of this agreement within thirty (30) days, either Party may bring this issue before the Commission for arbitration. Any such amendment shall be retroactive to the effective date set forth in the order or statute, or such date as ordered by the Commission.

Except for the provisions hereof pertaining to the Arbitration, by entering into this letter agreement the Parties do not waive, and hereby expressly reserve, their respective rights to argue their positions regarding the payment of reciprocal compensation for Internet traffic before any regulatory, legislative or judicial body.

Please indicate your agreement to the foregoing by signing below.

Sincerely,

AGREED:

SPRINT COMMUNICATIONS COMPANY L.P.

BY: _____

DATE: _____

RESALE ATTACHMENT

1. General.

The rates, terms, and conditions for Resale are set forth in VERIZON's Resale Tariff Schedule Cal. P.U.C. No. K-5 and are subject to change resulting from future Commission or other proceedings, including but not limited to any generic proceeding to determine VERIZON's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered VERIZON costs (including VERIZON's interim Universal Service Support Surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other litigation. Nothing in this Resale Attachment supplements or amends VERIZON's Resale Tariff Schedule CAL. P.U.C. No. K-5. SPRINT may also purchase services from VERIZON pursuant to Schedule Cal. P.U.C. No. A-16; such services may be ordered by SPRINT in bulk, and may be billed to SPRINT.

Sprint may purchase at a discount and on a stand-alone basis (meaning Sprint is not required to be the service provider for the underlying associated dial tone) any or all Vertical Features and services offered at retail by Verizon to its end users pursuant to Section 251(c)(4) of the Act and CFR 51.605(a). Without limiting the generality of the foregoing, the Parties will work together to develop standardized ordering guidelines for Call Forwarding Custom Calling Services listed in Cal. P.U.C. No. K-5, Section III.C.5. Call Forwarding Custom Calling Services shall be ordered by Sprint via a wholesale process agreed to by the Parties until a final process is developed within the framework of OBF issue 2037, or as otherwise agreed to by the Parties. The Parties further agree that stand-alone vertical features will be exempt from any performance measures until such time as OBF issue 2037 is final and implemented by the Parties.

This Resale Attachment (Attachment), together with Articles I and II, defines the Telecommunication Services (including exchange Services, related Vertical Features and other services that may be purchased from VERIZON and resold by SPRINT) and sets forth the terms and conditions applicable to such resold services. Except as specifically provided otherwise in this Agreement, provisioning of exchange Services for resale will be as provided for in the GTE Guide. The resale Services described in this Attachment, shall be referred to herein collectively as "Services", or each individually as "Service".

2. Services.

2.1 Local Exchange Services.

Resold basic exchange Service includes, but is not limited to, the following elements:

- 2.1.1 Voice Grade Local Exchange Access Line - includes a telephone number and dial tone;
- 2.1.2 Local Calling - at local usage measured rates if applicable to the Customer;
- 2.1.3 Access to long distance carriers;
- 2.1.4 E-911 Emergency Dialing;
- 2.1.5 Access to Service Access Codes - e.g., 800, 888, 900;
- 2.1.6 Use of AIN Services (those Currently Available to Customers);
- 2.1.7 Customer Private Line Services;

- 2.1.8 Listing of telephone number in appropriate "white pages" directory;
- 2.1.9 Copy of "White Pages" and "Yellow Pages" directories for the appropriate VERIZON service area; and
- 2.1.10 IntraLATA toll.

2.2 Dialing Parity.

For all call types associated with the resale services provided to Sprint by VERIZON under this Agreement: (a) a Sprint customer will not be required to dial any greater number of digits than a similarly situated VERIZON customer; (b) the post dial delay (the time elapsed between the last digit dialed and the first network response), call completion rate and the transmission quality received by a Sprint customer will be at least equal in quality to that received by a similarly situated VERIZON customer; and (c) the Sprint customer shall be permitted to retain its local telephone number provided the customer remains within the same wire center. End users of Sprint and end users of VERIZON will have the same exchange boundaries; such end users will be able to dial the same number of digits when making a local call and activating feature functionality.

2.3 Other Services Available for Resale.

Subject to the limitations enumerated in this Attachment, the type of Services made available to SPRINT are those Telecommunications Services described in VERIZON's Resale Tariff Schedule Cal. P.U.C. No. K-5 as amended from time to time.

2.3.1 Sprint's end users may activate any services or features that are billed on a per use or per activation basis (e.g., continuous redial, last call return, call back calling, call trace, etc.). Access to these services will not be turned up if Sprint requests that those services be blocked and if VERIZON offers such blocking to its end users. VERIZON shall provide Sprint with detailed billing information (per applicable OBF guidelines, if any) as necessary to permit Sprint to bill its end users such charges.

2.3.2 VERIZON shall provide to Sprint, on a per-line basis, the ability to request blocking services that VERIZON offers to its end users, e.g., 700, 900, 976.

2.4 Grandfathered Products and Services.

Products and Services identified in VERIZON tariffs as grandfathered in any manner are available for resale only to Customers that already have such grandfathered product or Service. An existing Customer may not move a grandfathered product or Service to a new service location.

2.5 Operator Services (OS) and Directory Assistance (DA).

OS for local and toll assistance (e.g., call completion, busy line verification and emergency interruption) and DA (e.g., 411 calls) are provided as a part of exchange Services offered for resale. VERIZON may brand this Service as VERIZON. SPRINT will be billed in accordance with VERIZON's resale tariff. If SPRINT requests branding or unbranding, VERIZON will provide such unbranding or rebranding with SPRINT's name using customized routing as described in Section 3.7. Alternatively, once VERIZON has deployed the network and software updates necessary to support the provision of branding and unbranding through the use of Originating Line Number Screening (OLNS), at SPRINTS option, VERIZON will provide branding and unbranding to SPRINT via

OLNS. For those offices that SPRINT has requested VERIZON to rebrand and/or unbrand OS and DA, VERIZON will provide it where VERIZON performs its own OS and DA Service subject to capability and capacity limitations where customized routing, or the required version of OLNS, is Currently Available. If VERIZON uses a third-party contractor to provide OS or DA, VERIZON will not provide branding nor will VERIZON negotiate it with a third-party on behalf of SPRINT. SPRINT must negotiate with the third party. In these instances, SPRINT will need to purchase customized routing and dedicated trunking to differentiate its OS/DA traffic from VERIZON's. VERIZON shall include a SPRINT Customer listing in its DA database as part of the LSR process. VERIZON will honor SPRINT Customer's preferences for listing status, including non-published and unlisted, and will enter the listing in the VERIZON database which is used to perform DA functions as it appears on the LSR.

2.6 Telephone Relay Service.

Local and intraLATA telephone relay service (TRS) enables deaf, hearing-impaired, or speech-impaired TRS users to reach other telephone users. With respect to resold Services, SPRINT's Customers will have access to the state authorized TRS Provider to the extent required by the Commission, including any applicable compensation surcharges.

2.7 Changes in Service.

VERIZON will notify Sprint of proposed new retail services or modifications to existing Services, including changes to rates, sixty (60) days prior to the expected date of regulatory approval of the new or modified Service. If new or modified Services are introduced with less than sixty (60) days notice to the regulatory authority, VERIZON will notify Sprint at the same time it notifies the Commission via the tariff filing of proposed new or modified Services, or as required under applicable Commission rules.

3. Operations and Administrative Matters.

3.1 Service Ordering, Service Provisioning, and Billing.

3.1.1 GTE Guide and CLEC Profile. SPRINT will order Services for resale directly from VERIZON through an electronic interface or fax. Except as specifically provided otherwise in this Agreement, guidelines for service preordering, ordering, provisioning, billing, maintenance and electronic interfaces are provided in the GTE Guide. In accordance with Article I, Section 3.1, VERIZON will not process resale orders until the SPRINT Profile has been completed and returned; and, if required, an advanced deposit paid.

3.1.2 Local Service Request. Orders for Services will be placed utilizing standard LSR forms. VERIZON will continue to participate in industry forums for developing service order/disconnect order formats and will incorporate appropriate industry standards. Complete and accurate forms (containing the requisite Customer information as described in the GTE Guide) must be provided by SPRINT before a request can be processed. VERIZON will accept orders for As-Is Transfers (AIT) of Services from VERIZON to SPRINT where VERIZON is the Customer's current local exchange company. When end-user accounts are converted to Sprint accounts, all VERIZON line-based calling cards will automatically be terminated at conversion. VERIZON cannot provide an AIT of service from another CLEC selling VERIZON's Services to SPRINT.

3.1.2.1 911 Updates. VERIZON will update the applicable 911/E911 database at parity with retail ordering processes.

3.1.3 Letter of Authorization (LOA). VERIZON will not release the Customer service record (CSR) or inquiry containing Customer proprietary network information (CPNI) to SPRINT on VERIZON Customer accounts unless SPRINT first provides to VERIZON a written LOA. Such LOA may be a blanket LOA or other form agreed upon between VERIZON and SPRINT authorizing the release of such information to SPRINT or if state or federal law provides otherwise, in accordance with such law. An LOA will be required before VERIZON will process an order for Services provided in cases in which the Customer currently receives local exchange or Exchange Access service from VERIZON or from a CLEC other than SPRINT. Such LOA may be a blanket LOA or such other form as agreed upon between VERIZON and SPRINT.

3.1.4 Unauthorized Changes. If SPRINT submits an order for resold Services under this Agreement in order to provide Service to a Customer that, at the time the order is submitted, is obtaining its local Services from VERIZON or another LEC using VERIZON Services, and the Customer notifies VERIZON that the Customer did not authorize SPRINT to provide local exchange Services to the Customer, SPRINT must provide VERIZON with written documentation of authorization from that Customer within thirty (30) Business Days of notification by VERIZON. If SPRINT cannot provide written documentation of authorization within such time frame, SPRINT must within three (3) Business Days thereafter:

3.1.4.1 notify VERIZON to change the Customer back to the LEC providing Service to the Customer before the change to SPRINT was made; and

3.1.4.2 provide any Customer information and billing records SPRINT has obtained relating to the Customer to the LEC previously serving the Customer; and

3.1.4.3 notify the Customer and VERIZON that the change back to the previous LEC has been made.

Furthermore, VERIZON will bill SPRINT fifty dollars (\$50) per affected line to compensate VERIZON for switching the Customer back to the original LEC.

3.1.5 Transfers Between SPRINT and Another Reseller of VERIZON Services. When SPRINT has obtained a Customer from another reseller of VERIZON Services, SPRINT will inform VERIZON of the transfer by submitting standard LSR forms to VERIZON. VERIZON cannot accept an order for AIT of service from one CLEC reselling VERIZON Services to another reseller of VERIZON Services.

3.2 Regulations and Restrictions.

3.2.1 General Regulations. General regulations, terms and conditions governing rate applications, technical parameters, service availability, definitions and feature interactions, as described in the appropriate VERIZON intrastate local, toll and access tariffs, apply to retail Services made available by VERIZON to SPRINT for resale provided by VERIZON to SPRINT, when appropriate, unless otherwise specified in this Agreement. As applied to Services offered under this Agreement, the term "Customer" contained in the VERIZON retail tariff shall be deemed to mean "SPRINT" as defined in this Agreement.

3.2.2 Resale to Other Carriers. Services available for resale may not be used by SPRINT to provide access to the local network as an alternative to tariffed switched and special access by other carriers, including, but not limited to: interexchange carriers, wireless carriers, competitive access providers, or other retail telecommunications providers.

3.3 Maintenance.

VERIZON will provide repair and maintenance Services to SPRINT and its Customers for resold Services in accordance with the same standards and charges used for such Services provided to VERIZON Customers. Such maintenance and repair requirements will include, without limitation, those applicable to testing and network management of VERIZON's retail operations. VERIZON will not initiate a maintenance call or take action in response to a trouble report from a SPRINT Customer until such time as trouble is reported to VERIZON by SPRINT. SPRINT must provide to VERIZON all Customer information necessary for the installation, repair and servicing of any facilities used for resold Services according to the procedures described in the GTE Guide.

3.4 Information Services Traffic.

VERIZON shall route traffic for information Services (i.e., 900-976, Internet, weather lines, sports providers, etc.) that originates on its network to the appropriate information service platform. In the event VERIZON performs switching of information service provider traffic associated with resale for SPRINT, VERIZON shall provide to SPRINT the same call detail records that VERIZON records for its own Customers, so as to allow SPRINT to bill its Customers. VERIZON shall not be responsible or liable to SPRINT or the information service provider for billing and collection and/or any receivables of the information service provider.

3.5 Originating Line Number Screening (OLNS).

Upon request, VERIZON will update the database to provide OLNS which indicates to an operator the acceptable billing methods for calls originating from the calling number (e.g., penal institutions, COCOTS).

3.6 Misdirected Calls.

The Parties will employ the following procedures for handling any misdirected calls (e.g., business office, repair bureau, etc.):

3.6.1 To the extent the correct provider can be determined, each Party will refer misdirected calls to the proper provider of local exchange Service. When referring such calls, both Parties agree to do so in a courteous manner at no charge.

3.6.2 For misdirected repair calls, the Parties will provide their respective repair bureau contact number to each other on a reciprocal basis and provide the Customer the correct contact number.

3.6.3 In responding to misdirected calls, neither Party shall make disparaging remarks about each other, nor shall they use these calls as a basis for internal referrals or to solicit Customers or to market Service.

3.7 Customized Routing.

Where Currently Available and upon receipt of a written request from SPRINT, VERIZON agrees to provide customized routing for the following types of calls:

- 0-
- 0+Local
- 0+411
- 1+411
- 0+HNPA-555-1212 (intraLATA, only when intraLATA presubscription is not available)
- 1+HNPA-555-1212 (intraLATA, only when intraLATA presubscription is not available).

Upon request, VERIZON will provide SPRINT a list of switches that can provide customized routing using line class codes or similar method (regardless of current capacity limitations). SPRINT will return a list of these switches ranked in priority order. VERIZON will return to SPRINT a schedule for customized routing in the switches with existing capabilities and capacity. In response to the written request from SPRINT, VERIZON will provide SPRINT with applicable charges, and terms and conditions, for providing OS and DA, branding, and customized routing. For those offices that SPRINT has requested VERIZON to rebrand and/or unbrand OS and DA, VERIZON will provide it where VERIZON performs its own OS and DA service subject to capability and capacity limitations where Customized Routing is Currently Available. If VERIZON uses a third-party contractor to provide OS or DA, VERIZON will not provide branding nor will VERIZON negotiate it with a third party on behalf of SPRINT. SPRINT must negotiate with the third party. In these instances, SPRINT will need to purchase customized routing to differentiate OS/DA traffic from VERIZON's.

- 3.7.1 Sprint may brand the resale services that VERIZON provides to Sprint under the provisions of this Agreement. VERIZON will not brand such resale services provided to Sprint under this Agreement as being VERIZON services.
- 3.7.2 In all cases of operator and directory assistance services Sprint provides using services provided by VERIZON under this Agreement, VERIZON shall, where technically feasible, at Sprint's sole discretion and expense, brand any and all such services at all points of customer contact exclusively as Sprint services, or otherwise as Sprint may specify, or be provided with not brand at all, as Sprint shall determine.
- 3.7.3 Upon Sprint's request and where technically feasible, VERIZON shall route directory assistance calls including 411 and (NPA) 555-1212 dialed by Sprint's customers directly to the Sprint platform.
- 3.7.4 Upon Sprint's request, and where technically feasible, VERIZON shall route operator services (O+, O-) dialed by Sprint's customer directly to the Sprint platform. Such traffic shall be routed over trunk groups specified by Sprint.

Subject to the above provisions, VERIZON will choose the method of implementing customized routing of OS and DA calls. When VERIZON agrees to provide customized routing to SPRINT, SPRINT will be responsible for the transport to route OS/DA traffic to the designated platform.

3.8 900-976 Call Blocking.

VERIZON shall not unilaterally block 900-976 traffic in which VERIZON performs switching associated with resale. VERIZON will block 900-976 traffic when requested to do so, in writing, by SPRINT. SPRINT shall be responsible for all costs associated with the 900-976 call blocking request. VERIZON reserves the right to block any and all calls which may harm or damage its network.

3.9 Access. To the extent Sprint resells a service that carries with it the access component (i.e., local dial tone), VERIZON retains all revenue due from other carriers for access to VERIZON facilities, including both switched and special access charges. However, VERIZON is not entitled to these access revenues if Sprint is reselling other wholesale offerings of VERIZON but not reselling VERIZON's local dial tone product.

3.10 Branding. VERIZON shall provide to SPRINT the applicable charges for unbranding or rebranding and customized routing as set forth in Section 3.7.

4. Billing.

4.1 General. VERIZON will utilize CBSS to produce the required bills for resold Services. CBSS will create a bill to SPRINT along with a summary bill master within ten (10) calendar days of the last day of the most recent billing cycle. State or sub-state level billing will include up to thirty (30) summary bill accounts.

4.1.1 Alternate Billed Calls. VERIZON shall record usage data originating from SPRINT Customers that VERIZON records with respect to its own retail Customers, using Services ordered by SPRINT. On resale accounts, VERIZON will provide usage in EMR format per existing file exchange schedules. Incollects are calls that are placed using the Services of VERIZON or another LEC and billed to a resale service line of SPRINT. Outcollects are calls that are placed using a SPRINT resale Service line and billed to a VERIZON line or line of another LEC or LSP. Examples of an incollect or an outcollect are collect, credit card calls.

4.1.1.1 Incollects. VERIZON will provide the rated record it receives from the CMD5 network, or which VERIZON records (non-intercompany), to SPRINT for billing to SPRINT's end-users. VERIZON will settle with the earning company, and will bill SPRINT the amount of each incollect record less the billing and collection (B&C) fee for Customer billing of the incollects. The B&C credit will be \$.05 per billed message. Any additional message processing fees associated with SPRINT's incollect messages that are incurred by VERIZON will be billed to SPRINT on the monthly statement.

4.1.1.2 Outcollects. When the VERIZON end-office switch from which the resale line is served utilizes a VERIZON operator Services platform, VERIZON will provide to SPRINT the unrated message detail that originates from a SPRINT resale Service line but which is billed to a telephone number other than the originating number (e.g., calling card, bill-to-third number, etc.). SPRINT as the LSP will be deemed the earning company and will be responsible for rating the message at SPRINT rates and SPRINT will be responsible for providing the billing message detail to the billing company for Customer billing. SPRINT will pay to VERIZON charges as agreed to for Services purchased, and SPRINT will be compensated by the billing company for the revenue which SPRINT is due.

When a non-VERIZON entity provides operator Service to the VERIZON end office from which the resale line is provisioned, SPRINT must contract with the operator Services provider to get any EMR records which SPRINT requires.

- 4.2 Local Calling Detail. Except for those Services and in those areas where measured rate local Service is available to Customers, monthly billing to SPRINT does not include local calling detail. However, SPRINT may request and VERIZON shall consider developing the capabilities to provide local calling detail in those areas where measured local Service is not available for a mutually agreeable charge.
- 4.3 LIDB. For resale Services, the LSR will generate updates to VERIZON's LIDB for validation of calling card, collect, and third number billed calls.
- 4.4 Timing of Messages. With respect to VERIZON resold measured rate local Service(s), chargeable time begins when a connection is established between the calling station and the called station. Chargeable time ends when the calling station "hangs up," thereby releasing the network connection. If the called station "hangs up" but the calling station does not, chargeable time ends when the network connection is released by automatic timing equipment in the network.

**APPENDIX A TO THE RESALE ATTACHMENT
SERVICES AVAILABLE FOR RESALE**

General. The rates, terms, and conditions for Resale are set forth in VERIZON's Resale Tariff Schedule Cal. P.U.C. No. K-5 and are subject to change resulting from future Commission or other proceedings, including but not limited to any generic proceeding to determine VERIZON's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered VERIZON costs (including VERIZON's interim Universal Service Support Surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other litigation.

Interim Universal Service Charge. It is VERIZON's position that VERIZON's current intraLATA toll rates include implicit subsidies that support below-cost prices for other services and thus promote universal service. This universal service support is lost where a CLEC resells VERIZON's local service but does not resell VERIZON's intraLATA toll service. For this reason, VERIZON contends it should not be required to resell basic exchange residential or business services unless SPRINT pays the monthly interim universal service support charge set forth in Appendix A. VERIZON believes that this interim surcharge is required by state and federal law. The lawfulness of VERIZON's interim surcharge is being addressed (or will be addressed) by the Commission or a court of competent jurisdiction. The parties agree that VERIZON will offer for resale basic exchange residential and business services at the avoided cost discount rate set forth in Appendix A without the interim surcharge, but subject to the following terms and conditions:

- A. SPRINT agrees that, if an order by the Commission or a court of competent jurisdiction affirming VERIZON's interim surcharge is issued during the term of this Agreement, Sprint shall, within thirty (30) days after the effective date of such order (i) begin paying the monthly interim surcharge in accord with Appendix C, and (ii) make a lump sum payment to VERIZON of the total interim surcharges retroactive to the effective date of this Agreement. VERIZON further expressly reserves its right to seek retroactive true-up from Sprint of such interim surcharges under this Agreement in the event the Commission or a court of competent jurisdiction issues an order affirming VERIZON's interim surcharge after the expiration of this Agreement.
- B. Notwithstanding any provision in this Agreement, VERIZON reserves the right to, at its sole discretion and at any time, seek injunctive or other relief (i) requiring SPRINT to pay VERIZON's interim surcharge or (ii) requiring the Commission to immediately impose the interim surcharge.
- C. Nothing in this Agreement shall restrict or impair VERIZON from seeking injunctive relief or any other remedy at any time and in any court regarding VERIZON's interim surcharge or the Commission's rejection or modification of VERIZON's interim surcharge.

Universal Service Fund (USF) Support Surcharge

Residential (per line)	\$ 3.79
Business (per line)	\$ 5.51

UNBUNDLED NETWORK ELEMENTS (UNEs) ATTACHMENT

1. General.

This UNE Attachment (Attachment), together with Articles I and II, sets forth the terms and conditions under which VERIZON will provide UNEs and combinations of UNEs (Combinations) to SPRINT pursuant to this Agreement. Unless otherwise specified in this Attachment, the ordering, provisioning, billing and maintenance of UNE offerings will be as provided for in the GTE Guide found on VERIZON's wise website (<http://www.gte.com/wise>). VERIZON will provide UNE offerings pursuant to this Attachment to the extent they are Currently Available or ordinarily combined in VERIZON's network. VERIZON will not construct new facilities to offer any UNE or Combinations. SPRINT shall not order services from VERIZON's resale, retail, or special access tariffs to intentionally circumvent or bypass, directly or indirectly, this no construction restriction. For example, except as otherwise expressly permitted pursuant to Applicable Law, SPRINT shall not convert services ordered out of such tariffs to UNEs or Combinations.

Notwithstanding anything to the contrary in this Agreement, the Parties do not waive, and hereby expressly reserve, their rights: (a) to challenge, or to continue to challenge, the legality and/or propriety of FCC Rule 51.319, the FCC UNE Remand Order (CC Docket No. 96-98, FCC 99-238), the FCC Line Sharing Order (CC Docket No. 96-98 and 98-147; FCC 99-355) and/or any other related FCC orders or rules, including, without limitation, the FCC Collocation Order in CC Docket No. 98-147 (released March 31, 1999) which was remanded and vacated in part by the United States Court of Appeals for the District of Columbia Circuit on March 17, 2000 (*See GTE Service Corporation, et. al v. Federal Communications Commission and United States of America*, No. 99-1176, consolidated with No. 99-1201, 2000 U.S. App. LEXIS 4111 (D.C. Cir. 2000)); (b) to continue to prosecute the current appeals of the FCC pricing rules pending before the Eighth Circuit Court of Appeals and the United States Supreme Court; (c) to assert or to continue to assert that certain provisions of the FCC's First, Second, Third and Fourth Report and Order in FCC Docket No. 96-98 and other FCC orders or rules are unlawful, illegal and improper; (d) to take any appropriate action based on the outcome of any of the actions or challenges described in subsections (a)-(c) above or any other actions. The Parties enter into this Agreement without prejudicing any position the Parties may take on relevant issues before industry for a, state or federal regulatory or legislative bodies, or courts of competent jurisdiction.

The Parties understand that both industry and VERIZON standards and processes applicable to UNEs and Combinations, including, without limitation, loop qualification, ordering, provisioning, fully automated OSS interfaces and other facets of OSS, are still being developed. Accordingly, the Parties agree to cooperate in any reasonable arrangement designed to facilitate the development of such standards and processes, and to document the same for purposes of this Agreement, as necessary and appropriate.

The UNEs, including Combinations, hereunder shall only be made available and shall only be used, for the provision of Telecommunication Service, as that term is defined by the Act.

2. Description of Individual UNE Offerings.

VERIZON will provide SPRINT with the following UNEs pursuant to this Attachment:

2.1 Local Loops.

The local loop UNE is defined as the transmission facility (or channel or group of channels on such facility) that extends from a Main Distribution Frame (MDF), or its equivalent, in a VERIZON Central Office Switch or Wire Center up to and including the loop "demarcation point", including inside wire owned by VERIZON. The loop

demarcation point is that point on the loop facility where VERIZON's ownership and control end and the subscriber's ownership and control begin. Generally, loops are provisioned as 2-wire or 4-wire copper pairs, analog voice-grade, or, upon Sprints request, loops conditioned to transmit digital signals, such as xDSL, running from the Central Office Switch MDF to the demarcation point at the end users premises. However, a loop may be provided via other means, including, but not limited to, radio frequencies, as a channel on a high-capacity feeder/distribution facility which may, in turn, be distributed from a node location to the subscriber's premises via a copper or coaxial drop or other facility. The loop includes all features, functions and capabilities of such transmission facilities, including attached electronics (except those electronics used for the provision of advanced services, such as digital subscriber line access multiplexers ("DSLAMs")) and line conditioning. VERIZON does not guarantee data modem speeds on either 2 or 4 wire analog loops. In addition, VERIZON does not guarantee CLASS features will perform properly on either 2 or 4 wire analog loop provisioned over subscriber analog carrier. Any required UNE loops will be provisioned and maintained by VERIZON consistent with Telcordia Technologies standard NC/NCI codes outlined in Telcordia Technologies practice BR 795-403-100. The types of unbundled loops made available to SPRINT under this Attachment are:

- 2.1.1 "2-Wire Analog Loop" is a voice grade transmission facility that is suitable for transporting analog voice signals between approximately 300-3000 Hz, with loss not to exceed 8.5 db. A 2-wire analog loop may include load coils, bridged taps, etc. This facility also may include carrier derived facility components (i.e., pair gain applications, loop concentrators/multiplexers). This type of unbundled loop is commonly used for local dial tone services.
- 2.1.2 "4-Wire Analog Loop" conforms to the characteristics of a 2-wire voice grade loop and, in addition, can support simultaneous independent transmission in both directions.
- 2.1.3 ISDN-BRI Capable Loop is capable of transmitting digital signals up to 160 kbps with no greater line loss than 36 db end-to-end measured at 40 kHz. When the loop length extends beyond the limitations of basic ISDN-BRI service line loss levels will be provisioned at no greater than 76 db at 40 kHz. Dependent upon facility make-up it may be necessary to add ISDN-BRI Line Loop Extension to bring the line loss level within acceptable levels. ISDN-BRI Line Loop Extension equipment can be added by VERIZON if requested by the CLEC at an additional cost beyond those of the unbundled loop element itself.
- 2.1.4 A 2-wire ADSL Capable Loop must be provisioned over copper facilities and will contain no load coils and minimum allowable bridged tap. Additional loop conditioning charges shall apply for the removal of the aforementioned types of equipment. The CLEC is responsible for supplying the electronics necessary for providing ADSL service to their Customer.
- 2.1.5 Other xDSL technologies: As the industry accepts other power spectral density mask's, e.g., T1 418-2000, VERIZON will support additional types of xDSL technologies and/or services which may be provided on unbundled network elements contained in this agreement. SPRINT may order the unbundled elements as a result of this agreement and use the additional xDSL technologies without renegotiations, contract amendments, or use of the BFR process.
- 2.1.6 "4-Wire Digital Loop" is a transmission facility that is suitable for the transport of digital signals at rates up to 1.544 Mbps. 4-wire digital loops are only provisioned on copper facilities. When a 4-wire digital loop is used by SPRINT to provision HDSL technology, the insertion loss, measured between 100W termination at

200 kHz, in which case loss should be less than 34 db. The DC resistance of a single wire pair should not exceed 1100 ohms.

- 2.1.7 "DS-1 Loops" will support a digital transmission rate of 1.544 Mbps. The DS-1 loop will have no bridged taps or load coils and will employ special line treatment. DS-1 loops will include midspan line repeaters where required, office terminating repeaters, and DSX cross connects. A DS-1 Digital Grade Loop is capable of operating in a full duplex, time division (digital) multiplexing mode. A DS-1 Digital Grade Loop provides transmission capacity equivalent to 24 voice grade channels with associated signaling, twenty-four 56 Kbps digital channels when in band signaling is provided, or twenty-four 64 Kbps channels with the selection of the Clear Channel signaling option.
- 2.1.8 "DS-3 Loops" will support the transmission of isochronous bipolar serial data at a rate of 44.736 Mbps. The DS-3 loop provides the equivalent of 28 DS-1 channels and shall include the electronics at either end.
- 2.1.9 "'Dark Fiber Loops" consist of any unused fiber strands that exist between the fiber splice tray, or its functional equivalent, located within the VERIZON Central Office Switch, and the fiber splice tray or fiber patch panel located within a Customer premise that has not been activated through connection to the electronics that "light" it, and thereby render it capable of carrying communications services. In addition to the other terms and conditions of this Attachment, the following terms and conditions also shall apply to Dark Fiber Loops:
 - 2.1.9.1 VERIZON shall be required to provide Dark Fiber Loop only where (1) one end of the Dark Fiber Loop terminates at SPRINT's collocation point of interface/demarcation/connection, and (2) the other end terminates at the Customer premise.
 - 2.1.9.2 At the Central Office Switch, unused fibers located at a fiber splice point in a cable vault or a controlled environment vault, manhole or other location outside the Central Office Switch or VERIZON premises, and not terminated to a fiber splice tray within the Central Office Switch or VERIZON Premises, are not available to SPRINT.
 - 2.1.9.3 At the Customer premise, unused fibers are not available to *CLEC pursuant to this Attachment unless such fibers terminate on a fiber patch panel, or are available in a fiber splice tray, within the Customer premise. Unused fibers located in fiber splice point located outside the Customer premise are not available to SPRINT.
 - 2.1.9.4 Dark Fiber will be offered to SPRINT on the condition that it is found in VERIZON's network at the time that SPRINT submits its request (i.e., "as is"). VERIZON shall not be required to convert lit fiber to Dark Fiber for SPRINT's use.
 - 2.1.9.5 Spare wavelengths on fiber strands, where Wave Division Multiplexing (WDM) or Dense Wave Division Multiplexing (DWDM) equipment is deployed, are not considered to be spare Dark Fiber Loops and, therefore, will not be offered to SPRINT as dark fiber.
 - 2.1.9.6 SPRINT shall be responsible for providing all transmission, terminating and regeneration equipment necessary to light and use Dark Fiber.

2.1.9.7 SPRINT may not resell Dark Fiber purchased pursuant to this Attachment to third parties.

2.1.9.8 In order for VERIZON to continue to satisfy its carrier of last resort (COLR) obligations under state law and/or to preserve the efficiency of its network, VERIZON will limit SPRINT to leasing a maximum of twenty-five percent (25%) of the Dark Fiber in any given segment of VERIZON's network during any two-year period. In addition, VERIZON may take either of the following actions, notwithstanding anything to the contrary in this Attachment:

- (a) Revoke Dark Fiber leased to SPRINT upon a showing of need to the Commission and twelve (12) months' advance written notice to SPRINT; and
- (b) Revoke Dark Fiber leased to SPRINT upon a showing to the Commission that SPRINT underutilized fiber (less than OC-12) within any twelve (12) month period.

SPRINT may not reserve Dark Fiber.

2.2 Subloops

The Subloop UNE is defined as any portion of the loop that is technically feasible to access at the terminals (access terminals) in VERIZON's outside plant, including inside wire. An access terminal is any point on the loop: (i) where technicians can access the wire or fiber within the cable without removing a splice case to reach the wire or fiber within; and (ii) that contains cables and their respective wire pairs that terminate on screw posts. To the extent they qualify under the preceding sentence, such points may include, but are not limited to, the pole or drop pedestal, network interface device (NID), minimum point of entry, single point of interconnection, the MDF, the remote terminal, and the feeder/distribution interface. In addition, subject to the requirements and limitations of the Collocation Attachment, SPRINT has the option of collocating a DSLAM (or its functional equivalent) in VERIZON's remote terminal (RT) at the fiber/copper interface point. When SPRINT collocates its DSLAM at VERIZON's RT, VERIZON will provide SPRINT with access to subloop UNEs to allow SPRINT to access the copper portion of the loop. The Subloop UNEs made available to SPRINT under this Attachment are:

2.2.1 "Feeder Subloop UNE" is a transmission path extending from the MDF located in VERIZON's Central Office Switch or Wire Center to the feeder distribution interface (FDI), or its functional equivalent, at a VERIZON cross-connect box. Feeder Subloop UNEs may be configured as "2-Wire Feeder" or "4-Wire Feeder", both of which may include load coils, bridged taps, etc. When utilizing xDSL technology, SPRINT is responsible for providing the Power Spectral Density (PSD) mask as defined by ANSI T1 standards. VERIZON will not provide the electronics required for SPRINT to provide xDSL service.

2.2.2 "Distribution Subloop UNE" is a transmission path extending from the FDI, or its functional equivalent, at a VERIZON cross-connect box, up to and including the demarcation point at an end user's premise. Unbundled Subloop Distribution Elements may be configured as "2-Wire Distribution" or "4-Wire Distribution", both of which may include carrier derived facility components (i.e., pair gain applications, loop concentrators/multiplexers). Distribution Elements are not available to SPRINT where VERIZON has provisioned its local network utilizing Digital Subscriber Technology (DAMLs). When utilizing xDSL technology, SPRINT is responsible for providing the Power Spectral Density (PSD) mask as

defined by ANSI T1 standards. VERIZON will not provide the electronics required for SPRINT to provide xDSL service.

2.2.3 "Drop Subloop UNE" is a transmission path extending from a terminal, such as a pole or pedestal, to the end user premise. Drop Subloop UNEs will be offered on a per pair basis.

2.2.4 "Dark Fiber Feeder Subloop UNE" is any unused fiber strands that exist between the fiber splice tray, or its functional equivalent, located within the VERIZON Central Office Switch, and the fiber splice tray or fiber patch panel located at the VERIZON remote hut or DLC or controlled environmental hut (CEV) or accessible terminal where SPRINT has a point of interconnection. Unused fibers in the feeder portion of the loop that are located in a fiber splice point outside the Central Office Switch or remote hut/DLC/CEV are not available to SPRINT pursuant to this Attachment. To the extent applicable, the same terms and conditions regarding Dark Fiber Loop UNEs set forth in Section 2.1.8 shall govern Dark Fiber Feeder Subloop UNEs.

2.2.5 "Dark Fiber Distribution Subloop UNE" is any unused fiber strands that exist between the fiber splice tray or patch panel located at the VERIZON remote hut/DLC/CEV, or accessible terminal, where SPRINT has established a point of interconnection, and the fiber splice tray or fiber patch panel located at the Customer premise. Unused fibers in the distribution portion of the loop that are located in a fiber splice point outside the Customer premise or remote hut/DLC/CEV are not available to SPRINT pursuant to this Attachment. To the extent applicable, the same terms and conditions regarding Dark Fiber Loop UNEs set forth in Section 2.1.8 shall govern Dark Fiber Distribution Subloop UNEs.

2.3 Inside Wire.

The Inside Wire UNE is defined as all loop plant owned by VERIZON on a Customer premises as far as the point of demarcation.

2.4 Network Interface Device (NID).

The NID UNE is defined as any means of interconnection of Customer inside wiring to VERIZON's distribution plant. To gain access to a Customer's inside wiring, SPRINT may connect its own loop directly to VERIZON's NID where SPRINT uses its own facilities to provide local service to a Customer formerly served by VERIZON, as long as such direct connection does not adversely affect VERIZON's network. VERIZON shall have the right to deny SPRINT's ability to connect its own loop directly to VERIZON's NID.

2.5 Local Circuit Switching.

The local circuit switching UNE is defined as: (i) line-side facilities, which include, but are not limited to, the connection between a loop termination at a main distribution frame and a switch line card; (ii) trunk-side facilities, which include, but are not limited to, the connection between trunk termination at a trunk-side cross-connect panel and a switch trunk card; and (iii) all features, functions and capabilities of the switch. VERIZON will only provide circuit switching and shared transport as a UNE under the circumstances described in Rule 51.319(c)(2). At SPRINT's request, VERIZON will make available the following types of Circuit Switching as UNEs:

- 2.5.1 Analog Line Side Port. An analog line side port¹ is a line side switch connection used to provide basic residential- and business-type exchange services.
- 2.5.2 ISDN BRI Digital Line Side Port. An ISDN BRI digital line side port is a basic rate interface (BRI) line side switch connection used to provide ISDN exchange services.
- 2.5.3 Coin Line Side Port. A coin line side port is a line side switch connection used to provide coin services.
- 2.5.4 DS-1 Digital Trunk Side Port. A DS-1 digital trunk side port is a trunk side switch connection used to provide the equivalent of 24 analog incoming trunk ports.
- 2.5.5 ISDN PRI Digital Trunk Side Port. An ISDN PRI digital trunk side port is a primary rate interface (PRI) trunk side switch connection used to provide ISDN exchange services.

2.6 Local Tandem Switching.

The Local Tandem Switching UNE is defined as: (i) trunk-connect facilities, which include, but are not limited to, the connection between trunk termination at a cross connect panel and switch trunk card; (ii) the basic switch trunk function of the connecting trunks to trunks; and (iii) the functions that are centralized in tandem switches (as distinguished from separate Central Office Switches), including but not limited to call recording, the routing of calls to operator services, and signaling conversion features.

2.7 Packet Switching.

The Packet Switching UNE is defined as the basic packet switching function of routing or forwarding packets, frames, cells or other data units based on address or other routing information contained in the packets, frames, cells or other data units, and the functions that are performed by the DSLAM. VERIZON reserves the right to provide packet switching as an UNE only under the circumstances described in Rule 51.319(c)(5).

2.8 Dedicated Transport.

The Dedicated Transport UNE is defined as VERIZON interoffice transmission facilities, including all technically feasible capacity-related services, including, but not limited to, DS1, DS3 and OCn levels, dedicated to a particular Customer or carrier, that provide telecommunications between Wire Centers owned by VERIZON or SPRINT, between Central Office Switches owned by VERIZON or SPRINT.

2.9 Dark Fiber Transport.

¹A Port provides for the interconnection of individual Loops to the switching components of VERIZON's network. In general, the port is a line card or trunk card and associated peripheral equipment on a VERIZON Central Office Switch that serves as the hardware termination for the Customer's Exchange Service on that switch, generates dial tone, and provides the end-user access to the Public Switched Telecommunications Network (PSTN). Each line-side port is typically associated with one(or more) telephone numbers(s), which serve as the Customer's network address. A port also includes local switching, which provides the basic switching functions to originate, route and terminate traffic and any signaling deployed in the Central Office Switch. When SPRINT orders an unbundled port, the SPRINT has the option to submit a Directory Service Request (DSR) to have the listings included in VERIZON's Directory Assistance database. The applicable ordering charge will be applied for processing the DSR. VERIZON will honor SPRINT Customers' preferences for listing status, including non-published and unlisted, and will enter the listing in the VERIZON database which is used to perform DA functions as it appears on the LSR.

The Dark Fiber Transport UNE is defined as dedicated unused fiber strands that exist at the fiber splice tray, or its functional equivalent, located within the Central Office Switch, without attached multiplexing, aggregation or other electronics. To the extent applicable, the same terms and conditions regarding Dark Fiber Loop UNEs set forth in Section 2.1(g) shall govern Dark Fiber Transport UNE.

2.10 Shared Transport.

The Shared Transport UNE is defined as interoffice transmission facilities shared by more than one carrier, including VERIZON, between Central Office Switches, between Central Office Switches and tandem switches, and between tandem switches, in VERIZON's network. Shared transport (also known as common transport) provides the shared use of interoffice trunk groups and tandem switching that are used to transport switched traffic, originating or terminating on a VERIZON port, between Central Office Switching entities. Shared transport will include tandem switching if VERIZON's standard network configuration includes tandem routing for traffic between these points. Shared transport is provided automatically in conjunction with port and local circuit switching. VERIZON reserves the right not to provide circuit switching and shared transport as an UNE under the circumstances described in Rule 51.319(c)(2).

2.11 Signaling Networks.

The signaling network UNE is defined as access to VERIZON signaling networks and signaling transfer points. SS7 transport and signaling shall be provided in accordance with the terms and conditions of a separately executed agreement, or via GTOC Tariff FCC No. 1.

2.12 Call-Related Databases.

The Call-Related Databases UNE is defined as access to a database, other than operations support systems (OSS), that are used in signaling networks for billing and collection, or the transmission, routing, or other provision of a Telecommunications Service. These databases include the calling name database, 911 database, E-911 database, line information database, toll free (800 type services) calling database, advanced intelligent network database and downstream number portability databases that are provided by means of physical access at the signaling transfer point linked to the unbundled databases. LIDB services and database 800 type services shall be provided in accordance with the rates, terms and conditions of GTOC Tariff FCC No. 1. VERIZON reserves the right not to unbundle the services created in the AIN platform and architecture that qualify for proprietary treatment.

2.13 Service Management Systems.

The Service Management Database System UNE is defined as a computer database or system not part of the public switched network that: (i) interconnects to the service control point and sends to that service control point the information and call processing instructions needed for a network switch to process and complete a telephone call and (ii) provides telecommunications carriers with the capability of entering and storing data regarding the processing and completing of a telephone call.

2.14 OS/DA. The OS/DA UNE is defined as: (a) any automatic or live assistance to a consumer to arrange for billing or completion, or both, of a telephone call (OS); and (b) a service that allows subscribers to retrieve telephone numbers of other subscribers (DA). In accordance with Rule 51.319(f), VERIZON will not provide OS/DA as a UNE when it offers customized routing. Where SPRINT provides its own OS/DA platform, SPRINT is

required to route its OS/DA traffic to its platform over customized routing. Upon written request, VERIZON will provide SPRINT a list of Central Office Switches that can provide customized routing using line class codes or similar method (regardless of current capacity limitations). SPRINT will return a written list of these switches ranked in priority order. VERIZON will return to SPRINT a schedule for customized routing in the Central Office Switches with existing capabilities and capacity. In response to SPRINT's written request, VERIZON will also provide SPRINT with applicable charges, and terms and conditions, for providing OS and DA, branding (such branding shall be provided consistent with Section 2.5 of the Resale Attachment to this Agreement), and customized routing. Subject to the above provisions, VERIZON will choose the method of implementing customized routing of OS/DA calls. When VERIZON offers customized routing to SPRINT, SPRINT will be responsible for the transport to route OS/DA traffic to the designated platform. If a dedicated transport UNE is used to route OS/DA traffic to the designated platform, SPRINT must purchase a trunk side port and establish a collocation arrangement in accordance with the Collocation Attachment. If the dedicated transport UNE used to route OS/DA traffic to the designated platform is ordered out of the applicable access tariff, no collocation arrangement or trunk side port is required.

2.15 OSS.

The OSS UNE is defined as operations support system functions consisting of pre-ordering (including nondiscriminatory access to the same detailed information about loop qualification information that is available to VERIZON), ordering, provisioning, maintenance and repair, and billing functions supported by VERIZON's databases and information. Until such time as a real-time, electronic-like interface is made available to SPRINT by VERIZON, VERIZON shall enable SPRINT to perform all pre-ordering and ordering functions via a Web Graphical User Interface (GUI), including accessing said loop qualification information. This Web GUI will provide SPRINT access to the same information which VERIZON provides to itself in order to allow SPRINT to determine if a loop is available and qualifies for service based on the end user's telephone number or street address, including the following:

- 2.15.1 The composition of the available loop material (including, without limitation, fiber optics and copper);
- 2.15.2 The existence, location and type of electronic or other equipment on the loop (including, without limitation, DLC or other remote concentration devices, feeder/distribution interfaces, bridged taps, load coils, pair gain devices, repeaters, remote switching units, range extenders, AMI T-1s in the same or adjacent binder groups, and other potential disturbers);
- 2.15.3 Loop length, including the segment length and location of each type of transmission media;
- 2.15.4 Loop length by wire gauge; and
- 2.15.5 The electrical parameters of the loop.

To the extent VERIZON performs a manual loop qualification for any CLEC, VERIZON will provide that loop qualification information in an electronic format within 24 hours.

At such time as OBF has established standards for pre-order loop qualification, the Parties will cooperate to implement pre-order loop qualification functions based upon such standards.

2.16 Line Sharing.

The terms and conditions that are unique to the Line Sharing UNE are specified in Appendix C to this Unbundled Network Element Attachment. Except as provided on Appendix C, the terms and conditions of this Attachment shall govern the Line Sharing UNE. In accordance with the ALJ Ruling (as defined in Appendix C), VERIZON hereby expressly reserves the right to discontinue the VERIZON owned splitter option (Option No.2 described in Section 2.3). However, in the event of any other conflict between this Attachment and Appendix C, Appendix C shall control

3. Combinations.

VERIZON will offer Combinations (including UNE-Ps) where the elements are already combined in VERIZON's network, subject to the limitations, requirements and restrictions of Applicable Law, including, without limitation, Rule 51.319, the Line Sharing Order, the UNE Remand Order and the Act. VERIZON also will offer Combinations (including UNE-Ps) that are not already combined in VERIZON's network to the extent required by the Commission's arbitration Order in Docket No. A.00-09-031 ("UNE Combinations ruling"). VERIZON's agreement above to offer any combination of UNEs that are not already combined in its network is based upon the Commission's Order in Docket No. A.00-09-031 and not upon a voluntary agreement by the Parties. Thus, such agreement is not intended to, and shall in no manner whatsoever, establish any precedent, waiver, course of dealing or in any way evidence VERIZON's position or intent in the future regarding this matter. Furthermore, Verizon expressly reserves any and all of its rights to challenge the Commission's Order in the aforementioned proceeding with respect to the UNE Combinations ruling, including but limited to, on the grounds that such UNE Combinations ruling is inconsistent with and unlawful under Applicable Law. VERIZON is currently not required under Applicable Law to provide OS/DA as an UNE where VERIZON offers customized routing. Nevertheless, VERIZON will continue to provide OS/DA based on market rates (see Appendix A and Appendix A-1) until the Parties negotiate a separate OS/DA agreement. In the alternative, SPRINT can obtain an alternative provider. In addition, SPRINT may not use any Combination as a substitute for special access service pending the FCC's resolution of this issue in its Fourth FNPRM in Docket No. 96-98. SPRINT shall not have physical access to the combined UNEs in VERIZON's premises. However, SPRINT may use Combinations to provide a "significant amount" of local exchange service, as defined by FCC 00-183, CC Docket No. 96-98 (released June 2, 2000), in addition to exchange access service, to a particular Customer. Subject to the foregoing limitations and restrictions and the other terms and conditions herein, SPRINT may order the following standard Combinations pursuant to this Attachment:

3.1 UNE Basic Analog Voice Grade Platform, which consists of:

- 3.1.1 UNE 2-Wire Loop;
- 3.1.2 UNE Basic Analog Line Side Port; and
- 3.1.3 UNE Shared Transport.

3.2 UNE ISDN BRI Platform, which consists of:

- 3.2.1 UNE 2-Wire Digital Loop;
- 3.2.2 UNE ISDN BRI Digital Line Side Port; and
- 3.2.3 UNE Shared Transport.

3.3 UNE ISDN PRI Platform, which consists of:

- 3.3.1 UNE DS-1 Loop;
 - 3.3.2 UNE ISDN PRI Digital Trunk Side Port; and
 - 3.3.3 UNE Shared Transport.
- 3.4 UNE DS-1 Platform, which consists of:
- 3.4.1 UNE DS-1 Loop;
 - 3.4.2 UNE DS-1 Digital Trunk Side Port; and
 - 3.4.3 UNE Shared Transport.
- 3.5 Enhanced Extended Loop (EEL), which consists of:
- 3.5.1 UNE Loop;
 - 3.5.2 UNE Multiplexing (3/1 or 1/0, as required); and
 - 3.5.3 UNE Dedicated Transport.

Advanced services, including but not limited to the following are not offered in Combination arrangements: (a) Frame Relay; (b) ATM; (c) ADSL; and (d) AIN.

4. Operations Matters.

4.1 Ordering.

4.1.1 General. The ordering procedures for UNEs and Combination's are described in the GTE Guide found on VERIZON's wise website <http://www.gte.com/wise>). The GTE Guide provides a list of NC/NCI codes which identifies the electrical characteristics of loops which meet each NC/NCI code combination. VERIZON will use existing Telcordia Technologies practices to determine loop service and design characteristics. If Sprint requires a loop with electrical characteristics not defined in existing Telcordia Technologies practices, Sprint may issue a BFR. VERIZON will continue to participate in industry forums for developing service order/disconnect order formats and will incorporate appropriate industry standards. Complete and accurate forms (containing the requisite Customer information as described in the Guide) must be provided by SPRINT before a request can be processed. ASRs and/or LSRs submitted by SPRINT will be reviewed by VERIZON for validation and correction of errors. Errors will be referred back to SPRINT. SPRINT will then correct any errors that VERIZON has identified and resubmit the request to VERIZON via the same transmittal process in which the original ASR/LSR was submitted (electronically or FAX) through a supplemental ASR/LSR. Pre-ordering does not guarantee the availability of a given UNE or Combination. Rather, VERIZON must receive a firm order after the pre-order to ensure SPRINT's access to the UNE or Combination ordered.

4.1.1.1 911 Updates. VERIZON will be responsible for updates to the applicable 911/E911 database at parity with retail ordering processes when Sprint orders UNE-P comprised of loop and port elements. Such responsibility is expected to begin in the fourth quarter, 2000. In no case will such responsibility not begin by the end of the first quarter 2001.

4.1.2 Dark Fiber. SPRINT shall order Dark Fiber Transport, Dark Fiber Loop and Dark Fiber Subloop UNEs by sending to VERIZON an ASR. When ordering dark fiber, SPRINT must order in pairs and at a minimum of two dark fiber strands per A to Z route unless SPRINT deploys DWDM, then individual fibers may be ordered. Each A to Z route request shall be made by separate ASR. An ASR Service Inquiry must be submitted in advance of a firm order to determine the availability of dark fiber on a specific route.

4.2 Unauthorized Changes.

If SPRINT submits an order for UNEs or Combinations under this Agreement in order to provide service to a Customer that at the time the order is submitted is obtaining its local services from VERIZON or another LEC using VERIZON resold services or unbundled elements, and the Customer notifies VERIZON that the Customer did not authorize SPRINT to provide local exchange services to the Customer, SPRINT must provide VERIZON with written documentation of authorization from that Customer within thirty (30) Business Days of notification by VERIZON. If SPRINT cannot provide written documentation of authorization within such time frame, SPRINT must within three (3) Business Days thereafter:

- 4.2.1 notify VERIZON to change the Customer back to the LEC providing service to the Customer before the change to SPRINT was made;
- 4.2.2 provide any Customer information and billing records SPRINT has obtained relating to the Customer to the LEC previously serving the Customer; and
- 4.2.3 notify the Customer and VERIZON that the change back to the previous LEC has been made.

Furthermore, VERIZON will bill SPRINT fifty dollars (\$50.00) per affected line to compensate VERIZON for switching the Customer back to the original LEC.

4.3 Letter of Authorization.

VERIZON will not release the Customer service record (CSR) containing Customer proprietary network information (CPNI) to SPRINT on VERIZON Customer accounts unless SPRINT first provides to VERIZON a written Letter of Authorization (LOA). Such LOA may be a blanket LOA or other form agreed upon between VERIZON and SPRINT authorizing the release of such information to SPRINT or if state or federal law provides otherwise, in accordance with such law. A LOA will be required before VERIZON will process an order for UNEs or Combinations provided in cases in which the subscriber currently receives local exchange or Exchange Access service from VERIZON or from a local service provider other than SPRINT. Such LOA may be a blanket LOA or such other form as agreed upon between VERIZON and SPRINT.

4.4 Provisioning.

VERIZON agrees to provide UNEs and UNE-Ps in a timely manner, in accordance with Article 1, Section 3.6 (OSS Performance Measures), considering the need and volume of requests, pursuant to agreed upon service provisioning intervals. VERIZON shall provide power to ordered UNEs and UNE-Ps on the same basis as VERIZON provides power to itself. UNEs and UNE-Ps will be provided only when facilities are Currently Available. If facilities are not Currently Available, Sprint will be notified and the order will be rejected. For loop orders, if VERIZON has planned an installation of facilities to augment the exhausted facilities, that date will be provided to Sprint on the jeopardy report from the

VERIZON ordering center (NOMC). Upon installation of VERIZON facilities, those facilities will be made available to Sprint on a first come, first served basis. The determination of whether or not facilities are Currently Available will be made on a case-by-case basis. Sprint may use the Bona Fide Request (BFR) process to request VERIZON to construct facilities at Sprint's expense. VERIZON will use the following guidelines to determine if facilities are Currently Available to provision a requested UNE or UNE-P.

- 4.4.1 VERIZON is not required to build new interoffice facilities or outside plant feeder or distribution facilities.
- 4.4.2 VERIZON will not breach existing interoffice facilities, outside plant feeder or distribution facilities or Central Office Switch cabling or wiring to install new electronics or housing for plug-in electronic cards or modules. A facility is considered breached when the wire or fiber within the cable must be accessed at a point other than an access terminal. VERIZON will install new plug-in cards or modules when the housing already exists and is wired into the network.
- 4.4.3 In most circumstances, VERIZON will install drops and NIDs to connect outside plant facilities to a Customer's premises to provide a UNE loop. VERIZON will use the same procedures it uses to determine when a drop would routinely be installed for a VERIZON Customer, or to determine if a drop will be installed for a UNE loop. Drops will not be installed when conditions such as excessive length, size of cable or use of fiber optics would require VERIZON outside plant construction.
- 4.4.4 VERIZON will not install new switches or augment switching capacity.
- 4.4.5 VERIZON will not install new software or activate software requiring a new right to use fee in switching equipment. VERIZON will activate software that is currently loaded in a switch but is not in use.
- 4.4.6 In certain situations, VERIZON utilizes pair gain technology, such as Integrated Digital Loop Carrier (IDLC)² or analog carrier, to provision facilities. VERIZON may not be able to provision a loop UNE in such cases. Where VERIZON can provision a Local Loop UNE using such technologies, the capabilities of such Local Loop UNE may be limited. If SPRINT orders a loop UNE that would normally be provisioned over facilities using such technology, VERIZON will use alternate facilities to provision the loop UNE if alternate facilities are Currently Available, and the alternate facilities meet Sprints technical requirements. If alternate facilities are not Currently Available, VERIZON will advise SPRINT that facilities are not available to provision the requested loop UNE.

When VERIZON utilizes pair gain technology to provision facilities and Sprint orders all loops provisioned by the specific pair gain device, VERIZON will consider, pursuant to the BFR process contained in Section 4.5, a request by Sprint for VERIZON to connect Sprint interoffice facilities to the VERIZON pair gain device.

4.5 Connections.

- 4.5.1 General. With the exception of the Shared Transport UNE, the UNEs specified

² See Telcordia Technologies TR-TSY-000008, Digital Interface Between the SLC-96 Digital Loop Carrier System and Local Digital Switch and TR-TSY-000303, Integrated Digital Loop Carrier (IDLC) Requirements, Objectives and Interface.

above may be directly connected to SPRINT facilities or to a third-party's facilities designated by SPRINT to the extent technically feasible. Direct access to loops, subloop, port and local switching, and dedicated transport, that terminates in a VERIZON premise, must be accomplished via a collocation arrangement in that premise. In circumstances where collocation cannot be accomplished in the premises, the Parties agree to negotiate for possible alternative arrangements. Removal of existing cable pairs required for SPRINT to connect service is the responsibility of SPRINT.

- 4.5.2 **NID.** In order to minimize adverse effects to VERIZON's network, the following procedures shall apply regarding NID connection:
- 4.5.2.1 When connecting its own loop facility directly to VERIZON's NID for a residence or business Customer, SPRINT must make a clean cut on the VERIZON drop wire at the NID so that no bare wire is exposed. SPRINT shall not remove or disconnect VERIZON's drop wire from the NID or take any other action that might cause VERIZON's drop wire to be left lying on the ground.
 - 4.5.2.2 At multi-tenant Customer locations, SPRINT must remove the jumper wire from the distribution block (i.e., the NID) to the VERIZON cable termination block. If SPRINT cannot gain access to the cable termination block, SPRINT must make a clean cut at the closest point to the cable termination block. At SPRINT's request and discretion, VERIZON will determine the cable pair to be removed at the NID in multi-tenant locations. SPRINT will compensate VERIZON for the trip charge necessary to identify the cable pair to be removed.
 - 4.5.2.3 VERIZON loop elements leased by SPRINT will be required to terminate only on a VERIZON NID. If SPRINT leasing a VERIZON loop wants to connect such loop to a SPRINT NID, SPRINT also will be required to lease a VERIZON NID (included in the loop rate) for the direct loop termination and effect a NID-to-NID cross connection.
 - 4.5.2.4 Rather than connecting its own loop directly to VERIZON's NID, SPRINT also may elect to install its own NID and effect a NID-to-NID cross connection to gain access to the Customer's inside wiring.
 - 4.5.2.5 If SPRINT provides its own loop facilities, SPRINT may elect to move all inside wire terminated on a VERIZON NID to one provided by SPRINT. In this instance, a NID-to-NID cross connection will not be required. SPRINT, or the Customer's premise owner, can elect to leave the disconnected VERIZON NID in place, or to remove the VERIZON NID from the premises and dispose of it entirely.
 - 4.5.2.6 VERIZON agrees to offer its NIDs to SPRINT for lease, but not for sale. Therefore, SPRINT may remove VERIZON identification from any VERIZON NID to which it connects a SPRINT loop, but SPRINT shall not place its own identification on such NID.
 - 4.5.2.7 VERIZON shall have the right to deny any access by SPRINT to VERIZON's NID when SPRINT provides its own loop.
- 4.5.3 **Dark Fiber Transport.** SPRINT must have a collocation arrangement on each side of the transmission for SPRINT to gain access to Dark Fiber Interoffice

Transport. VERIZON will terminate each end of the Dark Fiber Interoffice Transport at a fiber patch panel that has been connected to SPRINT's collocation arrangement via optical cross-connects. In addition, SPRINT must be collocated at any intermediate central office points where it plans on placing regenerative equipment.

4.5.4 Subloops. To gain access to a Feeder Subloop UNE, SPRINT must be collocated (subject to the terms and conditions of the Collocation Attachment and/or applicable VERIZON tariff) within the VERIZON Central Office Switch where the Feeder Subloop UNE is being requested. SPRINT must also be collocated at either a DLC or VERIZON cross-connect box where the Feeder Subloop UNE terminates.

4.5.4.1 To gain access to a distribution Subloop UNE, SPRINT must be collocated at either a DLC or cross-connect box that serves the Customer's address. Upon request, VERIZON will provide a range of addresses served by DLC. A non-recurring charge will be assessed for processing each request.

4.5.4.2 To gain access to a Drop Subloop UNE, SPRINT must be collocated at the terminal, such as a pole or pedestal, that serves the Customer's address.

4.6 Line Conditioning.

4.6.1 General For the charge(s) described on Appendix A and Appendix A-1, SPRINT may order conditioning of those lines that are unbundled pursuant to this Attachment to remove load coils, bridged taps, low pass filters, range extenders and other devices to allow such lines to be provisioned in a manner that will allow for the transmission of digital signals required for ISDN and xDSL services, or, in the case of analog lines, to meet specific transmission parameters. Dedicated transport may be conditioned for DS-1 clear channel capability.

4.7 Performance, Repair, Testing and Maintenance.

4.7.1 General. Upon SPRINT's request, and for the charge(s) described on Appendix A and Appendix A-1, VERIZON will test and report trouble for all features, functions, and capabilities of conditioned lines, subject to all of the following limitations and conditions:

4.7.1.1 Such testing must be technically feasible.

4.7.1.2 If SPRINT has directly connected its facilities to a loop, VERIZON will not perform routine testing of the loop for maintenance purposes. SPRINT will be required to perform its own testing and notify VERIZON of service problems. VERIZON will perform repair and maintenance once trouble is identified by SPRINT. If the loop is combined with dedicated transport, SPRINT will not have access to the loop in the Wire Center. In this case, VERIZON will perform routine testing of the loop and perform repair and maintenance once trouble is identified.

4.7.1.3 All loop facilities provided by VERIZON on the premises of SPRINT's Customers, up to the network interface or demarcation point, are the property of VERIZON. VERIZON must have access to all such facilities for network management purposes. VERIZON employees and agents

may enter said premises at any reasonable hour to test and inspect such facilities in conjunction with such purposes or, upon termination or cancellation of the loop, to remove such facility.

4.7.1.4 If SPRINT leases loops that are conditioned to transmit digital signals, as part of that conditioning, VERIZON will test the loop UNE and provide recorded test results to SPRINT. In maintenance and repair cases, if loop tests are performed, VERIZON will provide any recorded readings to SPRINT at the time the trouble ticket is closed in the same manner as VERIZON provides the same to itself and/or its Customers

4.7.1.5 When SPRINT provides its own loop and connects directly to VERIZON's NID, VERIZON does not have the capability to perform routine maintenance. SPRINT can perform routine maintenance via its loop and inform VERIZON once the trouble has been isolated to the VERIZON NID and VERIZON will repair (or replace) the NID, or, at SPRINT's option, effect a NID-to-NID cross connection, using the VERIZON NID only to gain access to the inside wire at the Customer location.

4.7.1.6 Repair of any UNE loop will consist of bringing the loop to the standards identified by the NC/NCI codes provided on the original LSR. The NC/NCI codes will be translated into the standard special services ID code, which provides the VERIZON technician specifications of the service level required of the UNE loop.

4.7.2 Coordinated Testing. At Sprint's request, upon issuance of the LSR, and as specified therein, VERIZON will conduct coordinated testing of unbundled loops with SPRINT upon completion of the installation. The VERIZON technician will work with the SPRINT center to test the newly installed loop, which may include the placing and removing of shorts to allow SPRINT to test the line. VERIZON will contact SPRINT when the loop order is completed by calling the toll free (e.g., 800/888) telephone number specified on the order. It is agreed that after calling the SPRINT 800/888 telephone number the VERIZON technician will not remain on hold for longer than five minutes, and the VERIZON technician will not be required to spend more than 15 minutes performing cooperative testing on any single loop. Once Sprint determines that the loop meets the technical requirements for an unbundled loop, Sprint will provide VERIZON with a confirmation number and VERIZON will complete the order. VERIZON will perform repair and maintenance on trouble identified to be in VERIZON's network.

VERIZON will not perform routine testing of the unbundled loop for maintenance purposes. Sprint will be required to provision a loop testing device either in its central office (switch location), Operations Center, or in its collocation arrangement to test the unbundled loop.

4.8 Subloops.

SPRINT is responsible for all engineering requirements when provisioning service to an end user via Subloop UNEs. VERIZON does not guarantee, nor is it responsible for, the end-to-end performance of the entire loop when VERIZON provides only a portion of the loop. Furthermore, VERIZON is responsible for maintenance on only the portion of the loop element that VERIZON provides. VERIZON will provide all Subloop UNEs to SPRINT in the same manner as VERIZON provides such elements to itself per existing VERIZON interface specifications, maintenance and administrative policies.

4.9 Loop Interference.

Sprint will deploy xDSL equipment that operates under the Power Spectral Density (PSD) mask defined by ANSI T1 standards.

If SPRINT's deployment of service enhancing technology interferes with existing or planned service enhancing technologies deployed by VERIZON or other CLECs in the same cable sheath, VERIZON will so notify SPRINT and SPRINT will immediately remove such interfering technology and shall reimburse VERIZON for all costs and expenses incurred related to this interference.

VERIZON will implement spectrum management practices that provide methods to resolve service degradation caused by disturbers on nearby loop pairs when there are industry standards adopted for spectrum management. Methods may include forms of binder management designed to protect services from the effects of known disturbers.

5. Financial Matters.

5.1 Rates and Charges.

The monthly recurring charges (MRCs) and non-recurring charges (NRCs) applicable for the UNEs and Combinations, and related services made available under this Attachment are set forth in Appendix A and Appendix A-1 attached hereto and made a part of this Attachment. Compensation arrangements for the exchange of switched traffic between SPRINT and VERIZON when SPRINT uses a VERIZON port, local switching and shared transport shall be as set forth in Appendix B.

5.2 Billing.

VERIZON will utilize CBSS to produce the required bills for UNEs ordered via the LSR process. This includes NIDs, subloops, loops, loops combined with port, ports and local switching, shared transport, and line sharing. State or sub-state level billing will include up to thirty (30) summary bill accounts. Timing of messages applicable to VERIZON's port and circuit switching UNEs (usage sensitive services) will be recorded based on originating and terminating access. VERIZON will utilize CABS to produce the required bills for UNEs and Combinations ordered via the ASR process. This includes dark fiber, dedicated transport and loops combined with dedicated transport.

5.2.1 Incollects. Incollects are calls that are placed using the services of VERIZON or another LEC or local service provider and billed to a UNE port, INP number, or LNP number of SPRINT. Examples of an incollect are collect and credit card calls. VERIZON will provide the rated record it receives from the CMDS network, or which VERIZON records (non-intercompany), to SPRINT for billing to SPRINT's Customers. VERIZON will settle with the earning company, and will bill SPRINT the amount of each incollect record less the Billing & Collection (B&C) fee for Customer billing of the incollects. The B&C credit associated with SPRINT's incollect messages that are incurred by VERIZON will be billed to SPRINT on the monthly statement.

5.2.2 Outcollects. Outcollects are calls that are placed using a SPRINT UNE port and billed to a VERIZON line or the line of another LEC or local service provider. Examples of an outcollect are collect and credit card calls. When the VERIZON Central Office Switch from which the UNE port is served utilizes a VERIZON operator services platform, VERIZON will provide to SPRINT the unrated message detail that originates from a SPRINT resale service line or UNE port,

but which is billed to a telephone number other than the originating number (e.g., calling card, bill-to-third number, etc.). As the local service provider, SPRINT will be deemed the earning company and will be responsible for rating the message at SPRINT's rates and for providing the billing message detail to the billing company for Customer billing. SPRINT will pay to VERIZON charges as agreed to for services purchased, and SPRINT will be compensated by the billing company for the revenue due to SPRINT. When a non-VERIZON entity provides operator services to the VERIZON Central Office Switch from which the resale line or UNE port is provisioned, SPRINT must contract with the operator services provider to obtain any EMI records required by SPRINT.

5.3 Measurement of Originating Usage.

VERIZON shall record usage data originating from SPRINT Customers that VERIZON records with respect to its own retail Customers, using services order by SPRINT. On UNE port accounts, VERIZON will provide usage in EMI format per existing file exchange schedules.

5.4 Measurement of Terminating Usage.

Until such time as industry standards are implemented for recording and measuring terminating local calls, the Parties agree to use factors to estimate terminating usage based on originating usage. Where originating usage cannot be measured, the Parties agree to use assumed minutes. The applicable factors and assumed minutes are set forth in Appendix A.

5.5 Switched Access Usage.

VERIZON will provide SPRINT switched access usage records (AURs) in EMI Category 11 format for those UNEs which contain this switched access usage component. SPRINT agrees to follow applicable industry standards for the meet-point billing of switched access usage as defined in MECAB.

6. Intellectual Property Matters.

The Parties acknowledge that the determination of whether intellectual property rights are implicated by SPRINT's request to purchase a given UNE or Combination can vary greatly depending upon the individual contract terms negotiated by the vendor and VERIZON. If co-extensive intellectual property rights are required for SPRINT to purchase such UNE or Combination, VERIZON shall use its best efforts to assist SPRINT in acquiring such rights. Any costs associated with acquiring such rights shall be allocated among SPRINT and all requesting carriers, including VERIZON, on a case-by-case basis. SPRINT shall abide by all reasonable vendor requirements in connection with the determination and procurement of such rights, including, without limitation, confidentiality and privity of contract requirements. To the extent that SPRINT intends to use an UNE or Combination in a manner that is different from how VERIZON uses UNEs or Combinations in its network, SPRINT shall be solely responsible for obtaining this right from the vendor.

7. Line Splitting

CLECs may provide integrated voice and data services over the same Loop by engaging in "line splitting" as set forth in paragraph 18 of the FCC's Line Sharing Reconsideration Order (CC Docket Nos. 98-147, 96-98), released January 19, 2001. Any line splitting between two CLECs shall be accomplished by prior negotiated arrangement between those CLECs. To achieve a line splitting capability, CLECs may utilize existing supporting OSS to order and combine in a line

splitting configuration an unbundled xDSL capable Loop terminated to a collocated splitter and DSLAM equipment provided by a participating CLEC, unbundled switching combined with shared transport, collocator-to-collocator connections, and available cross-connects, under the terms and conditions set forth in their Interconnection Agreement(s). The participating CLECs shall provide any splitters used in a line splitting configuration. CLECs seeking to migrate existing UNE platform configurations to a line splitting configuration using the same unbundled elements utilized in the pre-existing platform arrangement may do so consistent with such implementation schedules, terms, conditions and guidelines as are agreed upon for such migrations in the ongoing DSL Collaborative in the State of New York, NY PSC Case 00-C-0127, allowing for local jurisdictional and OSS differences.

**APPENDIX A TO THE UNBUNDLED NETWORK ELEMENTS ATTACHMENT
PRICES FOR UNBUNDLED NETWORK ELEMENTS**

General. The rates contained in this Appendix A are the rates as defined in the UNE Attachment and are subject to change resulting from future Commission or other proceedings, including but not limited to any generic proceeding to determine VERIZON's unrecovered costs (e.g., historic costs, contribution, undepreciated reserve deficiency, or similar unrecovered VERIZON costs (including VERIZON's interim Service Support Surcharge)), the establishment of a competitively neutral universal service system, or any appeal or other litigation. VERIZON will offer unbundled loops and ports under the following conditions:

Interim Universal Service Support Charge. It is VERIZON's position that VERIZON's current intraLATA toll rates include implicit subsidies that support below-cost prices for other services and thus promote universal service. This universal service support is lost where a CLEC resells VERIZON's local service but does not resell VERIZON's intraLATA toll service. For this reason, VERIZON contends it should not be required to resell basic exchange residential or business services unless SPRINT pays the monthly interim universal service support charge set forth in Appendix A. VERIZON believes that this interim surcharge is required by state and federal law. The lawfulness of VERIZON's interim surcharge is being addressed (or will be addressed) by the Commission or a court of competent jurisdiction. The parties agree that VERIZON will offer for resale basic exchange residential and business services at the avoided cost discount rate set forth in Appendix A without the interim surcharge, but subject to the following terms and conditions:

- A. SPRINT agrees that, if an order by the Commission or a court of competent jurisdiction affirming VERIZON's interim surcharge is issued during the term of this Agreement, Sprint shall, within thirty (30) days after the effective date of such order (i) begin paying the monthly interim surcharge in accord with Appendix C, and (ii) make a lump sum payment to VERIZON of the total interim surcharges retroactive to the effective date of this Agreement. VERIZON further expressly reserves its right to seek retroactive true-up from Sprint of such interim surcharges under this Agreement in the event the Commission or a court of competent jurisdiction issues an order affirming VERIZON's interim surcharge after the expiration of this Agreement.
- B. Notwithstanding any provision in this Agreement, VERIZON reserves the right to, at its sole discretion and at any time, seek injunctive or other relief (i) requiring SPRINT to pay VERIZON's interim surcharge or (ii) requiring the Commission to immediately impose the interim surcharge.
- C. Nothing in this Agreement shall restrict or impair VERIZON from seeking injunctive relief or any other remedy at any time and in any court regarding VERIZON's interim surcharge or the Commission's rejection or modification of VERIZON's interim surcharge.

Loop Elements	VERIZON	AT&T
2 Wire Analog Loop (inclusive of NID)	\$ 28.39	16.81
4 Wire Analog Loop (inclusive of NID)	\$ 40.15	31.85
2 Wire Digital Loop (inclusive of NID)	\$ 28.39	16.81
4 Wire Digital Loop (inclusive of NID)	\$ 40.15	31.85
DS-1 Loop	\$ 97.98	
DS-3 Loop	\$1,345.90	
Type C Conditioning	\$ 2.72	
Type C Improved Conditioning	\$ 67.16	
Type DA Conditioning	\$ 3.76	

Supplemental Features:

ISDN-BRI Line Loop Extender		TBD
DS1 Clear Channel Capability	\$	25.00

Subloop

2-Wire Feeder	\$	9.43
2-Wire Distribution	\$	17.51
4-Wire Feeder	\$	13.55
4-Wire Distribution	\$	25.16
2-Wire Drop	\$	3.50
4-Wire Drop	\$	5.03
Inside Wire		BFR

Network Interface Device (leased separately)

Basic NID	\$	1.45
Complex (12 x) NID	\$	1.10

Port and Switching Elements

	AT&T	VERIZON
Ports		
Basic Analog Line Side Port	\$ 4.96	4.58
Coin Line Side Port	\$ 22.75	
ISDN BRI Digital Line Side Port	\$ 30.49	
DS-1 Digital Trunk Side Port	\$ 172.18	54.67
ISDN PRI Digital Trunk Side Port	\$ 603.15	
Vertical Features	See Attached List	
Usage Charges (must purchase Port)		
Local Central Office Switching	\$0.0068413	.0036286
Shared Transport		
Transport Termination	\$0.0002092	.0002047
Transport Facility per mile	\$0.0000266	.0000155
Tandem Switching	\$0.0048870	.0015000
Terminating to Originating Ratio	1.00	
Assumed Minutes		TBD
Operator and Directory Assistance Services (OS/DA)		
National DA	\$0.5500000	
DA	\$0.4500000	
Mechanized Operator Calling Card	\$0.0890000	
Live Operator	\$0.4490000	
Originating Line Number Screening	\$0.0180000	
Call Detail Record	\$0.0200000	

Busy Line Verify	\$0.9900000
Busy Line Interrupt	\$1.0500000

Transport Elements

CLEC Dedicated Transport		
CDT 2 Wire	\$ 27.80	30.17
CDT 4 Wire	\$ 39.65	39.53
CDT DS1	\$ 190.26	171.37
CDT DS3 (Optical Interface)	\$1,125.00	
CDT DS3 (Electrical Interface)	\$1,500.00	738.50
Interoffice Dedicated Transport		
IDT DS0 Transport Facility per ALM	\$ 0.40	3.81
IDT DS0 Transport Termination	\$ 3.18	
IDT DS1 Transport Facility per ALM	\$ 9.71	.95
IDT DS1 Transport Termination	\$ 76.29	37.97
IDT DS3 Transport Facility per ALM	\$ 271.93	22.62
IDT DS3 Transport Termination	\$ 526.72	344.54
Multiplexing		
DS1 to Voice Multiplexing	\$ 123.74	262.85
DS3 to DS1 Multiplexing	\$ 477.63	373.55
DS1 Clear Channel Capability	\$ 25.00	

Unbundled Dark Fiber

Unbundled Dark Fiber Loops/Subloops		
Dark Fiber Loop	\$ 51.64	
Dark Fiber Subloop - Feeder	\$ 40.90	
Dark Fiber Subloop - Distribution	\$ 10.74	
Unbundled Dark Fiber Dedicated Transport		
Dark Fiber IDT -Facility	\$ 19.08	
Dark Fiber IDT -Termination	\$ 4.88	

Packet Switching BFR

Call Related Database BFR

Service Management System BFR

OSS BFR

UNE-P Pricing

MRCs. The MRC for a UNE-P will generally be equal to the sum of the MRCs for the combined UNEs (e.g. the total of the UNE loop charge plus the UNE port charges in the Agreement (see Note A) plus:

UNE local switching (per minute originating usage plus T/O factor to determine terminating minutes) based on UNE local switching rates in the Agreement plus UNE shared transport and tandem switching (based on factors for percent interoffice and tandem switch usage, plus assumed transport mileage of 10 miles and 2 terms) based on UNE shared transport rates in the Agreement plus UNE Vertical Services charges (optional per line charges, if allowed by the Agreement).

(Note A): UNE platforms are available in four loop/port configurations as shown below. If the price for any component of these platforms is not set forth herein, VERIZON will use the ICB process to determine the appropriate price and TBD pricing shall apply.

UNE Basic Analog Voice Grade Platform consists of the following components:

- UNE 2-wire Analog loop; and
- UNE Basic Analog Line Side port

UNE ISDN BRI Platform consists of the following components:

- UNE 2-wire Digital loop; and
- UNE ISDN BRI Digital Line Side port

UNE ISDN PRI Platform consists of the following components:

- UNE DS1 loop; and
- UNE ISDN PRI Digital Trunk Side port

UNE DS1 Platform consists of the following components:

- UNE DS1 loop; and
- UNE DS1 Digital Trunk Side port

NRCs. On an interim basis, until NRCs specific to UNE-P have been established, the Initial Service Order Charge for ports will be billed for all UNE combination orders. Central Office Line Connection or Outside Facility Fieldwork charges will be applied as incurred on UNE combination orders. VERIZON reserves the right to apply new NRCs specific to UNE-P when such NRCs have been developed.

Optional NRCs will apply as ordered by the CLEC including such charges as Expedites, Coordinated Conversions, loop Conditioning, etc.

Operator Services and Directory Assistance Services (OS/DA). If SPRINT does not initially utilize available customized routing services to re-route OS/DA calls to its own or another party's operator services platform, VERIZON will bill the CLEC for OS/DA calls at a market-based ICB rate pending SPRINT's completion of a separate OS/DA agreement.

Universal Service Support Surcharge

Per Loop	\$ 11.73
Per Port	\$ 11.73

CALIFORNIA UNBUNDLED VERTICAL FEATURES

VERTICAL FEATURES (Subject to Availability)		VERIZON	AT&T
Three Way Calling	\$/Feature/Month	\$2.30	\$0.65
Call Forwarding Variable	\$/Feature/Month	\$0.63	
Cust. Changeable Speed Calling 1-Digit	\$/Feature/Month	\$0.38	
Cust. Changeable Speed Calling 2-Digit	\$/Feature/Month	\$0.64	
Call Waiting	\$/Feature/Month	\$0.15	\$0.02
Cancel Call Waiting	\$/Feature/Month	\$0.07	\$0.01
Automatic Callback	\$/Feature/Month	\$0.75	\$0.04
Automatic Recall	\$/Feature/Month	\$0.41	
Calling Number Delivery	\$/Feature/Month	\$1.29	
Calling Number Delivery Blocking	\$/Feature/Month	\$0.18	
Distinctive Ringing / Call Waiting	\$/Feature/Month	\$0.63	\$0.01
Customer Originated Trace	\$/Feature/Month	\$0.22	\$0.04
Selective Call Rejection	\$/Feature/Month	\$0.97	
Selective Call Forwarding	\$/Feature/Month	\$0.91	
Selective Call Acceptance	\$/Feature/Month	\$0.89	
Call Forwarding Variable CTX	\$/Feature/Month	\$0.57	
Call Forwarding Incoming Only	\$/Feature/Month	\$0.46	
Call Forwarding Within Group Only	\$/Feature/Month	\$0.38	
Call Forwarding Busy Line	\$/Feature/Month	\$0.55	
Call Forwarding Don't Answer All Calls	\$/Feature/Month	\$0.57	
Remote Call Forward	\$/Feature/Month	\$4.23	\$2.73
Call Waiting Originating	\$/Feature/Month	\$0.15	
Call Waiting Terminating	\$/Feature/Month	\$0.16	
Cancel Call Waiting CTX	\$/Feature/Month	\$0.02	
Three Way Calling CTX	\$/Feature/Month	\$2.33	
Call Transfer Individual All Calls	\$/Feature/Month	\$0.55	
Add-on Consultation Hold Incoming Only	\$/Feature/Month	\$0.39	
Speed Calling Individual 1-Digit	\$/Feature/Month	\$0.42	
Speed Calling Individual 2-Digit	\$/Feature/Month	\$0.56	
Direct Connect	\$/Feature/Month	\$0.25	
Distinctive Alerting / Call Waiting Indicator	\$/Feature/Month	\$0.22	

VERTICAL FEATURES (Subject to Availability)		VERIZON	AT&T
Call Hold	\$/Feature/Month	\$0.32	
Semi-Restricted (Orig/Term)	\$/Feature/Month	\$2.38	\$0.17
Fully-Restricted (Orig/Term)	\$/Feature/Month	\$2.36	\$0.17
Toll Restricted Service	\$/Feature/Month	\$0.56	
Call Pick-up	\$/Feature/Month	\$0.18	
Directed Call Pick-up w/Barge-In	\$/Feature/Month	\$0.07	
Directed Call Pick-up w/o Barge-In	\$/Feature/Month	\$0.23	
Special Intercept Announcements	\$/Feature/Month	\$16.62	
Conference Calling - 6-Way Station Cont.	\$/Feature/Month	\$2.29	
Station Message Detail Recording	\$/Feature/Month	\$0.72	
Station Message Detail Recording to Premises	\$/Feature/Month	\$2.55	
Fixed Night Service - Key	\$/Feature/Month	\$2.72	
Attendant Camp-on (Non-DI Console)	\$/Feature/Month	\$1.55	
Attendant Busy Line Verification	\$/Feature/Month	\$3.35	
Control of Facilities	\$/Feature/Month	\$0.20	
Fixed Night Service - Call Forwarding	\$/Feature/Month	\$0.60	
Attendant Conference	\$/Feature/Month	\$9.81	
Circular Hunting	\$/Feature/Month	\$0.10	
Preferential Multiline Hunting	\$/Feature/Month	\$0.09	
Uniform Call Distribution	\$/Feature/Month	\$0.18	
Stop Hunt Key	\$/Feature/Month	\$0.16	
Make Busy Key	\$/Feature/Month	\$6.09	
Queuing	\$/Feature/Month	\$1.16	
Automatic Route Selection	\$/Feature/Month	\$1.41	
Facility Restriction Level	\$/Feature/Month	\$0.56	
Expansive Route Warning Tone	\$/Feature/Month	\$0.07	
Time-of-Day Routing Control	\$/Feature/Month	\$1.45	
Foreign Exchange Facilities	\$/Feature/Month	\$6.47	
Anonymous Call Rejection	\$/Feature/Month	\$5.28	
Basic Business Group Sta-Sta ICM	\$/Feature/Month	\$11.15	
Basic Business Group CTX	\$/Feature/Month	\$0.50	
Basic Business Group DOD	\$/Feature/Month	\$0.14	
Basic Business Auto ID Outward Dialing	\$/Feature/Month	\$0.25	

VERTICAL FEATURES (Subject to Availability)		VERIZON	AT&T
Basic Business Group DID	\$/Feature/Month	\$0.01	
Business Set Group Intercom All Calls	\$/Feature/Month	\$6.44	
Dial Call Waiting	\$/Feature/Month	\$0.25	
Loudspeaker Paging	\$/Feature/Month	\$5.68	
Recorded Telephone Dictation	\$/Feature/Month	\$9.36	
On-Hook Queuing for Outgoing Trunks	\$/Feature/Month	\$1.02	
Off-Hook Queuing for Outgoing Trunks	\$/Feature/Month	\$0.86	
Teen Service	\$/Feature/Month	\$0.05	
Bg - Automatic Call Back	\$/Feature/Month	\$0.45	\$0.13
Voice/Data Protection	\$/Feature/Month	\$0.05	
Authorization Codes for Afr	\$/Feature/Month	\$0.17	
Account Codes for Afr	\$/Feature/Month	\$0.55	
Code Restriction Diversion	\$/Feature/Month	\$0.65	
Code Calling	\$/Feature/Month	\$9.00	
Meet-Me Conference	\$/Feature/Month	\$19.57	
Call Park	\$/Feature/Month	\$0.26	
Executive Busy Override	\$/Feature/Month	\$0.22	
Last Number Redial	\$/Feature/Month	\$0.36	\$0.04
Direct Inward System Access	\$/Feature/Month	\$0.02	
Authorization Code Immediate Dialing	\$/Feature/Month	\$0.25	
Bg - Speed Calling Shared	\$/Feature/Month	\$0.02	
Attendant Recall from Satellite	\$/Feature/Month	\$4.55	
Bg - Speed Calling 2-Shared	\$/Feature/Month	\$0.03	
Business Set - Call Pick-up	\$/Feature/Month	\$0.07	
Authorization Code for Mdr	\$/Feature/Month	\$0.25	
Locked Loop Operation	\$/Feature/Month	\$0.25	
Attendant Position Busy	\$/Feature/Month	\$6.62	
Two-Way Splitting	\$/Feature/Month	\$0.89	
Call Forwarding - All (Fixed)	\$/Feature/Month	\$0.84	\$0.12
Business Group Call Waiting	\$/Feature/Month	\$0.25	
Music on Hold	\$/Feature/Month	\$2.42	
Automatic Alternate Routing	\$/Feature/Month	\$2.08	
DTMF Dialing	\$/Feature/Month	\$0.25	

VERTICAL FEATURES (Subject to Availability)		VERIZON	AT&T
BG DTMF Dialing	\$/Feature/Month	\$0.25	
Business Set Access to Paging	\$/Feature/Month	\$2.93	
Call Flip-Flop (Ctx-A)	\$/Feature/Month	\$0.90	
Selective Calling Waiting (Class)	\$/Feature/Month	\$0.73	
Direct Inward Dialing	\$/Feature/Month	\$8.73	
Customer Dialed Account Recording	\$/Feature/Month	\$1.42	
Deluxe Automatic Route Selection	\$/Feature/Month	\$3.36	
MDC Attendant Console	\$/Feature/Month	\$104.65	
Warm Line	\$/Feature/Month	\$0.25	
Calling Name Delivery	\$/Feature/Month	\$0.25	
Call Forwarding Enhancements	\$/Feature/Month	\$0.25	
Caller ID Name and Number	\$/Feature/Month	\$1.16	
InContact	\$/Feature/Month	\$1.68	
Call Waiting ID	\$/Feature/Month	\$0.25	
Att'd ID on Incoming Calls	\$/Feature/Month	\$0.46	
Privacy Release	\$/Feature/Month	\$0.25	
Display Calling Number	\$/Feature/Month	\$0.25	
Six-Port Conference	\$/Feature/Month	\$5.61	
Business Set Call Back Queuing	\$/Feature/Month	\$0.25	
ISDN Code Calling - Answer	\$/Feature/Month	\$0.25	
Att'd Call Park	\$/Feature/Month	\$0.25	
Att'd Autodial	\$/Feature/Month	\$0.25	
Att'd Speed Calling	\$/Feature/Month	\$0.25	
Att'd Console Test	\$/Feature/Month	\$0.25	
Att'd Delayed Operation	\$/Feature/Month	\$0.25	
Att'd Lockout	\$/Feature/Month	\$0.25	
Att'd Multiple Listed Directory Numbers	\$/Feature/Month	\$0.25	
Att'd Secrecy	\$/Feature/Month	\$0.25	
Att'd Wildcard Key	\$/Feature/Month	\$0.25	
Att'd Flexible Console Alerting	\$/Feature/Month	\$0.25	
Att'd VFG Trunk Group Busy on Att'd Console	\$/Feature/Month	\$0.25	
Att'd Console Act/Deact of CFU/CFT	\$/Feature/Month	\$0.25	
Att'd Display of Queued Calls	\$/Feature/Month	\$0.25	

VERTICAL FEATURES (Subject to Availability)		VERIZON	AT&T
Att'd Interposition Transfer	\$/Feature/Month	\$0.25	
Att'd Automatic Recall	\$/Feature/Month	\$0.25	

**APPENDIX A-1 TO THE UNBUNDLED NETWORK ELEMENTS ATTACHMENT
PRICES FOR UNBUNDLED NETWORK ELEMENTS (NON-RECURRING CHARGES)**

LOCAL WHOLESALE SERVICES	Ordering	Ordering	Provisioning	
	100%	Semi-	Initial	Add'l
	Manual	Mech.	Unit	Unit

UNBUNDLED LOOP

Exchange - Basic - Initial	\$ 38.75	\$ 27.60	\$ 42.17	\$ 38.81
Exchange - Basic - Subsequent	\$ 17.44	\$ 12.55	\$ 14.49	\$ 13.53
Exchange - Complex Nondigital - Initial	\$ 40.56	\$ 25.03	\$ 107.58	\$ 26.61
Exchange - Complex Nondigital - Subsequent	\$ 18.87	\$ 13.98	\$ 14.49	\$ 13.53
Exchange - Complex Digital - Initial	\$ 40.56	\$ 25.03	\$ 96.76	\$ 26.53
Exchange - Complex Digital - Subsequent	\$ 18.87	\$ 13.98	\$ 14.49	\$ 13.53
Advanced - Basic - Initial	\$ 36.18	\$ 25.03	\$ 573.73	\$ 202.79
Advanced - Complex - Initial	\$ 40.56	\$ 25.03	\$ 569.13	\$ 303.39

UNBUNDLED PORT

Exchange - Basic - Initial	\$ 33.04	\$ 21.89	\$ 31.29	\$ 29.38
Exchange - Basic - Subsequent (Port Feature)	\$ 19.78	\$ 14.89	\$ 1.14	\$ 1.14
Exchange - Basic - Subsequent (CO Interconnection)	\$ 19.78	\$ 14.89	\$ 14.49	\$ 13.53
Exchange - Complex Nondigital - Initial	\$ 43.54	\$ 28.01	\$ 75.32	\$ 38.01
Exchange - Complex Nondigital - Subsequent (Port Feature)	\$ 25.90	\$ 21.01	\$ 6.23	\$ 6.23
Exchange - Complex Nondigital - Subsequent (Switch Feature Group)	\$ 30.28	\$ 21.01	\$ 23.06	\$ -
Exchange - Complex Nondigital - Subsequent (CO Interconnection)	\$ 25.90	\$ 21.01	\$ 14.49	\$ 13.53
Exchange - Complex Digital - Initial	\$ 43.54	\$ 28.01	\$ 29.72	\$ 32.97
Exchange - Complex Digital - Subsequent (Port Feature)	\$ 25.90	\$ 21.01	\$ 5.45	\$ 5.45
Exchange - Complex Digital - Subsequent (Switch Feature Group)	\$ 30.28	\$ 21.01	\$ 23.06	\$ -
Exchange - Complex Digital - Subsequent (CO Interconnection)	\$ 25.90	\$ 21.01	\$ 14.49	\$ 13.53

Advanced - Basic - Initial	TBD	TBD	TBD	TBD
Advanced - Complex - Initial	TBD	TBD	TBD	TBD
Advanced - Basic - Subsequent	TBD	TBD	TBD	TBD
Advanced - Complex - Subsequent	TBD	TBD	TBD	TBD

UNBUNDLED NID

Exchange - Basic	\$ 27.06	\$ 18.83	\$ 33.99	N/A
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SUBLOOP

Exchange - Basic - Initial	TBD	TBD	TBD	TBD
Exchange - Complex Digital - Initial	TBD	TBD	TBD	TBD
Inside Wire	BFR	BFR	BFR	BFR

DARK FIBER

Service Inquiry Charge	TBD	TBD	TBD	TBD
Initial Service Order	TBD	TBD	TBD	TBD
Connection Charge	TBD	TBD	TBD	TBD

ENHANCED EXTENDED LINK

Initial Service Order - Advanced/Special-Complex	TBD	TBD	TBD	TBD
EEL Changeover Charge	TBD	TBD	TBD	TBD
EEL Subsequent Order	TBD	TBD	TBD	TBD

LOOP CONDITIONING

(No charge for loops 12,000 feet or less)

Loop Conditioning - Bridged Tap	N/A	N/A	\$ 318.71	\$ 34.88
Loop Conditioning - Load Coils	N/A	N/A	\$ 249.91	\$ -
Loop Conditioning - Load Coils / Bridged Tap	N/A	N/A	\$ 568.62	\$ 34.88
Loop Conditioning - Feeder - Bridged Tap	TBD	TBD	TBD	TBD
Loop Conditioning - Feeder - Load Coils	TBD	TBD	TBD	TBD

Loop Conditioning - Feeder - Load Coils / Bridged Tap	TBD	TBD	TBD	TBD
Loop Conditioning - Distribution - Bridged Tap	TBD	TBD	TBD	TBD
Loop Conditioning - Distribution - Load Coils	TBD	TBD	TBD	TBD
Loop Conditioning - Distribution - Load Coils / Bridged Tap	TBD	TBD	TBD	TBD

UNE PLATFORM

Advanced - Basic - Initial	TBD	TBD	TBD	TBD
Advanced - Complex - Initial	TBD	TBD	TBD	TBD
Exchange - Basic - Initial	TBD	TBD	TBD	TBD
Exchange - Complex Nondigital - Initial	TBD	TBD	TBD	TBD
Exchange - Complex Digital - Initial	TBD	TBD	TBD	TBD
Advanced - Basic - Subsequent	TBD	TBD	TBD	TBD
Advanced - Complex - Subsequent	TBD	TBD	TBD	TBD
Exchange - Basic - Subsequent	TBD	TBD	TBD	TBD
Exchange - Complex Nondigital - Subsequent	TBD	TBD	TBD	TBD
Exchange - Complex Digital - Subsequent	TBD	TBD	TBD	TBD
UNE-P Changeover Charge	TBD	TBD	TBD	TBD

DEDICATED TRANSPORT

Advanced - Basic - Initial	\$ 95.49	\$ 63.01	\$ 428.58	N/A
Advanced - Basic - Subsequent	\$ 45.12	\$ 28.77	\$ 58.20	N/A
Advanced - Complex - Initial	\$ 105.04	\$ 72.56	\$ 584.49	N/A
Advanced - Complex - Subsequent	\$ 45.12	\$ 28.77	\$ 86.80	N/A

SIGNALING SYSTEM 7 (SS7)

Facilities and Trunks - Initial	\$ 237.67	\$ 205.19	\$ 568.54	N/A
Facilities and Trunks - Subsequent (with Engineering Review)	\$ 71.58	\$ 55.23	\$ 213.12	N/A
Facilities and Trunks - Subsequent (w/o Engineering Review)	\$ 71.58	\$ 55.23	\$ 67.28	N/A

SIGNALING SYSTEM 7 (SS7) (cont'd)

Trunks Only - Initial	\$ 126.13	\$ 93.65	\$ 505.41	N/A
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Trunks Only - Subsequent (with Engineering Review)	\$ 49.46	\$ 33.11	\$ 202.03	N/A
Trunks Only - Subsequent (w/o Engineering Review)	\$ 49.46	\$ 33.11	\$ 67.28	N/A
STP Ports (SS7 Links)	\$ 237.67	\$ 205.19	\$ 438.81	N/A
Entrance Facility/Dedicated Transport DS0 - Initial	\$ 95.49	\$ 63.01	\$ 390.08	N/A
Entrance Facility/Dedicated Transport DS0 - Subsequent	\$ 45.12	\$ 28.77	\$ 58.20	N/A
Entrance Facility/Dedicated Transport DS1/DS3 - Initial	\$ 105.04	\$ 72.56	\$ 515.03	N/A
Entrance Facility/Dedicated Transport DS1/DS3 - Subsequent	\$ 45.12	\$ 28.77	\$ 86.80	N/A

COORDINATED CONVERSIONS

Exchange - Standard Interval - Per Qtr. Hour	\$ 30.72	\$ 30.50	N/A	N/A
Exchange - Additional Interval - Per Qtr. Hour	\$ 26.97	\$ 26.75	N/A	N/A
Advanced - Standard Interval - Per Qtr. Hour	\$ 22.92	\$ 22.69	N/A	N/A
Advanced - Additional Interval - Per Qtr. Hour	\$ 21.12	\$ 20.89	N/A	N/A

HOT-CUT COORDINATED CONVERSIONS

(Only available for 2-wire analog loops)

Exchange - Standard Interval - Per Hour	\$ 108.80	\$ 108.57	N/A	N/A
Exchange - Additional Interval - Per Qtr. Hour	\$ 26.97	\$ 26.75	N/A	N/A
Advanced - Standard Interval - Per Hour	\$ 83.43	\$ 83.20	N/A	N/A
Advanced - Additional Interval - Per Qtr. Hour	\$ 21.12	\$ 20.89	N/A	N/A

CUSTOMIZED ROUTING

BFR BFR BFR BFR

EXPEDITES

Exchange Products	\$ 3.36	\$ 3.36	N/A	N/A
Advanced Products	\$ 25.80	\$ 25.80	N/A	N/A

OTHER

Customer Record Search (per account)	\$ 4.21	\$ -	N/A	N/A
CLEC Account Establishment (per CLEC)	\$ 166.32	\$ 166.32	N/A	N/A



PACKET SWITCHING	TBD	TBD	TBD	TBD
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CALL RELATED DATABASE	TBD	TBD	TBD	TBD
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SERVICE MANAGEMENT SYSTEM	TBD	TBD	TBD	TBD
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OSS	TBD	TBD	TBD	TBD
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Application of NRCs

Preordering:

CLEC Account Establishment is a one-time charge applied the first time that SPRINT orders any service from this Agreement.

Customer Record Search applies when SPRINT requests a summary of the services currently subscribed to by the end-user.

Ordering and Provisioning:

Initial Service Order (ISO) applies to each Local Service Request (LSR) and Access Service Request (ASR) for new service. Charge is Manual (e.g. for a faxed order) or Semi-Mechanized (e.g. for an electronically transmitted order) based upon the method of submission used by the CLEC.

Subsequent Service Order applies to each LSR/ASR for modifications to an existing service. Charge is Manual or Semi-Mechanized based upon the method of submission used by the CLEC.

Advanced ISO applies per LSR/ASR when engineering work activity is required to complete the order.

Exchange ISO applies per LSR/ASR when no engineering work activity is required to complete the order.

Provisioning – Initial Unit applies per ISO for the first unit installed. The Additional Unit applies for each additional unit installed on the same ISO.

Basic Provisioning applies to services that can be provisioned using standard network components maintained in inventory without specialized instructions for switch translations, routing, and service arrangements.

Complex Provisioning applies to services that require special instruction for the provisioning of the service to meet the customer's needs.

Examples of services and their Ordering/Provisioning category that applies:

Exchange-Basic: 2-Wire Analog, 4-Wire Analog, Standard Subloop Distribution, Standard Subloop Feeder, Drop and NID.

Exchange-Complex: Non-loaded Subloop Distribution, Non-load Subloop Feeder, Loop Conditioning, Customized Routing, ISDN BRI Digital Line Side Port and Line Sharing.

Advanced-Basic: 2-Wire Digital Loop, 4-Wire Digital Loop

Advanced-Complex: DS1 Loop, DS3 Loop, Dark Fiber, EELs, and ISDN PRI Digital Trunk Side Port

Conditioning applies in addition to the ISO, for each Loop or Subloop UNE for the installation and grooming of Conditioning requests.

DS1 Clear Channel Capability applies in addition to the ISO, per DS1 for the installation and grooming of DS1 Clear Channel Capability requests.

Changeover Charge applies to UNE-P and EEL orders when an existing retail, resale, or special access service is already in place.

Service Inquiry – Dark Fiber applies per service inquiry when a CLEC requests VERIZON to determine the availability of dark fiber on a specific route.

Custom Handling (These NRCs are in addition to any Preordering or Ordering and Provisioning NRCs):

Service Order Expedite applies if SPRINT requests service prior to the standard due date intervals and the expedite request can be met by VERIZON.

Coordinated Conversion applies if SPRINT requests notification and coordination of service cut-over prior to the service becoming effective.

Hot Coordinated Conversion First Hour applies if SPRINT requests real-time coordination of a service cut-over that takes one hour or less.

Hot Coordinated Conversion Per Additional Quarter Hour applies, in addition to the Hot Coordinated Conversion First Hour, for every 15-minute segment of real-time coordination of a service cut-over that takes more than one hour.

**APPENDIX B TO THE UNBUNDLED NETWORK ELEMENTS ATTACHMENT
COMPENSATION FOR EXCHANGE OF TRAFFIC USING UNBUNDLED ELEMENTS**

1. This Appendix describes the compensation terms that apply for exchanging local, intraLATA, toll and interexchange traffic when SPRINT uses VERIZON-provided unbundled ports, local switching and shared transport to provide service to SPRINT's end-users. Reciprocal compensation does not apply in a resale environment.

2. Compensation for SPRINT's Purchase of VERIZON's unbundled local switching.
 - 2.1 For local intra-switch calls between lines connected to VERIZON's switch where SPRINT has purchased VERIZON's unbundled local switching, the Parties agree to impose no call termination charges on each other. VERIZON's local switching charge will apply as described below where the call is:
 - 2.1.1 Originated by SPRINT's customer using VERIZON's unbundled local switching and completed to a VERIZON customer:
 - 2.1.1.1 (For use of the local switch): local switching charge the originating office will apply to SPRINT.
 - 2.1.2 Originated by SPRINT's customer using VERIZON's unbundled local switching and completed to the customer of a third party LEC (not affiliated with SPRINT) using VERIZON's unbundled local switching.
 - 2.1.2.1 (For use of the local switch): local switching charge at the originating office will apply to SPRINT.
 - 2.1.3 Originated by SPRINT's customer using VERIZON's unbundled local switching and completed to another SPRINT's customer using VERIZON's unbundled local switching.
 - 2.1.3.1 (For use of the local switch): local switching charge at the originating office will apply to SPRINT.
 - 2.1.4 Originated by a VERIZON customer and terminated to SPRINT's customer using VERIZON's unbundled local switching.
 - 2.1.4.1 No local switching charge will apply to SPRINT.
 - 2.1.5 Originated by the customer of a third-party LEC (not affiliated with SPRINT) using VERIZON's unbundled local switching and terminated to SPRINT's customers using VERIZON's unbundled local switching.
 - 2.1.5.1 No local switching charge will apply to SPRINT.
 - 2.2 For local inter-switch calls where SPRINT has purchased VERIZON's unbundled local switching. VERIZON's charges will apply to CLEC as described below where the call is:
 - 2.2.1 Originated from SPRINT's end-user customer using VERIZON's unbundled local switching and completed to a VERIZON customer:
 - 2.2.1.1 (For use of the local switch): local switching charge at the originating office.

- 2.2.1.2 A mileage-based transport charge will apply when SPRINT uses VERIZON's transport.
- 2.2.1.3 Tandem Switching, if applicable.
- 2.2.1.4 (For call termination): Charges for local interconnection/call termination, when applicable
- 2.2.2 Originated from SPRINT's customer using VERIZON's unbundled local switching and completed to a third-party LEC (not affiliated with SPRINT) customer using VERIZON's unbundled local switching.
 - 2.2.2.1 (For use of the local switch): local switching charge at the originating office.
 - 2.2.2.2 A mileage-based transport charge will apply when SPRINT uses VERIZON's transport.
 - 2.2.2.3 Tandem Switching, if applicable.
- 2.2.3 Originated from SPRINT's customer using VERIZON's unbundled local switching and completed to the interconnected network of a third-party LEC (not affiliated with SPRINT).
 - 2.2.3.1 (For use of the local switch): local switching charge at the originating office.
 - 2.2.3.2 A mileage-based transport charge will apply when SPRINT uses VERIZON's transport, and mileage shall be measured between the originating office and the IP of the Third Party's network.
 - 2.2.3.3 Tandem Switching, if applicable.
- 2.2.4 Originated from SPRINT's customer using VERIZON's unbundled local switching and completed to SPRINT's customer using VERIZON's unbundled local switching.
 - 2.2.4.1 (For use of the local switch): local switching charge at the originating office.
 - 2.2.4.2 A mileage-based transport charge will apply when SPRINT uses VERIZON's transport.
 - 2.2.4.3 Tandem Switching, if applicable.
 - 2.2.4.4 (For use of the local switch): Local switching charge at the terminating office.
- 2.2.5 Originated by a VERIZON customer and terminated to SPRINT's customer using VERIZON's unbundled local switching.
 - 2.2.5.1 (For use at local switch): local switching charge at the terminating office.
 - 2.2.5.2 (For call termination): SPRINT shall charge VERIZON for local interconnection/call termination, when applicable.

- 2.2.6 Originated by a customer of a third-party LEC using VERIZON's unbundled local switching and terminated to SPRINT's customer using VERIZON's unbundled local switching.
 - 2.2.6.1 (For use of the local switch): local switching charge at the terminating office.
- 2.2.7 Originated by a customer of the interconnected network of a third-party LEC and terminated to SPRINT's customers using VERIZON's unbundled local switching.
 - 2.2.7.1 (For use of the local switch): local switching charge at the terminating office.
- 2.3 For intraLATA toll calls where SPRINT has purchased VERIZON's unbundled local switching, charges shall apply as follows:
 - 2.3.1 Originated by SPRINT's customer and completed to a VERIZON customer:
 - 2.3.1.1 (For use of the local switch): local switching charge at the originating office.
 - 2.3.1.2 Shared transport charge between the two offices will apply when SPRINT uses VERIZON's transport.
 - 2.3.1.3 Tandem Switching, if applicable.
 - 2.3.1.4 (For call termination): End Office Switching charge at the terminating office (Switched Access Rate).
 - 2.3.2 Originated by SPRINT's customer and completed to the customer of a third-party LEC using VERIZON's unbundled local switching in a distant end office.
 - 2.3.2.1 (For use of the local switch): local switching charge at the originating office.
 - 2.3.2.2 Shared transport charge between the two offices will apply when SPRINT uses VERIZON's transport.
 - 2.3.2.3 Tandem Switching, if applicable.
 - 2.3.3 Originated by SPRINT's customer and completed to the network of a third-party LEC interconnected with VERIZON's network.
 - 2.3.3.1 (For use of the local switch): local switching charge at the originating office.
 - 2.3.3.2 Common transport charge will apply when SPRINT uses VERIZON's transport, and mileage shall be measured between the originating office and the IP of the Third Party's network.
 - 2.3.3.3 Tandem Switching, where applicable.
 - 2.3.4 Originated by SPRINT's customer and completed by another of SPRINT's customers being served through VERIZON's unbundled local switching in a distant office.

- 2.3.4.1 (For use of the local switch): local switching charge at the originating office.
- 2.3.4.2 Shared transport charge between the two offices will apply when SPRINT uses VERIZON's transport.
- 2.3.4.3 Tandem Switching, if applicable.
- 2.3.4.4 (For use of the local switch): local switching charge at the terminating office.
- 2.3.5 Originated by a VERIZON customer and terminated to SPRINT's customer using VERIZON's unbundled local switching.
 - 2.3.5.1 (For use of the local switch): local switching charge at the terminating office.
 - 2.3.5.2 (For call termination): SPRINT will charge VERIZON local switching at the terminating office.
- 2.3.6 Originated by a customer of a third-party LEC (not affiliated with SPRINT) using VERIZON's unbundled local switching in a distant end office and terminated to SPRINT's customers using VERIZON's unbundled local switching.
 - 2.3.6.1 (For use of the local switch): local switching charge at the terminating office.
- 2.3.7 Originated by a customer of the network of a third-party LEC interconnected with VERIZON's network and terminated to SPRINT's customers using VERIZON's unbundled local switching.
 - 2.3.7.1 (For use of the local switch): local switching charge at the terminating office.
- 2.4 For intrastate Switched Access calls where SPRINT is using VERIZON's unbundled local switching for calls originated from or terminated to an IXC for completion:
 - 2.4.1 For calls originated from SPRINT's customer to an IXC switch for completion.
 - 2.4.1.1 (For use of the local switch): local switching charge at the office.
 - 2.4.1.2 Shared Transport;
 - 2.4.1.3 Tandem Switching
 - 2.4.2 For calls terminating to SPRINT's end-user customer from an IXC switch for completion.
 - 2.4.2.1 (For use of the local switch): local switching charge at the terminating office.
 - 2.4.2.2 Shared Transport;
 - 2.4.2.3 Tandem Switching

2.5 For interstate Switched Access calls where SPRINT is using VERIZON's unbundled local switching for calls originated from or terminated to an IXC for completion:

2.5.1 For calls originated from SPRINT's customer to an IXC switch for completion.

2.5.1.1 (For use of the local switch): local switching charge at the originating office.

2.5.1.2 Shared Transport;

2.5.1.3 Tandem Switching

2.5.2 For calls terminating to SPRINT's customer from an IXC switch for completion:

2.5.2.1 (For use of the local switch): local switching charge at the terminating office.

2.5.2.2 Shared Transport;

2.5.2.3 Tandem Switching

3. Unbundled local switching will be billed on a per minute of use basis and applied to all originating and interswitch terminating traffic, including, but not limited to local, toll, operator services, directory assistance, 911/E-911, 500, 700, 800/888, 900, 950, 976, busy calls, no answer, incomplete. Where non-conversation time cannot be measured, the parties will mutually agree on the appropriate measure and charge. Where measurement of terminating local switching minutes is not available, the number of minutes billed for terminating usage will be equal to the number of originating minutes. The Parties will mutually agree on a method and procedure to periodically sample and validate or adjust the ratio of originating to terminating minutes for billing purposes.

APPENDIX C TO THE UNBUNDLED NETWORK ELEMENTS ATTACHMENT LINESHARING

1. General.

- 1.1 Description of Service. The Administrative Law Judge's Ruling on Line Sharing issued on May 26, 2000 in Rulemaking 93-04-003 and Investigation 93-04-002 (the "ALJ Ruling") required VERIZON (then known as "GTE") to make the Line Sharing UNE service offering under the terms and conditions set forth in this Appendix C. For purposes of this Agreement, line sharing is access to the high frequency portion of the loop network element, which is defined as the frequency range above the voiceband on a copper loop facility that is being used by VERIZON to carry analog circuit-switched voiceband transmissions. VERIZON shall provide line sharing to the SPRINT on a nondiscriminatory basis for use only in the provision of telecommunications service in accordance with, and subject to, the terms and conditions of this Agreement and Applicable Law.
- 1.2 Basic Requirements. The following requirements shall serve as conditions to VERIZON's obligation to provide line sharing hereunder:
- 1.2.1 Line sharing will be permitted for any ADSL or voice compatible xDSL ("DSL") technologies that do not significantly degrade other advanced services or traditional voice band services, including without limitation Asymmetric Digital Subscriber Line ("ADSL"), Rate-Adaptive ADSL, and Multiple Virtual Lines. As additional technologies that may be compatible with existing services on a loop become available, the parties will address their possible deployment, consistent with the requirements of FCC Rules 51.230, 51.233 and paragraphs 201-205 of the Line Sharing Order. The DSL technology used by SPRINT will be within the PSD mask parameters set forth in T1.413 or other applicable industry standards.
- 1.2.2 VERIZON provides retail analog circuit switched voice band service ("Voice Service") on the loop to the same end-user for which SPRINT provides the DSL line sharing service. If VERIZON discontinues the provision of such Voice Service for any permissible reason not prohibited by Applicable Law, VERIZON shall provide notice to SPRINT via e-mail that the Voice Service will be discontinued. Within three (3) business days after such notice, SPRINT may notify VERIZON via e-mail that it desires to: (i) discontinue the end-user's line sharing DSL service; or (ii) continue providing DSL service to the end-user over an unbundled loop without line sharing. If SPRINT fails to make an affirmative election during said three (3) business day period, option (ii) shall be implemented. If option (ii) is implemented, the Parties shall cooperate to transition the continuation without interruption (except for momentary interruptions as described in the ALJ Ruling) of such DSL service without line sharing.
- 1.2.3 VERIZON shall be restricted from decommissioning a copper loop when to do so unreasonably eliminates SPRINT's ability to offer, or to continue to provide, xDSL service. For existing end-users with line sharing DSL service, VERIZON shall provide no less than three (3) business days notice to SPRINT via e-mail that it intends to decommission the line shared copper loop. During such three (3) business day period, SPRINT shall notify VERIZON via e-mail that it desires to: (i) discontinue the end-user's line sharing DSL service; or (ii) continue providing DSL service to the end-user over an unbundled loop without line sharing. If SPRINT fails to make an affirmative election during said three (3) business day

period, option (ii) shall be implemented. If option (ii) is implemented, the Parties shall cooperate to transition the continuation without interruption (except for momentary interruptions as described in the ALJ Ruling) of such DSL service without line sharing.

- 1.3 Availability. Provided that the requirements of this Agreement are met, line sharing shall be available under the following circumstances:
- 1.3.1 The end-user has Voice Service from VERIZON and wishes to add DSL service from SPRINT.
 - 1.3.2 The end-user has Voice Service and DSL service from VERIZON and wishes to convert the DSL service to SPRINT.
 - 1.3.3 The end-user wishes to establish both new Voice Service from VERIZON and new DSL service from SPRINT, subject to the requirement that Voice Service must be established prior to the implementation of DSL service.
 - 1.3.4 The end-user has Voice Service from VERIZON and DSL service from another competitive local exchange carrier and wishes to convert the DSL service to SPRINT.

At this time, line sharing will not be available where the end-user has had its Voice Service number ported out to another local service provider either through interim number portability or long-term local number portability. In addition, VERIZON shall not provide line sharing to more than one competitive local exchange carrier per loop. Subject to the reservation of rights and limitations set forth in Section 1.4, VERIZON shall abide by the requirements of orders rendered in the Interim Arbitration, Line Sharing Phase of the Commission's OANAD proceeding (Rulemaking (R.) 93-04-003/Investigation (I.) 93-04-002) regarding the provisioning of line sharing over the UNE platform.

- 1.4 Reservation of Rights. Notwithstanding anything to the contrary in this Agreement, the Parties do not waive, and hereby expressly reserve, their rights: (a) to challenge, or to continue to challenge, the legality and/or propriety of the ALJ Ruling, orders rendered in the Interim Arbitration, Line Sharing Phase of the Commission's OANAD proceeding, FCC Rule 51.319, the FCC Line Sharing Order (CC Docket No. 96-98 and 98-147; FCC 99-355) and/or any other related FCC orders or rules, including, without limitation, the FCC Collocation Order in CC Docket No. 98-147 (rel. March 31, 1999) which was remanded and vacated in part by the United States Court of Appeals for the District of Columbia Circuit on March 17, 2000 (See, GTE Service Corporation, et. al. v. Federal Communications Commission and United States of America, No. 99-1176, consolidated with No. 99-1201, 2000 U.S. App. LEXIS 4111 (D.C. Cir. 2000)); (b) to continue to prosecute the current appeal of the FCC pricing rules pending before the Eighth Circuit Court of Appeals; (c) to assert or continue to assert that certain provisions of the FCC's First, Second and Third Report and Order in FCC Docket No. 96-98 and other FCC orders or rules are unlawful, illegal and improper; (d) to assert that modifications to this Agreement from a pricing and/or policy standpoint may be necessary to address or account for the use of line sharing for the provision of voice service, including, without limitation, voice over IP or voice over DSL service; (e) to assert or continue to assert any rights or challenges already reserved or existing under the Agreement, including, without limitation, any litigation related to the Agreement; and (f) to take any appropriate action relating to the offering of line sharing based on the outcome of any of the actions or challenges described in subparagraphs (a)-(e) above or any other actions. SPRINT further reserves the right to seek to have this Appendix be construed and interpreted to enable SPRINT to offer the broadest possible array of advanced services to consumers

in the State of California. The provisions of this Section shall survive the termination, rescission, modification or expiration of this Agreement without limit as to time.

- 1.5 Further Assurances. The Parties understand that both industry and VERIZON standards and processes applicable to line sharing, including, without limitation, loop qualification, ordering provisioning, fully automated OSS interfaces and other facets of OSS, are still being developed. Accordingly, the Parties agree to cooperate in any reasonable arrangement designed to facilitate the development of such standards and processes and to document the same for purposes of this Agreement, as necessary and appropriate.
- 1.6 Customer Education. VERIZON and SPRINT shall make end-users aware of the following conditions and requirements:
 - 1.6.1 The end-user should call VERIZON for problems related to its Voice Service. The end-user should call its SPRINT contact for problems related to its DSL service.
 - 1.6.2 The end-user's line shared DSL service is dependent on its Voice Service. If there is a problem with the physical line that causes the Voice Service to be inoperative, the end-user may also be unable to use DSL services for some period of time.
 - 1.6.3 Subject to the requirements of Sections 1.2(b) and (c), end-users will not be able to use SPRINT line shared DSL services if VERIZON Voice Services on the shared line are cancelled or terminated for any reason.

2. Operations Matters.

- 2.1 Copper Network. Except as otherwise provided in Section 2.2, VERIZON shall provide line sharing to SPRINT utilizing an all-copper pair between an end-user customer demarcation location and the main distribution frame in VERIZON's serving wire center that is jumpered and cross-connected to a SPRINT collocation arrangement located in said serving wire center. At the serving wire center, VERIZON shall connect the line to a SPRINT tie cable via a VERIZON-provided jumper; provided, however, that SPRINT must first have obtained said tie cable from VERIZON to connect to SPRINT's collocation arrangement.
- 2.2 Fiber-Fed DLC Network. VERIZON shall provide line sharing to SPRINT over Digital Loop Carrier ("DLC") to the extent required pursuant to Applicable Law, including the orders rendered in the Interim Arbitration, Line Sharing Phase of the OANAD proceeding, and without waiving any rights to challenge any such requirement. Fiber-fed DLC consists of an all-copper pair from the end-user customer demarcation location to a remote terminal (i.e., controlled environmental vault, fiber hut, cabinet or other structure with fiber-fed DLC equipment installed).
- 2.3 Splitter Options. To utilize line sharing, SPRINT must obtain access to a splitter that meets the requirements for equipment collocation set by the FCC in its Collocation Order in CC Docket No. 98-147 (rel. March 31, 1999) in the central office that serves the end-user of the shared line. SPRINT may obtain access to said splitter via the following options. Prior to June 6, 2000, VERIZON shall equip central offices with a VERIZON-owned splitter as described in Option No. 2 below. SPRINT agrees to use this configuration for initial line sharing in the central offices that VERIZON commits to have fully operational on or before June 6, 2000 (assuming that unforeseen delays in the availability of necessary equipment and/or labor, or other circumstances beyond

VERIZON's control, do not occur) as set forth on Exhibit 1 attached hereto. For those central offices that VERIZON cannot commit to have fully operational with a VERIZON-owned splitter on or before June 6, 2000, SPRINT may choose to deploy its own splitter as described in Option No. 1 below. VERIZON shall provide SPRINT with written notice in the event that Exhibit 1 needs to be revised due to unforeseen delays or other circumstances beyond VERIZON's reasonable control. For any central office in which SPRINT chooses to install its own splitter, VERIZON agrees to install any additional tie cables required by SPRINT, in accordance with, and subject to, the terms of collocation set forth in this Agreement and/or applicable VERIZON tariffs. Notwithstanding anything to the contrary herein, any splitter installed by SPRINT or VERIZON shall: (1) comply with ANSI T1E1 standards and VERIZON NEBS policy for collocators; (2) employ DC blocking capacitors or equivalent technology to assist in isolating high bandwidth trouble resolution and maintenance to the high frequency portion of the frequency spectrum; and (3) be designed so that the analog voice "dial tone" stays active when the splitter card is removed for testing or maintenance.

- 2.3.1 Option No. 1: CLEC Owned Splitter Located in the Collocation Arrangement of SPRINT. SPRINT may choose to obtain the splitter directly and place the splitter in its collocation arrangement. SPRINT shall purchase and own the splitter. Under this option, both the non-SPRINT voice traffic and the SPRINT-provided DSL services will arrive at the SPRINT collocation arrangement via a tie cable obtained from VERIZON. At the collocation arrangement, the tie cable will terminate at the splitter, which will separate the voice traffic and the DSL traffic. SPRINT will retain the DSL traffic and will return the voice traffic to VERIZON, over a separate CLEC tie pair assignment.
- 2.3.2 Option No. 2: CLEC Owned Splitter Located in an Area of the Serving Wire Center Controlled Exclusively by VERIZON. SPRINT may choose to have VERIZON purchase and own the splitter and locate the splitter in an area in the serving wire center to which SPRINT does not have access (e.g., on or as close to the main distribution frame as practical). Said splitter shall be installed in any of the following locations within the central office, at VERIZON's discretion--the main distribution frame, in a relay rack mounted arrangement or intermediate frame arrangement. In this scenario, SPRINT shall obtain the splitter functionality on an individual "port-at-a-time" basis. VERIZON shall perform all maintenance and repair work (as detailed further below in Section 2.11). SPRINT shall receive its DSL traffic via a tie cable obtained from VERIZON, running from the main distribution frame to the splitter and then from the splitter to SPRINT's collocation arrangement. Under this Option, VERIZON shall provide to SPRINT loop and splitter functionality that is compatible with any transmission technology that SPRINT seeks to deploy using the high frequency portion of the loop, provided that such transmission technology is presumed to be deployable pursuant to FCC Rule 51.230.
- 2.3.3 Option No. 3: CLEC Owned Splitter Located in an Area of the Serving Wire Center Controlled Exclusively by VERIZON Via Virtual Collocation. VERIZON shall offer SPRINT an additional option under which it may choose to purchase and own the splitter and have it located via a virtual collocation arrangement in an area in the serving wire center to which SPRINT does not have access. In this scenario, SPRINT shall obtain the splitter functionality on a "shelf at-a-time" basis. VERIZON shall perform all maintenance and repair work. SPRINT shall receive its DSL traffic via a tie cable obtained from VERIZON, running from the main distribution frame to the virtually collocated splitter and then from the splitter to SPRINT's collocation arrangement. VERIZON shall offer SPRINT virtual collocation under this Option in accordance with the terms of the VERIZON federal collocation tariff (FCC Tariff No. 1), provided, however, that for purposes

of this Agreement, the Parties shall treat the tariff rates applied to the virtual collocation of a splitter as interim, and subject to true-up, in accordance with the terms outlined in Section 3.1. During the sixty (60) day period following the effective date of this Appendix, the Parties agree to cooperate in the negotiation and development of any terms necessary to implement virtual collocation for line sharing. Any interim rates established pursuant to such negotiation shall be subject to true-up in accordance with the terms outlined in Section 3.1.

- 2.4 Collocation. VERIZON will revise collocation applications to include requests for information regarding line sharing equipment. SPRINT will specify its requirements for line sharing on the collocation application for that central office. If SPRINT's collocation application is accepted, VERIZON will make the office ready for line sharing during the interval applicable to SPRINT's request for collocation. VERIZON shall complete the installation and provisioning of any tie cable ordered by CLEC in accordance with, and subject to, the terms of collocation set forth in this Agreement and/or applicable VERIZON tariffs. VERIZON shall process all SPRINT applications and firm orders for augmenting its collocation arrangements to use line sharing in accordance with, and subject to, the terms of collocation set forth in this Agreement and/or applicable VERIZON tariffs.
- 2.5 Transport. VERIZON shall make available to SPRINT interoffice transport to transport its high frequency traffic between its collocation arrangement in the serving wire center and its point-of-presence, node, or collocation arrangement in a different wire center in accordance with, and subject to, the terms of this Agreement and/or applicable VERIZON tariffs.
- 2.6 End-User Premise Equipment. SPRINT must provide the end-user with, and is responsible for the installation of, a modem, splitter, filter(s) and/or other equipment necessary at the end-user premise to receive separate Voice Services and DSL services across the same loop. SPRINT is also responsible for the installation and maintenance of such equipment. SPRINT shall determine the necessary customer premises equipment.
- 2.7 Pre-ordering. During pre-ordering, VERIZON shall provide CLEC with nondiscriminatory access to the Loop Makeup Information required by FCC Rule 51.319(g) including, but not limited to, the following:
- 2.7.1 The composition of the available loop material (including without limitation fiber optics and copper);
 - 2.7.2 The existence, location and type of electronic or other equipment on the loop (including without limitation DLC or other remote concentration devices, feeder/distribution interfaces, bridged taps, load coils, pair gain devices, repeaters, remote switching units, range extenders, AMI T-1s in the same or adjacent binder groups, and other potential disturbers);
 - 2.7.3 Loop length, including the segment length and location of each type of transmission media;
 - 2.7.4 Loop length by wire gauge; and
 - 2.7.5 The electrical parameters of the loop.

As of the effective date of this Appendix, VERIZON shall provide the above information via a WEB GUI. As soon as possible, VERIZON shall enable SPRINT to access all Loop Makeup Information available to itself or to its affiliates contained in any system,

database, or record consistent with the requirements set forth in the FCC Rules and Orders.

- 2.8 Ordering. As of the effective date of this Appendix, VERIZON shall enable SPRINT to perform all ordering functions via a real-time, electronic interface, as soon as possible after the interface becomes available. Until such time as a real-time, electronic interface is made available to SPRINT by VERIZON, VERIZON shall enable SPRINT to order line sharing, or the conditioning of lines, via a Web GUI. The Parties will cooperate in the development and deployment of these processes and systems to better facilitate line sharing.
- 2.9 Provisioning. VERIZON will work cooperatively with SPRINT to prioritize the order and timeframe in which VERIZON will complete deployment of POTS splitters and other equipment necessary to provision line sharing in VERIZON's offices where SPRINT is currently collocated or where collocation is in the process of being provisioned capable of supporting shared lines. After this Appendix becomes effective, for offices where SPRINT notifies VERIZON of its intent to deploy line sharing, it must provide a rolling six (6) month forecast of line sharing orders, which is updated every three (3) months. These forecasts will be utilized to assist the Parties in the more efficient provisioning of line sharing, but shall not be binding on either Party. These forecasts will be treated as confidential information pursuant to the Agreement and shall be used by VERIZON solely for wholesale capacity planning purposes. As soon as a central office has the splitter installed, VERIZON will begin accepting orders for lines served by that office. VERIZON will initially provision line sharing within its current standard DSL retail provisioning intervals for unconditioned (five (5) business days) and conditioned loops (eleven (11) business days). The Parties acknowledge that these intervals are subject to change based on systems mechanization, changes in Applicable Law (including, without limitation new OSS requirements), order volumes and other agreed upon procedures that better facilitate line sharing, provided, however, that such intervals shall remain at parity with VERIZON's DSL retail provisioning intervals, as provided in Commission Docket R.9710-016 and I. 97-10-017.
- 2.10 Conditioning. *CLEC may order conditioning of shared lines, which may involve: (a) the removal of bridge taps, filter, extenders and load coils; (b) a line and station transfer; and/or (c) Digital Added Main Line (DAML) (consistent with the provisions of section 2.13 of this Agreement). VERIZON will perform loop conditioning if the loop loss for voice services is less than -8.0dB. Conditioning will not be provided in circumstances where such conditioning significantly degrades other advanced services or traditional voice band services as provided and described in FCC Rules 51.230, 51.233 and paragraphs 85, 86 and 201-205 of the Line Sharing Order.
- 2.11 Testing, Repair and Maintenance.
- 2.11.1 So that SPRINTs have nondiscriminatory access to the loop facility for testing, repair and maintenance, SPRINT shall have physical and remote test access to the test head, e.g. the physical loop test access point at the splitter, twenty-four hours a day, seven days a week. VERIZON shall provide CLECs with equivalent electronic access to any testing functionality which VERIZON and/or VERIZON's affiliates utilize to provide DSL services. For example, VERIZON will provide CLECs remote test access via its Wholesale Internet Service Engine ("WISE") website (<http://www.gte.com/wise>) 4-Tel loop testing mechanism. VERIZON is responsible for all testing of facilities and equipment terminated to its main distribution frame and SPRINT is responsible for all testing of facilities located within its collocation space. VERIZON reserves the right to seek access to SPRINT's collocation space to conduct reasonably necessary testing, repairs or maintenance when SPRINT owns the splitter, as provided under Option No. 1

of Section 2.3 above. For line sharing testing purposes (i.e., high frequency spectrum only), SPRINT's point of demarcation will be within the SPRINT's collocation space.

- 2.11.2 VERIZON will be responsible for repairing Voice Service and the physical line between the network interface device at the end-user premise and SPRINT demarcation point in the central office. SPRINT will be responsible for repairing its DSL services and any end user related DSL component at the end-user premise. Each entity will be responsible for maintaining its own equipment. In response to a trouble ticket opened by SPRINT, VERIZON shall conduct any necessary repair work for line sharing on a twenty-four-hour-a-day, seven-day-a-week basis, and shall maintain a mean-time-to-repair interval of twenty-four (24) hours, applied monthly, on a parity basis with VERIZON's retail repair intervals, as provided in Commission Docket R. 97-10-016 and I. 97-10-017. VERIZON is responsible for all repair and maintenance of facilities and equipment terminated to its main distribution frame and SPRINT is responsible for all repair and maintenance of facilities located within its collocation space. Where VERIZON owns the splitter and does not provide SPRINT with access to the splitter, VERIZON shall conduct any necessary repair work on the splitter on a twenty-four-hour-a-day, seven-day-a-week basis, and shall maintain a mean-time-to-repair interval of twenty-four (24) hours, applied monthly, on a parity basis with VERIZON's retail repair intervals, as provided in Commission Docket R. 97-10-016 and I. 97-10-017.. Where SPRINT owns the splitter, SPRINT is responsible for performing maintenance, repair and testing on the splitter.C
- 2.11.3 VERIZON and SPRINT agree to coordinate in good faith any splitter testing, repair and maintenance that will significantly impact the service provided by the other party. VERIZON and SPRINTs will work together to diagnose and resolve any troubles reported by the end-user and to develop a permanent process for repair of shared lines. In the interim, VERIZON and SPRINT will work together to address end-user initiated repair requests and to prevent adverse impacts to the end-user. Where VERIZON has isolated a trouble with the Voice Service to be in SPRINT provided equipment, VERIZON shall notify SPRINT and SPRINT will be required to clear the trouble associated with the VERIZON lifeline voice services. Where such troubles are not cleared within 3 hours, VERIZON will strap-through the voice service on the VERIZON main distribution frame, isolating SPRINT equipment from the VERIZON loop facility. This strap-through arrangement shall be limited in duration to the time necessary to repair the trouble. SPRINT is responsible for informing VERIZON of any life line data services (e.g. heart monitor), which may be being provided over the high frequency portion of the loop, that would preclude any such strap-through activity by VERIZON.
- 2.11.4 VERIZON shall not consider installation of line-sharing to be complete until SPRINT has affirmatively accepted the installation. VERIZON shall test the high frequency portion of the loop for copper continuity and for pair balance prior to completing the installation. Once VERIZON completes such testing and obtains passing results, VERIZON shall inform CLEC that VERIZON believes the installation has been properly performed. At this point, SPRINT shall either accept the line without conducting its own testing, or shall conduct its own test of the line shared loop. If CLEC conducts its own testing and the results demonstrate that the line-shared loop is capable of being used to provide DSL services, CLEC shall accept the line-shared loop from VERIZON. If CLEC conducts its own testing and the results demonstrate that the line-shared loop is not capable of being used to provide DSL services, CLEC may refuse to accept

the line, and may instead open a trouble ticket. Such a trouble ticket shall not be placed in the general population of maintenance and repair trouble tickets, but rather shall remain an installation problem. Until the problem is resolved to the satisfaction of the Parties, the installation will be deemed by the parties to be an incomplete, failed installation.

2.12 End-Users with Burglar Alarm Systems. The Parties acknowledge that the high frequencies associated with DSL can cause interference with some burglar alarm systems, resulting in false alarms, or in some instances, impair the alarm system to the point that it becomes inoperative. To mitigate these issues, for DSL customers with burglar alarm systems, VERIZON generally takes the following preventive actions: (a) where the burglar alarm system interfaces the inside wiring of the customer premise via an RJ11 jack, VERIZON places a micro-filter between the burglar alarm dial-up unit and the inside wiring; and (b) where the burglar alarm system is "hard-wired" to the inside wiring at the customer premises, VERIZON places a splitter to isolate the high frequency data signals from the burglar alarm system dial-up unit. When SPRINT provides line sharing services to an end-user, SPRINT shall be required to inquire and to determine whether the end-user customer has a burglar alarm system. For customers with burglar alarm systems, SPRINT is responsible for taking the necessary preventive actions to ensure that the end-user's burglar alarm system remains operative and the high frequencies associated with line sharing services do not interfere with its operation.

2.13 DAML Removal. Upon SPRINT request, VERIZON shall be required to remove a Digital Added Main Line ("DAML") when the DAML is used to serve a single end-user and that end-user agrees to the removal. SPRINT shall be obligated to obtain consent from the end-user prior to requesting such DAML removal. Said consent shall evidence that the end-user knowingly and voluntarily agrees to the discontinuation of any and all services associated with the additional lines which shall be terminated as a result of such DAML removal. SPRINT is only obligated to obtain said consent so long as VERIZON obtains the same consent for its own end-users.

3. Financial Matters.

3.1 Interim Pricing. The rates and charges for line sharing services provided pursuant to this Agreement are set forth on Exhibit 2³. Notwithstanding anything in this Agreement to the contrary, these rates and charges are interim pending the outcome of the Commission's rate proceeding regarding line sharing in the OANAD proceeding. VERIZON asserts that VERIZON's interim pricing proposal does not reflect all the costs associated with line sharing for all configurations (e.g., the costs associated with collaborative testing, costs associated with OSS-related implementation costs, DAML removal, etc.). VERIZON will present these costs and seek recovery for them (including a retroactive true-up) in the OANAD line sharing phase. To the extent that the OANAD line sharing rates for VERIZON (the "OANAD Line Sharing Rates"), or the terms and conditions for application of the OANAD Line Sharing Rates, are different than specified in this Section, the OANAD Rates will be applied prospectively pending the issuance of a final, binding and non-appealable order. Upon the issuance of such an order, the OANAD Rates will be applied retroactively to the effective date of this Agreement. The Parties will true up any resulting over or under billing. Any underpayment shall be paid, and any overpayment shall be refunded, within forty-five (45) business days after the date on which the OANAD Line Sharing Rate order becomes final, binding and non-appealable. Such true-up

³ Collocation is a prerequisite to line sharing. SPRINT must first collocate digital subscriber line access multiplexer (DSLAM) equipment and splitters (under Option No. 1 described in Section 2.3) in VERIZON's central office and order applicable tie cables in connection therewith. The applicable conditions, rates, and charges for satisfying these collocation requirements are contained within the collocation provisions of the Agreement and are separate from the interim line sharing rates and charges proposed herein.

payments, if any, shall also include interest computed at the prime rate of the Bank of America, NA in effect at the date of said order. VERIZON shall establish the memorandum accounts required by the ALJ Ruling.

- 3.2 Nonwaiver. The Parties do not waive, and hereby expressly reserve, their rights to assert or continue to assert that certain of the rates, charges or terms established in OANAD or any other proceeding (including, without limitation, the OANAD Line Sharing Rates) are unlawful, illegal and improper. The Parties further expressly reserve their past, present and future rights to challenge and seek review of any and all such rates, charges or terms in any court or commission of competent jurisdiction or other available forum. Such terms, rates or charges are further subject to change and/or modification resulting from future orders or decisions of any commission, court or other governmental authority having competent jurisdiction that address the following: (a) VERIZON's costs (e.g., actual costs, contribution, undepreciated reserve deficiency, or similar VERIZON costs (including VERIZON's interim universal service support charge)); (b) the establishment of a competitively neutral universal service system; (c) any and all actions seeking to invalidate, stay, vacate or otherwise modify any FCC order in effect as of the effective date, or during the term, of this Agreement which impact such terms, rates and/or charges, including, without limitation, the matters described in Section 1.4; or (d) any other relevant appeal or litigation. If any such rates, charges and/or terms are adjusted or otherwise modified, in whole or in part, in the OANAD proceeding or in any other proceeding, then this Agreement shall be deemed to have been automatically amended, and such amendment shall be effective upon the date of the applicable order. Such adjusted or modified rates and charges will be applied prospectively pending the issuance of a final, binding and non-appealable order in the subject proceeding. At such time as the applicable order becomes final, binding and non-appealable, the adjusted or modified rates and charges established therein shall be applied retroactively to the effective date of the amendment to this Agreement regarding line sharing. The Parties will true-up any resulting over or under billing in accordance with the requirements of Section 3.1. The Parties agree that the provisions of this Section shall survive the termination, rescission, modification or expiration of this Agreement without limit as to time. The Parties acknowledges that either Party may seek to enforce the provisions of this Section before a commission or court of competent jurisdiction.
- 3.3 Loop Costs. In developing its interim prices set forth in Section 3.1, VERIZON did not include any direct loop costs. VERIZON's pricing methodology, however, is premised on the assumption that VERIZON will be afforded an opportunity to recover all its actual costs -- including the total actual cost of the loop -- in prices for services and in explicit universal service support. If VERIZON cannot recover all its costs, then VERIZON's pricing methodology must change and VERIZON reserves the right to require such a change. Also, VERIZON does not agree with the FCC's UNE pricing rules, which do not allow prices to be based on an ILEC's actual costs or opportunity costs. The Court of Appeals for the Eighth Circuit is considering the substantive validity of the FCC's pricing rules, and VERIZON reserves its right to change its prices if the court stays, vacates, or modifies the FCC's rules.
- 3.4 Billing. Billing for line sharing will be handled via the VERIZON CBSS system, consistent with the billing for UNE loops.

Collocation is a prerequisite to line sharing. SPRINT must first collocate digital subscriber line access multiplexer (DSLAM) equipment and splitters (under Option No. 1 described in Section 2.3) in VERIZON's central office and order applicable tie cables in connection therewith. The applicable conditions, rates, and charges for satisfying these collocation requirements are contained within the collocation provisions of the Agreement and are separate from the interim line sharing rates and charges proposed herein.

VERIZON CENTRAL OFFICE INITIAL SPLITTER DEPLOYMENT
California

Alamitos	Aliso	Alondra
Apple Valley	Artesia	Baldwin Park
Banning	Beaumont	Bel Air
Bellflower	Blossom Hill	Bradley
Bundy Sm	Bushard	Calimesa
Camarillo	Carpinteria	Chino
Claremont	Clark	Conejo
Covina	Cucamonga	Del Amo
Del Rey	El Nido	Gilroy
Glendora	Goleta	Granada Hills
Hesperia	Huntington Beach	La Habra
La Puente	La Verne	Laguna Beach
Lancaster	Las Positas	Lompoc
Long Beach Main	Manhattan	Manteca
Maplegrove	Mar Vista	Montebello
Montecito	Morgan Hill	Murrieta
Newbury Park	Norwalk	Novato
Ontario Main	Pacific Palisades	Palm Desert
Palm Springs East	Palos Verdes	Perris
Pico	Pomona	Rancho Mirage
Redlands	Redondo	Rolling Hills
Rowland	San Bernardino	San Dimas
Santa Barbara	Santa Maria	Santa Monica
Santa Ynez	Sepulveda	Sierra Madre
Slater	Stadium	Sun City
Sunset	Termino	Thousand Oaks
University	Upland	Uptown
Valley View	Victorville	Walnut
Warner	West Los Angeles	Westminster
Westwood	Whittier South	Yucaipa

GTE CALIFORNIA INCORPORATED
EXHIBIT 2-LINE SHARING PRICING

<u>Line Sharing Elements</u>	CLEC-Owned Splitter		ILEC-Owned Splitter	
Monthly Recurring Charges (MRCs)				
Loop - Copper	\$ 3.00	a	\$ 3.00	a
Splitter	-	b	5.00	k
Collocation - Cross Connect (collocation area to MDF)	***	c	***	c
Conditioning (if requested)	1.50	d	1.50	d
Non-Recurring Charges (NRCs)				
Service Order				
Initial (Manual)	\$ 53.54	e	\$ 53.54	e
Add'l (Manual)	3.47	f	3.47	f
Initial (Semi-Mech)	26.86	g	26.86	g
Add'l (Semi-Mech)	3.47	h	3.47	h
Provisioning				
Jumper Activity - Initial	27.67	i	31.28	l
Jumper Activity - Add'l	17.02	j	21.15	m

Notes

- a Final Arbitrator's Report, 6.22.
- b Splitter charge not applicable. CLEC owns and maintains splitter in own collocation area.
- c Prices for cross connect services are governed by the **CLEC's interconnection agreement with GTE. This is line sharing item, but according to Final Arbitrator's Report, will be subject to true-up. Two cross-connects are required for the CLEC-owned splitter configuration. One cross-connect is required for the ILEC-owned splitter configuration.
- d Source: Final Arbitrator's Report, 6.28. Also, GTE Tariff FCC No.1 (39th revised p.179).
- e GTE proposed charge of \$107.07 x 50% reduction from Final Arbitrator's Report, 6.27. Initial charge applicable initial line ordered for each end user.
- f GTE proposed charge of \$6.94 x 50% reduction from Final Arbitrator's Report, 6.27. Additional charge applies each additional line ordered for same end user at same location at same time.
- g GTE proposed charge of \$53.71 x 50% reduction from Final Arbitrator's Report, 6.27. Initial charge applicable initial line ordered for each end user.
- h GTE proposed charge of \$6.94 x 50% reduction from Final Arbitrator's Report, 6.27. Additional charge applies each additional line ordered for same end user at same location at same time.
- i Final Arbitrator's Report, 6.25. Two jumpers placed and one removed on initial install. Two jumpers disconnected and one placed upon disconnect. Applicable to initial line ordered for each end user.
- j Final Arbitrator's Report, 6.25. Two jumpers placed and one removed on initial install. Two jumpers disconnected and one placed upon disconnect. Applicable to each additional line ordered for same end user at same location at same time.
- k Final Arbitrator's Report, 6.30.
- l Final Arbitrator's Report, 6.25. Three jumpers placed and one removed on initial install. Three jumpers disconnected and one placed upon disconnect. Applicable to initial line ordered for each end user.
- m Final Arbitrator's Report, 6.25. Three jumpers placed and one removed on initial install. Three jumpers disconnected and one placed upon disconnect. Applicable to each additional line ordered for same end user at same location at same time.

COLLOCATION ATTACHMENT

Collocation services will be provided by VERIZON pursuant to Schedule CAL. P.U.C. No. K-9, as provided by in pending Advice Letter number 9286 and any Supplements to that Advice Letter. The Parties agree to true up to the VERIZON Collocation rates approved by the California PUC in the cause of the aforementioned Advice Letter.

**FIRST AMENDMENT TO
INTERCONNECTION, RESALE AND UNBUNDLING AGREEMENT
BETWEEN
VERIZON CALIFORNIA, INC. F/K/A GTE CALIFORNIA INCORPORATED
AND
SPRINT COMMUNICATIONS COMPANY L.P.**

THIS FIRST AMENDMENT to Interconnection, Resale and Unbundling Agreement (the "Agreement") which became effective March 29, 2001, is by and between VERIZON CALIFORNIA, INC. F/K/A GTE CALIFORNIA INCORPORATED (Verizon) and SPRINT COMMUNICATIONS COMPANY L.P. (Sprint), Verizon and Sprint being referred to collectively as the "Parties" and individually as a "Party". This First Amendment covers services in the state of California (the "State").

WHEREAS, the Agreement, was approved by the Commission's Order dated April 9, 2001 in Docket No. D.01-03-044 (Agreement); and

WHEREAS, subsequent to the approval of the Agreement, Verizon notified Sprint that it desired to amend the Agreement; and

WHEREAS, pursuant to Section 252(a)(1) of the Act, the Parties wish to amend the Agreement; and

NOW, THEREFORE, in consideration of the mutual promises, provisions and covenants herein contained, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. The Parties agree that the terms and conditions set forth on page 47 of the Interconnection Attachment attached hereto shall replace the original page 47 of the Interconnection Attachment and will govern those provisions of Interconnection services.

2. Conflict between this Amendment and the Interconnection Agreement. This Amendment shall be deemed to revise the terms and provisions of the Interconnection Agreement to the extent necessary to give effect to the terms and provisions of this Amendment. In the event of a conflict between the terms and provisions of this Amendment and the terms and provisions of the Interconnection Agreement, this Amendment shall govern, *provided, however*, that the fact that a term or provision appears in this Amendment but not in the Interconnection Agreement, or in the

Interconnection Agreement but not in this Amendment, shall not be interpreted as, or deemed grounds for finding, a conflict for purposes of this Section 2.

3. Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed and delivered shall be an original and all of which together shall constitute one and the same instrument.

4. Captions. The Parties acknowledge that the captions in this Amendment have been inserted solely for convenience of reference and in no way define or limit the scope or substance of any term or provision of this Amendment.

5. Scope of this Amendment. This Amendment shall amend, modify and revise the Interconnection Agreement only to the extent set forth expressly in Section 1 of this Amendment, and, except to the extent set forth in Section 1 of this Amendment, the terms and provisions of the Interconnection Agreement shall remain in full force and effect after the date first set forth above.

IN WITNESS WHEREOF, each Party has executed this First Amendment and it shall be effective upon execution by both Parties.*

VERIZON CALIFORNIA, INC.

**SPRINT COMMUNICATIONS
COMPANY L.P.**

By: _____

By: _____

Name: Steven J. Pitterle _____

Name: _____

Title: Director - Local Competition _____

Title: _____

Date: _____

Date: _____

* Verizon has agreed to allow this Amendment to become effective upon execution in order to permit Sprint to proceed with implementation of its competitive business strategies and plans prior to the approval of the Amendment by the Commission. Notwithstanding the possible rejection or modification of this Agreement by the Commission, the Parties agree that all of their obligations and duties hereunder shall remain in full force and effect pending the final disposition of the Commission review and approval process.

protocol must be based on industry standards developed consistent with Section 256 of the Act.

2.3.1 Subject to mutual agreement, the Parties may use the following types of network facility interconnection, using such interface media as are (i) appropriate to support the type of interconnection requested and (ii) available at the facility at which interconnection is requested. However, if the appropriate interface is not available at the facility at which the interconnection is requested, the Parties shall mutually agree to establish a timetable for provision of the requested interconnection.

2.3.1.1 A Mid-Span Fiber Meet within an existing VERIZON exchange area whereby the Parties mutually agree to jointly plan and engineer their facility interconnection at a designated location. The Interconnection Point (IP) is the demarcation between ownership of the fiber transmission facility. Each Party is individually responsible for its incurred costs in establishing this arrangement.

2.3.1.2 A collocation arrangement at a VERIZON Wire Center subject to the rates, terms, and conditions contained in VERIZON's applicable tariffs, except as provided in the Collocation Attachment.

2.3.1.3 A special access arrangement terminating at a VERIZON Wire Center.

2.3.2 The Parties will mutually designate at least one IP on VERIZON's network within each LATA for the exchange of Local Traffic. As specified in section 2.4.2.2 of this Attachment, Sprint may establish additional routing point(s) through the establishment of trunk groups provisioned over dedicated facilities between the IP and additional VERIZON switches.

2.4 Trunking Requirements.

In accordance with Article I, Section 3.4, it will be necessary for the Parties to have met and agreed on trunking availability and requirements in order for the Parties to begin exchange of traffic.

2.4.1 Switching Center Trunking. The Parties agree to establish trunk groups of sufficient capacity from the interconnecting facilities such that trunking is available to any switching center designated by either Party, including end offices, tandems, 911 routing switches, and directory assistance/operator service switches. The Parties will mutually agree where one-way or two-way trunking will be available. The Parties may use two-way trunks for delivery of Local Traffic or either Party may elect to provision its own one-way trunks for delivery of Local Traffic to the other Party. If a Party elects to provision its own one-way trunks, that Party will be responsible for its own expenses associated with the trunks.

SPRINT and VERIZON shall, where applicable, make reciprocally available, by mutual agreement, the required trunk groups to handle different traffic types. SPRINT and VERIZON will support the provisioning of trunk groups that carry combined or separate Local Traffic, intraLATA toll and optional EAS traffic. Sprint will establish separate trunk groups, to the extent Sprint subtends a VERIZON access tandem, for the routing of exchange access traffic used to provide Switched Access Service to IXCs. To the extent SPRINT desires to have any IXCs originate or terminate switched access traffic to or from SPRINT, using jointly provided switched access facilities routed through a VERIZON access

APPENDIX 2¹

I. Rates and Charges for Transportation and Termination of Traffic²

- A. The Reciprocal Compensation Traffic Termination rate element that applies to Reciprocal Compensation Traffic on a minute of use basis for traffic that is delivered to an End Office is **\$0.0016966♦**.
- B. The Reciprocal Compensation Traffic Termination rate element that applies to Reciprocal Compensation Traffic on a minute of use basis for traffic that is delivered to Tandem Switch is **\$0.0077934♦**.
- C. The Tandem Transiting Charge is **\$0.00181967**.
- D. Entrance Facility Charge: **See Intrastate Access Tariff**

¹ Certain of the rates and charges set forth above, as indicated by a "diamond" (♦), are arbitrated rates taken from the previously arbitrated Interconnection, Resale and Unbundling Agreement between GTE and AT&T Communications, which was approved by the Commission in an Order dated December 11, 1996 in Interim Docket No. UT-960307. Verizon has agreed to use and to incorporate herein such arbitrated rates subject to the following: The Parties expressly agree (1) that such arbitrated rates shall not be deemed to have been voluntarily negotiated by the Parties and such arbitrated rates are not subject to interstate MFN obligations under Appendix D, Sections 31 and 32, of the Merger Order; and (2) that, for purposes of calculating Reciprocal Compensation Traffic, the arbitrated rates shall not apply to Internet Traffic. The foregoing shall not, in any way, limit any other term, condition, limitation or reservation of right in the Verizon California Terms that applies to rates. The Parties further agree that the Commission's Order in Interim Docket No. UT-960307, to the extent such Order established the arbitrated rates, shall be deemed "arbitrated" under Paragraph 5(E) of the adoption letter.

² All rates and charges specified herein are pertaining to the Interconnection Attachment of the Verizon California Terms.

II. Services Available for Resale

The avoided cost discount for all Resale services except Operator Services/Directory Assistance (OS/DA) is 10.1%. The avoided cost discount for OS/DA, is 0.6%.³

Non-Recurring Charges (NRCs) for Resale Services

Local Services – Semi-Mechanized Ordering

Service Order Charges⁺⁺

Engineered, Initial Service	\$226.77+
Engineered, Subsequent Service	\$ 37.77+
Non-Engineered, Initial Service	\$ 11.56+
Non-Engineered, Subsequent Service	\$ 2.80+
Changeover As Specified, Engineered, Initial Order ⁺⁺⁺⁺⁺	\$102.34+
Changeover As Is, Non-Engineered, Initial Order ⁺⁺⁺⁺	\$ 2.61+
Changeover As Specified, Non-Engineered, Initial Order ⁺⁺⁺⁺⁺	\$ 60.89+

Service Connection Charges

Central Office Connect, per loop, port or resold line	\$ 13.61+
Outside Facility Connect ⁺⁺⁺	\$ 88.06+

Local Services – Manual Ordering

Service Order Charges⁺⁺

Engineered, Initial Service	\$239.17+
Engineered, Subsequent Service	\$ 47.06+
Non-Engineered, Initial Service	\$ 26.29+
Non-Engineered, Subsequent Service	\$ 12.09+
Changeover As Specified, Engineered, Initial Order ⁺⁺⁺⁺⁺	\$112.03+
Changeover As Is, Non-Engineered, Initial Order ⁺⁺⁺⁺	\$ 12.29+
Changeover As Specified, Non-Engineered, Initial Order ⁺⁺⁺⁺⁺	\$ 70.57+

Service Connection Charges

Central Office Connect, per loop, port or resold line	\$ 13.61+
Outside Facility Connect ⁺⁺⁺	\$ 88.06+

Local Services – Disconnect

³ In compliance with the FCC Order approving the Merger of GTE Corporation and Bell Atlantic (CC Docket No. 98-1840), Verizon will offer limited duration promotional discounts on resold residential exchange access lines. The terms and conditions on which these promotional discounts are being made available can be found on Verizon's web site, at <http://www.gte.com/wise> for former GTE service areas and <http://www.bell-atl.com/wholesale/html/resources.htm> for former Bell Atlantic service areas.

+ WN U-22 Section 8, Verizon Northwest Inc.

⁺⁺ In addition to the Service Order Charges, Operation Support Systems (OSS) and National Open Market Center (NOMC) charges in this Section following apply on a per Local Service Request (LSR) basis.

⁺⁺⁺ Per order when outside facility work is required.

⁺⁺⁺⁺ Resale changeover applies to Non-Engineered Basic migrations between CLECs with or without minor changes.

⁺⁺⁺⁺⁺ Resale As Specified applies to Non-Engineered Complex and Engineered Basic and Complex migrations between CLECs when changes in services are made.

Engineered, Initial Service	\$ 87.18+
Non-Engineered, Initial Service	\$ 5.61+
Miscellaneous Charges ⁺⁺⁺⁺⁺	
<u>Expedite Charge:</u>	
Engineered, Initial Service	\$ 35.12+
Engineered, Subsequent Service	\$ 35.12+
Non-Engineered, Initial Service	\$ 12.23+
Non-Engineered, Subsequent Service	\$ 12.23+
<u>Coordinated Conversion Charge:</u>	
Engineered, Initial Service	\$ 16.81+
Non-Engineered, Subsequent Service	\$ 16.81+
Central Office Connect	\$ 10.71+
Outside Facility Connect	\$ 9.59+
<u>Hot Coordinated Conversion Charge-- Flat:</u>	
Engineered, Initial Service	\$ 28.94+
Non-Engineered, Initial Service	\$ 28.94+
Central Office Connect	\$ 42.83+
Outside Facility Connect	\$ 38.34+
<u>Hot Coordinated Conversion Charge-- Per Quarter Hour:</u>	
Engineered, Initial Service	\$ 6.07+
Non-Engineered, Initial Service	\$ 6.07+
Central Office Connect	\$ 10.71+
Outside Facility Connect	\$ 9.59+
<u>Customer Record Search, per account</u>	\$ 6.97+
<u>Account Establishment, per CLEC, per State</u>	\$255.82+
<u>Operational Support Systems (OSS) Charge</u>	
OSS Transition Charge, per Local Service Request	\$ 3.27+
OSS Transaction Charge, per Local Service Request	\$ 3.76+
<u>National Open Market Center (NOMC) Charge</u>	
NOMC Shared/Fixed Cost Recovery, per Local Service Request	\$ 4.92+

+++++ Applicable to electronic and manual orders.

• Service Order Charges for Manual and Semi-Mechanized Ordering will apply in addition to Operation Support Systems (OSS) and National Open Market Center (NOMC) Charges.

Application of NRCs

Pre-ordering:

CLEC Account Establishment is a one-time charge applied the first time that PowerTelNET orders any service from the Verizon California Terms.

Customer Record Search applies when PowerTelNET requests a summary of the services currently subscribed to by the end-user.

Ordering and Provisioning:

Engineered Initial Service Order - New Service applies per Local Service Request (LSR) when engineering work activity is required to complete the order, e.g. digital loops.

Non-Engineered Initial Service Order - New Service applies per LSR when no engineering work activity is required to complete the order, e.g. analog loops.

Initial Service Order - As Specified (Engineered or Non-Engineered) applies only to Complex Services for services migrating from Verizon to PowerTelNET. Complex Services are services that require a data gathering form or has special instructions.

Non-Engineered Initial Service Order - Changeover applies only to Basic Services for services migrating from Verizon to PowerTelNET. End-user service may remain the same or change.

Central Office Connect applies in addition to the ISO when physical installation is required at the central office.

Outside Facility Connect applies in addition to the ISO when incremental field work is required.

Manual Ordering Charge applies to orders that require Verizon to manually enter PowerTelNET's order into Verizon's Secure Integrated Gateway System (SIGS), e.g. faxed orders and orders sent via physical or electronic mail.

Custom Handling (These NRCs are in addition to any Preordering or Ordering and Provisioning NRCs):

Service Order Expedite (Engineered or Non-Engineered) applies if PowerTelNET requests service prior to the standard due date intervals.

Coordinated Conversion applies if PowerTelNET requests notification and coordination of service cut over prior to the service becoming effective.

Hot Coordinated Conversion First Hour applies if PowerTelNET requests real-time coordination of a service cutover that takes one hour or less.

Hot Coordinated Conversion Per Additional Quarter Hour applies, in addition to the Hot Coordinated Conversion First Hour, for every 15-minute segment of real-time coordination of a service cut-over that takes more than one hour.

III. Prices for Unbundled Network Elements

Monthly Recurring Charges

Local Loop

2 Wire Analog Loop (inclusive of NID)	
Zone 1	\$ 14.96⊕
Zone 2	\$ 16.74⊕
Zone 3	\$ 20.11⊕
Zone 4	\$ 23.36⊕
Zone 5	\$ 49.85⊕
4 Wire Analog Loop (inclusive of NID)	
Zone 1	\$ 22.44⊕
Zone 2	\$ 25.11⊕
Zone 3	\$ 30.17⊕
Zone 4	\$ 35.04⊕
Zone 5	\$ 74.78⊕
2 Wire Digital Loop (inclusive of NID)	
Zone 1	\$ 14.96⊕
Zone 2	\$ 16.74⊕
Zone 3	\$ 20.11⊕
Zone 4	\$ 23.36⊕
Zone 5	\$ 49.85⊕
4 Wire Digital Loop (inclusive of NID)	
Zone 1	\$ 22.44⊕
Zone 2	\$ 25.11⊕
Zone 3	\$ 30.17⊕
Zone 4	\$ 35.04⊕
Zone 5	\$ 74.78⊕
DS-1 Loop	\$ 127.41
DS-3 Loop	\$ 899.80

Line Sharing

CLEC Owned Splitter in Virtual Collocation Space	
Splitter Maintenance, Per Shelf	\$ 22.47⊕
Line Sharing Loop Charge	\$ 4.00⊕
CLEC Owned Splitter in CLEC Collocation Space	
Line Sharing Loop Charge	\$ 4.00⊕

Verizon-Owned Splitter ⁴		
Splitter, Per Line	\$	2.66⊕
Line Sharing Loop Charge	\$	4.00⊕
Supplemental Features:		
ISDN-BRI Line Loop Extender	\$	5.34
DS1 Clear Channel Capability	\$	10.00

Sub-Loop

2-Wire Feeder	\$	2.71
2-Wire Distribution	\$	8.11
4-Wire Feeder	\$	13.65
4-Wire Distribution	\$	22.26
2-Wire Drop	\$	3.11
4-Wire Drop	\$	3.35
Inside Wire	BFR	

Network Interface Device (leased separately)[∞]

Basic NID:	\$.84⊕
Complex (12 x) NID	\$	1.90

Switching

Port		
Basic Analog Line Side Port	\$	1.34⊕
Coin Line Side Port	\$	5.77
ISDN BRI Digital Line Side Port	\$	13.86
DS-1 Digital Trunk Side Port	\$	94.82
ISDN PRI Digital Trunk Side Port	\$	220.70

Usage Charges (must purchase Port)

Local Central Office Switching		
Per Originating/Terminating Minute of Use	\$0.0014151⊕	
Common/Shared Transport		
Transport Facility (Average MOU/ALM)	\$0.0000028	
Transport Termination (Average MOU/Term)	\$0.0002012⊕♣	
Tandem Switching (Average MOU)	\$0.0013141	

Terminating to Originating Ratio 1.00

Dedicated Transport Facilities

⁴ Requests for new arrangements utilizing a Verizon-owned splitter were discontinued as of December 15, 2000. Any CLEC utilizing a Verizon-owned splitter prior to December 15, 2000, will continue to receive line sharing under this configuration until such time service is discontinued.

⊕ WN U-21, Section 5, Verizon Northwest Inc.

[∞] The cost for the NID only applies when the NID is purchased separately from the loop. The price of a loop also includes the cost of the NID.

♣ Must purchase a port to access Common/Shared Transport.

CLEC Dedicated Transport		
CDT 2 Wire	\$	33.83
CDT 4 Wire	\$	54.99
CDT DS1	\$	116.81
CDT DS3 Optical Interface	\$	1,080.00
CDT DS3 Electrical Interface	\$	471.57

Interoffice Dedicated Transport		
IDT DS0 Transport Facility per ALM	\$	0.11
IDT DS0 Transport Termination	\$	9.47
IDT DS1 Transport Facility per ALM	\$	1.31
IDT DS1 Transport Termination	\$	21.96
IDT DS3 Transport Facility per ALM	\$	10.35
IDT DS3 Transport Termination	\$	89.61

Multiplexing		
DS1 to Voice Multiplexing	\$	166.09
DS3 to DS1 Multiplexing	\$	378.85
DS1 Clear Channel Capability	\$	10.00

Unbundled Dark Fiber

Unbundled Dark Fiber Loops/Sub-Loops		
Dark Fiber Loop	\$	67.13
Dark Fiber Sub-Loop - Feeder	\$	53.17
Dark Fiber Sub-Loop - Distribution	\$	13.96

Unbundled Dark Fiber Dedicated Transport		
Dark Fiber IDT - Facility	\$	24.80
Dark Fiber IDT - Termination	\$	6.34

UNE-P Pricing

MRCs. The MRC for a UNE-P will generally be equal to the sum of the MRCs for the combined UNEs (e.g. the total of the UNE loop charge plus the UNE port charges in the Agreement (see Note A) plus: UNE local switching (per minute originating usage plus T/O factor to determine terminating minutes) based on UNE local switching rates in the Agreement plus UNE shared transport and tandem switching (based on factors for percent interoffice and tandem switch usage, plus assumed transport mileage of 10 miles and 2 terms) based on UNE shared transport rates in the Agreement plus UNE Vertical Services charges (optional per line charges, if allowed by the Agreement).

(Note A): UNE platforms are available in four loop/port configurations as shown below. If the price for any component of these platforms is not set forth herein, Verizon will use the ICB process to determine the appropriate price and TBD pricing shall apply.

UNE Basic Analog Voice Grade Platform consists of the following components:

UNE 2-wire Analog loop; and
UNE Basic Analog Line Side port

UNE ISDN BRI Platform consists of the following components:

UNE 2-wire Digital loop; and
UNE ISDN BRI Digital Line Side port

UNE ISDN PRI Platform consists of the following components:

UNE DS1 loop; and
UNE ISDN PRI Digital Trunk Side port

UNE DS1 Platform consists of the following components:

UNE DS1 loop; and
UNE DS1 Digital Trunk Side port

NRCs.

Optional NRCs will apply as ordered by the CLEC including such charges as Expedites, Coordinated Conversions, loop Conditioning, etc.

Operator Services and Directory Assistance Services (OS/DA). If PowerTelNET does not initially utilize available customized routing services to re-route OS/DA calls to its own or another party's operator services platform, Verizon will bill the CLEC for OS/DA calls at a market-based ICB rate pending PowerTelNET's completion of a separate OS/DA agreement.

NON-RECURRING CHARGES

LOCAL WHOLESALE SERVICES	Ordering 100% Manual	Ordering Semi- Mechanized	Provisioning Initial Unit	Addtl Unit
UNBUNDLED LOOP				
Engineered, Initial Service -- Unbundled Loops	\$ 220.77 [⊕] *	\$ 208.37 [⊕] *	N/A	N/A
Non-Engineered, Initial Service -- Unbundled Loops	\$ 22.07 [⊕] *	\$ 7.33 [⊕] *	N/A	N/A
Central Office Connect, per Loop	NA	NA	\$ 13.61 [⊕]	N/A
Outside Facility Connect—Unbundled Loops, per order	NA	NA	\$ 88.06 [⊕] **	N/A
Engineered, Disconnect Service – Unbundled Loops	\$ 80.19 [⊕]	\$ 80.19 [⊕]	N/A	N/A
Non-Engineered, Disconnect Service -- Unbundled Loops	\$ 5.60 [⊕]	\$ 5.60 [⊕]	N/A	N/A
UNBUNDLED PORT				
Non-Engineered, Initial Service -- Unbundled Ports ⁺⁺	\$ 26.71 [⊕]	\$ 12.04 [⊕]	N/A	N/A
Non-Engineered, Subsequent Service -- Unbundled Ports ⁺⁺	\$ 16.89 [⊕]	\$ 7.60 [⊕]	N/A	N/A
Central Office Connect, per Port	NA	NA	\$13.61 [⊕]	N/A
Non-Engineered, Disconnect Service – Unbundled Ports	\$ 6.56 [⊕]	\$ 6.56 [⊕]	N/A	N/A
UNBUNDLED NID				
Engineered, Initial Service -- Unbundled NIDs ⁺⁺	\$ 23.35 [⊕]	\$ 10.95 [⊕]	N/A	N/A
Non-Engineered, Initial Service, Unbundled NIDs ⁺⁺	\$ 22.44 [⊕]	\$ 10.19 [⊕]	N/A	N/A
Outside Facility Connect -- Unbundled NIDs, per order	NA	NA	\$ 42.96 [⊕] **	N/A
SUB-LOOP				
Exchange - FDI Feeder Interconnection – Initial	\$ 34.13	\$ 25.89	\$ 35.07	\$ 19.89
Exchange - FDI Feeder Interconnection – Subsequent	\$ 22.72	\$ 17.82	\$ 22.62	\$ 10.18
Exchange - FDI Feeder Interconnection – Disconnect	\$ 9.90	\$ 6.98	\$ 27.60	\$ 12.41
Exchange - FDI Distribution Interconnection - Initial	\$ 34.13	\$ 25.89	\$ 49.72	\$ 37.28
Exchange - FDI Distribution Interconnection – Subsequent	\$ 22.72	\$ 17.82	\$ 22.62	\$ 10.18
Exchange - FDI Distribution Interconnection – Disconnect	\$ 9.90	\$ 6.98	\$ 27.60	\$ 12.41
Exchange - Serving Terminal Interconnection - Initial	\$ 34.13	\$ 25.89	\$ 21.69	\$ 13.01
Exchange - Serving Terminal Interconnection - Subsequent	\$ 22.72	\$ 17.82	\$ 17.81	\$ 9.13
Exchange - Serving Terminal Interconnection - Disconnect	\$ 9.90	\$ 6.98	\$ 17.81	\$ 9.13
Inside Wire	BFR	BFR	BFR	BFR

** Per order when outside facility work is required.

LOCAL WHOLESALE SERVICES	Ordering 100% Manual	Ordering Semi- Mechanized	Provisioning Initial Unit	Add'l Unit
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DARK FIBER

Advanced - Service Inquiry Charge	\$423.60	\$421.99	N/A	N/A
Advanced - Interoffice Dedicated Transport - Initial	\$ 53.01	\$ 51.40	\$ 87.78	\$ 41.63
Advanced - Interoffice Dedicated Transport - Disconnect	\$ 21.56	\$ 21.56	\$ 87.78	\$ 41.63
Advanced - Unbundled Loop - Initial	\$ 53.01	\$ 51.40	\$ 85.74	\$ 4 0.04
Advanced - Unbundled Loop – Disconnect	\$ 21.56	\$ 21.56	\$ 85.74	\$ 40.04
Advanced - Sub-Loop Feeder - Initial	\$ 53.01	\$ 51.40	\$ 85.74	\$ 40.04
Advanced - Sub-Loop Feeder – Disconnect	\$ 21.56	\$ 21.56	\$ 85.74	\$ 40.04
Advanced - Sub-Loop Distribution - Initial	\$ 53.01	\$ 51.40	\$ 87.92	\$ 38.45
Advanced - Sub-Loop Distribution – Disconnect	\$ 21.56	\$ 21.56	\$ 87.92	\$ 38.45

ENHANCED EXTENDED LINK - Loop portion (In addition, IDT and CDT charges apply if applicable to the EEL arrangement)

Advanced - Basic (2-wire and 4-wire) – Initial	\$ 62.11	\$ 44.37	\$13.61	N/A
Advanced - Basic (2-wire and 4-wire) – Subsequent	\$ 48.74	\$ 31.00	\$ 13.61	N/A
Advanced - Basic (2-wire and 4-wire) – Disconnect	\$ 37.00	\$ 20.87	TBD	N/A
DS1/DS3 - Initial	\$ 70.41	\$ 52.67	\$13.61	N/A
DS1/DS3 – Subsequent	\$ 48.74	\$ 31.00	\$13.61	N/A
DS1/DS3 – Disconnect	\$ 38.25	\$ 22.12	TBD	N/A
DS1/DS3 Multiplexer	N/A	N/A	\$355.00	N/A
DS1/DS0 Multiplexer	N/A	N/A	\$300.00	

**LOOP CONDITIONING+
(No charge for loops 12,000 feet or less)**

Loop Conditioning - Bridged Tap	N/A	N/A	\$ 147.37⊕	\$ N/A
Loop Conditioning - Load Coils	N/A	N/A	\$ 304.12⊕	\$ N/A
Loop Conditioning - Load Coils / Bridged Tap	N/A	N/A	\$ 451.49	\$ N/A
Loop Conditioning - Feeder - Bridged Tap	TBD	TBD	TBD	TBD
Loop Conditioning - Feeder - Load Coils	TBD	TBD	TBD	TBD
Loop Conditioning - Feeder - Load Coils / Bridged Tap	TBD	TBD	TBD	TBD
Loop Conditioning - Distribution - Bridged Tap	TBD	TBD	TBD	TBD
Loop Conditioning - Distribution - Load Coils	TBD	TBD	TBD	TBD
Loop Conditioning - Distribution - Load Coils / Bridged Tap	TBD	TBD	TBD	TBD

UNE PLATFORM

Exchange – Basic - Initial	\$ 30.73	\$ 22.49	\$ 28.32	\$ 26.75
Exchange – Basic – Subsequent	\$ 24.01	\$ 19.11	\$ 2.50	\$ 2.50
Exchange – Basic – Changeover	\$ 27.85	\$ 21.74	\$ 11.35	\$ 11.35
Exchange – Basic - Disconnect	\$ 9.11	\$ 6.19	\$ 3.85	\$ 3.85
Exchange - Complex Non-Digital – Initial	\$ 41.47	\$ 28.85	\$192.33	\$172.25
Exchange - Complex Non-Digital – Subsequent (Port Feature)	\$ 24.01	\$ 19.11	\$ 13.35	\$ 13.35
Exchange - Complex Non-Digital – Subsequent (Switch Feature Group)	\$ 28.39	\$ 19.11	\$ 25.11	\$ 25.11

LOCAL WHOLESALE SERVICES	Ordering 100% Manual	Ordering Semi- Mechanized	Provisioning Initial Unit	Provisioning Addt'l Unit
Exchange - Complex Non-Digital – Changeover (As Is)	\$ 29.94	\$ 23.83	\$ 4.74	\$ 4.74
Exchange - Complex Non-Digital – Changeover (As Specified)	\$ 37.67	\$ 27.18	\$ 22.08	\$ 4.74
Exchange - Complex Non-Digital – Disconnect	\$ 9.11	\$ 6.19	\$ 56.32	\$ 35.59
Exchange - Complex Digital – Initial	\$ 41.47	\$ 28.85	\$209.73	\$150.96
Exchange - Complex Digital – Subsequent (Port Feature)	\$ 24.01	\$ 19.11	\$ 17.22	\$ 17.22
Exchange - Complex Digital – Subsequent (Switch Feature Group)	\$ 28.39	\$ 19.11	\$ 25.11	\$ 25.11
Exchange - Complex Digital – Changeover (As Is)	\$ 29.94	\$ 23.83	\$ 3.66	\$ 3.66
Exchange - Complex Digital – Changeover (As Specified)	\$ 37.67	\$ 27.18	\$ 59.69	\$ 3.66
Exchange - Complex Digital – Disconnect	\$ 9.11	\$ 6.19	\$134.04	\$113.31
Advanced – Complex – Initial	\$ 52.81	\$ 40.19	\$199.18	\$146.46
Advanced – Complex – Subsequent	\$ 28.39	\$ 19.11	\$ 77.99	\$ 36.05
Advanced – Complex – Changeover (As Is)	\$ 31.65	\$ 25.54	\$ 56.32	\$ 14.38
Advanced – Complex – Changeover (As Specified)	\$ 44.67	\$ 34.18	\$ 98.30	\$ 56.36
Advanced – Complex – Disconnect	\$ 9.11	\$ 6.19	\$134.72	\$ 90.03

INTEROFFICE DEDICATED TRANSPORT (IDT) (Also applies to IDT portion of an EEL arrangement)

Advanced - Basic (2-wire and 4-wire)– Initial	\$ 62.11	\$ 44.37	\$326.39	N/A
Advanced - Basic (2-wire and 4-wire) - Subsequent	\$ 48.74	\$ 31.00	\$ 54.34	N/A
Advanced - Basic (2-wire and 4-wire) - Disconnect	\$ 37.00	\$ 20.87	\$111.97	N/A
Advanced - Complex (DS1 and above) - Initial	\$ 70.41	\$ 52.67	\$406.59	N/A
Advanced - Complex (DS1 and above) - Subsequent	\$ 48.74	\$ 31.00	\$ 70.48	N/A
Advanced - Complex (DS1 and above) - Disconnect	\$ 38.25	\$ 22.12	\$178.22	N/A

CLEC DEDICATED TRANSPORT (CDT) (Also applies to CDT portion of an EEL arrangement)

Entrance Facility/Dedicated Transport DS0 - Initial	\$ 62.11	\$ 44.37	\$325.05	N/A
Entrance Facility/Dedicated Transport DS0 - Subsequent	\$ 48.74	\$ 31.00	\$ 54.34	N/A
Entrance Facility/Dedicated Transport DS0 – Disconnect	\$ 37.00	\$ 20.87	\$ 99.57	N/A
Entrance Facility/Dedicated Transport DS1/DS3 – Initial	\$ 70.41	\$ 52.67	\$406.59	N/A
Entrance Facility/Dedicated Transport DS1/DS3 – Subsequent	\$ 48.74	\$ 31.00	\$ 70.48	N/A
Entrance Facility/Dedicated Transport DS1/DS3 – Disconnect	\$ 38.25	\$ 22.12	\$149.68	
Clear Channel Capability	N/A	N/A	\$90.00	N/A

SIGNALING SYSTEM 7 (SS7)

Facilities and Trunks - Initial	\$163.84	\$146.10	\$424.06	N/A
Facilities and Trunks - Subsequent (with Engineering Review)	\$ 75.20	\$ 57.46	\$248.68	N/A
Facilities and Trunks - Subsequent (w/o Engineering Review)	\$ 75.20	\$ 57.46	\$ 72.80	N/A
Facilities and Trunks – Disconnect	\$ 77.45	\$ 61.32	\$290.68	N/A
Trunks Only – Initial	\$ 86.19	\$ 68.45	\$346.46	N/A
Trunks Only - Subsequent (with Engineering Review)	\$ 53.08	\$ 35.34	\$220.01	N/A
Trunks Only - Subsequent (w/o Engineering Review)	\$ 53.08	\$ 35.34	\$ 72.80	N/A
Trunks Only – Disconnect	\$ 43.56	\$ 27.43	\$250.35	N/A
STP Ports (SS7 Links) – Initial	\$163.84	\$146.10	\$298.06	N/A
STP Ports (SS7 Links) – Disconnect	\$ 77.45	\$ 61.32	\$219.51	N/A

COORDINATED CONVERSIONS

Engineered, Initial Service, per order	\$ 16.81⊕	\$ 16.81⊕	N/A	N/A
Non-engineered, Initial Service, per order	\$ 16.81⊕	\$ 16.81⊕	N/A	N/A
Central Office Connect, per order	\$ 10.71⊕	\$ 10.71⊕	N/A	N/A
Outside Facility Connect, per order	\$ 9.59⊕	\$ 9.59⊕	N/A	N/A

**HOT-CUT COORDINATED CONVERSIONS
(Only available for 2-wire analog loops)**

Engineered, Initial Service, per order - Flat	\$ 28.94⊕	\$ 28.94⊕	N/A	N/A
Non-engineered, Initial Service, per order -Flat	\$ 28.94⊕	\$ 28.94⊕	N/A	N/A
Central Office Connect, per order - Flat	\$ 42.83⊕	\$ 42.83⊕	N/A	N/A
Outside Facility Connect, per order - Flat	\$ 38.34⊕	\$ 38.34⊕	N/A	N/A
Engineered, Initial Service, per order – Per Qtr. Hour	\$ 6.07⊕	\$ 6.07⊕	N/A	N/A
Non-engineered, Initial Service, per order – Per Qtr. Hour	\$ 6.07⊕	\$ 6.07⊕	N/A	N/A
Central Office Connect, per order - Per Qtr. Hour	\$ 10.71⊕	\$ 10.71⊕	N/A	N/A
Outside Facility Connect, per order - Per Qtr. Hour	\$ 9.59⊕	\$ 9.59⊕	N/A	N/A

CUSTOMIZED ROUTING

BFR BFR BFR BFR

EXPEDITES

Engineered, Initial Service or Subsequent Service	\$ 35.12⊕	\$ 35.12⊕	N/A	N/A
Non-engineered, Initial Service or Subsequent Service	\$ 12.23⊕	\$ 12.23⊕	N/A	N/A
NACC – Dedicated Transport / SS7 / Dark Fiber	\$ 56.37	\$ 56.37	N/A	N/A

OTHER

Customer Record Search (per account)	\$ 6.97⊕	\$ 6.97⊕	N/A	N/A
CLEC Account Establishment (per CLEC)	\$255.82⊕	\$255.82⊕	N/A	N/A
Design Change Charge - EELs and Transport	\$27.00	\$27.00	N/A	N/A

LINE SHARING - CLEC OWNED SPLITTER

CLEC Splitter Connection – Initial ⁺⁺	\$ 21.21⊕	\$ 14.46⊕	\$ 35.24⊕	\$ 30.04⊕
CLEC Splitter Connection – Subsequent ⁺⁺	\$ 12.16⊕	\$ 8.75⊕	\$ 17.53⊕	\$ 15.80⊕
CLEC Splitter Disconnect ⁺⁺	\$ 9.90⊕	\$ 6.98⊕	\$ 31.30⊕	\$ 26.11⊕

+CLEC-Owned Splitter in Virtual Collocation Space
 Bay Mounted Splitter Installation, Each - \$475.69⊕

LINE SHARING – VERIZON OWNED SPLITTER±

CLEC Splitter Connection – Initial ⁺⁺	\$ 21.21⊕	\$ 14.46⊕	\$ 34.56⊕	\$ 29.36⊕
CLEC Splitter Connection – Subsequent ⁺⁺	\$ 12.16⊕	\$ 8.75⊕	\$ 17.53⊕	\$ 15.80⊕
CLEC Splitter Disconnect [±]	\$ 9.90⊕	\$ 6.98⊕	\$ 30.96⊕	\$ 25.76⊕

OPERATIONAL SUPPORT SYSTEMS (OSS) CHARGES^{*}

OSS Transition Charge, per Local Service Request (LSR)	\$ 3.27⊕	\$ 3.27⊕		
OSS Transaction Charge, per Local Service Request (LSR)	\$ 3.76⊕	\$ 3.76⊕		

NATIONAL OPEN MARKET CENTER (NOMC) CHARGE

NOMC Shared/fixed Charge, per Local Service Request (LSR)	\$ 4.92⊕	\$ 4.92⊕		
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± Requests for new arrangements utilizing a Verizon-owned splitter were discontinued as of December 15, 2000. Any CLEC utilizing a Verizon-owned splitter prior to December 15, 2000, will continue to receive line sharing under this configuration until such time service is discontinued.

Application of NRCs

Preordering:

CLEC Account Establishment is a one-time charge applied the first time that PowerTelNET orders any service from the Verizon California Terms.

Customer Record Search applies when PowerTelNET requests a summary of the services currently subscribed to by the end-user.

Ordering and Provisioning:

Initial Service Order (ISO) applies to each Local Service Request (LSR) and Access Service Request (ASR) for new service. Charge is Manual (e.g. for a faxed order) or Semi-Mechanized (e.g. for an electronically transmitted order) based upon the method of submission used by the CLEC.

Subsequent Service Order applies to each LSR/ASR for modifications to an existing service. Charge is Manual or Semi-Mechanized based upon the method of submission used by the CLEC.

Advanced ISO applies per LSR/ASR when engineering work activity is required to complete the order.

Exchange ISO applies per LSR/ASR when no engineering work activity is required to complete the order.

Provisioning – Initial Unit applies per ISO for the first unit installed. The Additional Unit applies for each additional unit installed on the same ISO.

Basic Provisioning applies to services that can be provisioned using standard network components maintained in inventory without specialized instructions for switch translations, routing, and service arrangements.

Complex Provisioning applies to services that require special instruction for the provisioning of the service to meet the customer's needs.

Examples of services and their Ordering/Provisioning category that applies:

Exchange-Basic: 2-Wire Analog, 4-Wire Analog, Standard Sub-Loop Distribution, Standard Sub-Loop Feeder, Drop and NID.

Exchange-Complex: Non-loaded Sub-Loop Distribution, Non-load Sub-Loop Feeder, Loop Conditioning, Customized Routing, ISDN BRI Digital Line Side Port and Line Sharing.

Advanced-Basic: 2-Wire Digital Loop, 4-Wire Digital Loop

Advanced-Complex: DS1 Loop, DS3 Loop, Dark Fiber, EELs, and ISDN PRI Digital Trunk Side Port

Conditioning applies in addition to the ISO, for each Loop or Sub-Loop UNE for the installation and grooming of Conditioning requests.

DS1 Clear Channel Capability applies in addition to the ISO, per DS1 for the installation and grooming of DS1 Clear Channel Capability requests.

Changeover Charge applies to UNE-P and EEL orders when an existing retail, resale, or special access service is already in place.

Service Inquiry – Dark Fiber applies per service inquiry when a CLEC requests Verizon to determine the availability of dark fiber on a specific route.

Custom Handling (These NRCs are in addition to any Preordering or Ordering and Provisioning NRCs):

Service Order Expedite applies if PowerTelNET requests service prior to the standard due date intervals and the expedite request can be met by Verizon.

Coordinated Conversion applies if PowerTelNET requests notification and coordination of service cutover prior to the service becoming effective.

Hot Coordinated Conversion First Hour applies if PowerTelNET requests real-time coordination of a service cutover that takes one hour or less.

Hot Coordinated Conversion Per Additional Quarter Hour applies, in addition to the Hot Coordinated Conversion First Hour, for every 15-minute segment of real-time coordination of a service cut-over that takes more than one hour.

IV. Rates and Charges for 911

See State 911 Tariff.

AMENDMENT NO. 1

to the

INTERCONNECTION, RESALE AND UNBUNDLING AGREEMENT

between

VERIZON NORTHWEST INC.

and

POWERTELNET COMMUNICATIONS, INC.

THIS AMENDMENT No. 1 (this "Amendment") is made this 17th day of October 2002 (the "Effective Date"), by and between Verizon Northwest Inc. ("Verizon"), a Washington corporation with its principal place of business at 1800 41st, Everett, WA 98201, and PowerTelNET Communications, Inc. ("PowerTelNET"), a Washington corporation with its principal place of business at 402 7th Street, Prosser, WA 99350. (Verizon and PowerTelNET may be hereinafter referred to, each individually, as a "Party" and, collectively, as the "Parties"). This Amendment covers services in the state of Washington (the "State").

WITNESSETH:

WHEREAS, pursuant to an adoption letter dated October 10, 2002 (the "Adoption Letter"), PowerTelNET adopted in the state of Washington, the voluntarily negotiated terms of the interconnection agreement between Sprint Communications Company, L.P. ("Sprint") and Verizon California Inc., f/k/a GTE California Incorporated ("Verizon California") that was approved by the California Public Utilities Commission as an effective agreement in the State of California (the "Terms").

WHEREAS, PowerTelNET notified Verizon that it desired to amend the Terms as set forth herein; and

NOW, THEREFORE, in consideration of the mutual promises, provisions and covenants herein contained, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Collocation Terms. The Parties agree that the Terms shall be amended by the addition of the Collocation Attachment and Pricing Appendix to Collocation Attachment attached hereto as Appendix A, which terms shall govern the provisions of Collocation services between the parties.

2. Conflict between this Amendment and the Terms. This Amendment shall be deemed to revise the terms and provisions of the Terms to the extent necessary to give effect to the terms and provisions of this Amendment. In the event of a conflict between the terms and provisions of this Amendment and the terms and provisions of the Terms, this Amendment shall govern, *provided, however*, that the fact that a term or provision appears in this Amendment but not in the Terms, or in the Terms but not in this Amendment, shall not be interpreted as, or deemed grounds for finding, a conflict for purposes of this Section 2.

3. Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed and delivered shall be an original and all of which together shall constitute one and the same instrument.

4. Captions. The Parties acknowledge that the captions in this Amendment have been inserted solely for convenience of reference and in no way define or limit the scope or substance of any term or provision of this Amendment.

5. Scope of this Amendment. This Amendment shall amend, modify and revise the Terms only to the extent set forth expressly in Section 1 of this Amendment, and, except to the extent set forth in Section 1 of this Amendment, the terms and provisions of the Terms shall remain in full force and effect after Effective Date.

SIGNATURE PAGE

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

POWERTELNET COMMUNICATIONS, INC.

By: Michael J. Bradshaw

Printed: Michael J. Bradshaw

Title: General Manager /
Executive V.P.

VERIZON NORTHWEST INC.

By: Jeffrey A. Masoner

Jeffrey A. Masoner
Vice President – Interconnection Services Policy &
Planning

COLLOCATION ATTACHMENT

1. Verizon's Provision of Collocation

Verizon shall provide to PowerTelNET, in accordance with this Agreement (including, but not limited to, Verizon's applicable Tariffs) and the requirements of Applicable Law, Collocation for the purpose of facilitating PowerTelNET's interconnection with facilities or services of Verizon or access to Unbundled Network Elements of Verizon; provided, that notwithstanding any other provision of this Agreement, Verizon shall be obligated to provide Collocation to PowerTelNET only to the extent required by Applicable Law and may decline to provide Collocation to PowerTelNET to the extent that provision of Collocation is not required by Applicable Law. Subject to the foregoing, Verizon shall provide Collocation to PowerTelNET in accordance with the rates, terms and conditions set forth in Verizon's Collocation tariff, and Verizon shall do so regardless of whether or not such rates, terms and conditions are effective.

2. PowerTelNET's Provision of Collocation

Upon request by Verizon, PowerTelNET shall provide to Verizon collocation of facilities and equipment for the purpose of facilitating Verizon's interconnection with facilities or services of PowerTelNET. PowerTelNET shall provide collocation on a non-discriminatory basis in accordance with PowerTelNET's applicable Tariffs, or in the absence of applicable PowerTelNET Tariffs, in accordance with terms, conditions and prices to be negotiated by the Parties.

**PRICING APPENDIX TO COLLOCATION ATTACHMENT
WASHINGTON**

I. Collocation Rates

See WA Local Network Access Services Tariff, WN-U-20