

**SETTLEMENT AGREEMENT**

This Settlement Agreement is made as of the 13<sup>th</sup> day of ~~February~~ 2009 ("Effective Date") by and among Comcast Phone, LLC, on behalf of itself, its subsidiaries and its affiliates, which are identified on Schedule A ("Comcast"), the CenturyTel operating incumbent local exchange companies, which are identified on Schedule B ("CenturyTel"), and the Embarq operating incumbent local exchange companies dba "Embarq" which are identified on Schedule C ("Embarq") (individually a "Party" and collectively, "the Parties"),

WHEREAS, CenturyTel and Embarq have filed applications for authorization to effectuate an indirect transfer of control of Embarq to CenturyTel in several states, including: Florida, Pennsylvania, Tennessee, Virginia, and Washington (collectively, "Applications"),

WHEREAS, Comcast has intervened in Pennsylvania, Tennessee, Virginia, and Washington, has petitioned for authorization to participate in such proceedings and has filed comments in Florida in order to express its concerns regarding the proposed acquisition of Embarq by CenturyTel,<sup>1/</sup>

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<sup>1/</sup> Comcast has filed petitions to intervene in the following proceedings: Docket No. A-2008-2076038, *Joint Application of The United Telephone Company of Pennsylvania, d/b/a Embarq Pennsylvania and Embarq Communications, Inc. for Approval of the Indirect Transfer of Control to CenturyTel, Inc.* (filed Nov. 21, 2008) (Pennsylvania proceeding); Docket No. 08-00219, *Joint Application of Embarq Corporation and CenturyTel, Inc. Regarding Transfers of Control of United Telephone Southeast LLC d/b/a Embarq, Embarq Communications, Inc. and Embarq Payphone Services, Inc.* (filed Nov. 21, 2008) (Tennessee proceeding; petition to intervene still pending); Case No. PUC-2008-00104, *Joint Petition of Embarq Corporation, Central Telephone Company of Virginia, United Telephone Southeast, LLC, and CenturyTel, Inc. for Approval of the Indirect Transfer of Control of Central Telephone Company of Virginia and United Telephone Company of Virginia and United Telephone Southeast LLC from Embarq Corporation to CenturyTel, Inc.* (filed Nov. 21, 2008) (Virginia proceeding); Docket UT-082119, *Joint Application of CenturyTel, Inc. (CenturyTel) and Embarq Corporation (Embarq) for Expedited Approval of an Indirect Transfer of Control of Embarq's Regulated Washington State Operating Subsidiaries to CenturyTel* (filed Nov. 21, 2008) (Washington proceeding). Comcast also filed comments in the Florida proceeding, see Docket No. 080692, *Embarq Corporation; CenturyTel, Inc.; Embarq Florida, Inc.; Embarq Payphone Services, Inc. - Joint Application for Expedited Approval of Indirect Transfer of Control* (filed Nov. 26, 2008); see also Docket No. 080692, *Comments of Comcast Phone of Florida, LLC* (filed Jan. 16, 2009) (Florida proceeding).

WHEREAS, Comcast's CLEC affiliates have, pursuant to sections 251 and 252 of the Telecommunications Act of 1996 ("Act"), entered into and/or are negotiating interconnection agreements with CenturyTel and Embarq and

WHEREAS, the Parties hereto have reached a mutually agreeable settlement of Comcast's concerns regarding the Applications.

In consideration of the mutual representations and covenants contained herein, the Parties hereby agree as follows:

1. CenturyTel and Embarq agree to enter into or continue interconnection negotiations with any Comcast affiliate that is certificated as a CLEC by a state commission to provide local telecommunications services ("Comcast CLEC"). Such negotiations will be pursuant to sections 251 and 252 of the Act, including, without limitation, the duty to negotiate in good faith and subject to arbitration, as provided therein. CenturyTel and Embarq will not object to interconnecting and entering into interconnection agreement negotiations with a Comcast CLEC on the grounds that the services obtained under such agreement will be used, in whole or in part, to support a Comcast affiliate in the provision of interconnected voice over Internet protocol ("VoIP") services.

2. The Parties agree to amend this Agreement to conform with any applicable change of law regarding the eligibility of a Comcast CLEC or similarly situated wholesale entity to obtain interconnection in order to support a third party in the provision of interconnected VoIP services. The Parties also agree to amend all Interconnection or Traffic Exchange Agreements in accordance with any applicable change of law provisions in such contracts. If there is no change of law provision in any Interconnection or Traffic Exchange Agreement, the Parties agree to work together to amend the contract to conform with any applicable change of law regarding the

eligibility of a Comcast CLEC or similarly situated wholesale entity to obtain interconnection in order to support a third party in the provision of interconnected VoIP services. The change of law provisions of this Section 2 will become effective when the applicable law, rule, regulation or order becomes final and non-appealable.

3. Except as pursuant to, and consistent with changes in law described in Section 2 above, neither Embarq nor CenturyTel, nor each respective Parties' affiliates and subsidiaries, shall individually object to, or cause any association of which Embarq or CenturyTel is a member to object to, a Comcast CLEC's (a) eligibility for interconnection pursuant to sections 251 and 252 of the Act; or (b) application to obtain a local exchange certificate; or (c) application to expand the area of an existing state certification, on the grounds that the services obtained under such agreement, or certificate will be used, in whole or in part, to support a Comcast affiliate in the provision of interconnected VoIP services.

4. Embarq's and CenturyTel's obligations in Section 3, and Comcast's obligations in Section 5, do not (a) affect a Party's obligation to respond truthfully as to its position of record on inquiries from governmental entities or judicial and administrative proceedings; (b) prohibit a Party from defending itself or taking positions or advocating before any legislative or regulatory bodies on specific issues as long as such actions are not inconsistent with Embarq's and CenturyTel's obligations in Section 3 and Comcast's obligations in Section 5, except that such positions or advocacy made pursuant to an inquiry from a legislative or regulatory body may comply with section (4)(a); or (c) preclude a Party from membership in any associations that may take positions on specific issues so long as the Party does not use its membership as a device to avoid its obligations in Section 3 or Section 5.

5. Comcast shall request to withdraw its Petition to Intervene in Pennsylvania, Tennessee, Virginia, and Washington within three (3) business days of the date of the last signature to this agreement. Further, Comcast and its affiliates and subsidiaries will abstain from initiating, intervening or participating in any regulatory or judicial proceedings (or supporting or causing any such filings by any other party) reviewing an application by Embarq and/or CenturyTel to approve the pending merger between Embarq and CenturyTel. If Comcast does not request to withdraw its petitions to intervene or if the merger is not approved by any state commission, then the Parties shall not be bound by this Agreement with respect to such state. If the merger is not approved by the FCC, the parties shall not be bound by this Settlement Agreement.

6. Embarq shall not limit or cap the number of local service requests ("LSRs"), directory services requests ("DSRs") or requests to port numbers (collectively "Orders") that Embarq will accept from Comcast during any given time period. Nor will Embarq cap the number of Orders, including but not limited to simple porting requests, that it will process within standard intervals. Comcast agrees that this obligation shall be reciprocal with Embarq. This paragraph 6 shall not apply to legacy service territories of CenturyTel. Notwithstanding the foregoing and subject to paragraph 5 herein, Comcast reserves all rights to arbitrate, petition or otherwise challenge limitations set by Embarq and/or CenturyTel on the number of Orders that may be submitted during any given time period or processed within standard intervals.

7. Nothing in this Agreement shall preclude the application to Comcast of any state or FCC conditions (whether imposed, adopted, approved or voluntarily agreed to) as a result of the merger between Embarq and CenturyTel when such conditions are to be made available to CLECs generally. Any such state conditions will be applicable only within that specific state.

Any such FCC conditions will be applicable in all states, except as otherwise may be provided by the terms of the FCC's merger conditions.

8. The term of this Agreement shall be for two (2) years from the Effective Date and is not subject to any extension without mutual agreement memorialized in writing.

9. The Parties shall prepare and execute such other documents as are reasonably necessary to effectuate the terms of this Settlement Agreement.

10. This Settlement Agreement is made without admission against or prejudice to any factual or legal positions that any of the Parties have asserted or may have asserted in the referenced proceedings absent this Settlement Agreement.

11. This Settlement Agreement is to be construed and enforced in accordance with the laws of the state of Delaware. The parties may only disclose the contents of this Settlement Agreement as is necessary for enforcement of its terms.

12. This Settlement Agreement constitutes the entire and final agreement between the Parties in connection with the Applications and the other matters addressed in this Settlement Agreement and supersedes all prior written and oral agreements, representations and understandings, and may only be changed by an agreement made in writing and signed by all the Parties hereto.

13. This Settlement Agreement is binding upon and inures to the benefit of the Parties hereto and their heirs, successors and assigns.

14. The Parties agree that this Settlement Agreement may be signed in any number of separate counterparts and that, once signed by all Parties, all counterparts shall be considered as if contained in a single document.

15. If any term or other provisions of this Settlement Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect.

WHEREFORE, intending to be bound by the terms of this Settlement Agreement set forth herein, the Parties have set forth their signatures on the date indicated below,

Comcast Phone LLC on behalf  
of itself and the entities identified  
on Schedule A

By:

Name:

Title:

Date:

Embarq Corporation on behalf  
of itself and the entities identified  
on Schedule C

By:

Name:

Title:

Date:

CenturyTel ILECs identified in  
Schedule B

By: *Jeffrey S. Glover*

Name: Jeffrey S. Glover

Title: Vice President External Relations

Date: *February 13, 2008*

**SCHEDULE A  
COMCAST ENTITIES**

Comcast Phone of Alabama, LLC dba Comcast Digital Phone  
Comcast Phone of Arizona, LLC dba Comcast Digital Phone  
Comcast Phone of Arkansas, LLC dba Comcast Digital Phone  
Comcast Phone of California, LLC  
Comcast Phone of Colorado, LLC  
Comcast Phone of Connecticut, Inc. dba Comcast Digital Phone  
Comcast Phone of Delaware, LLC dba Comcast Digital Phone  
Comcast Phone of D.C., LLC dba Comcast Digital Phone  
Comcast Phone of Florida, LLC  
Comcast Phone of Georgia, LLC dba Comcast Digital Phone  
Comcast Phone of Illinois, LLC  
Comcast Phone of Central Indiana, LLC  
Comcast Phone of Kansas, LLC dba Comcast Digital Phone  
Comcast Phone of Kentucky, LLC dba Comcast Digital Phone  
Comcast Phone of Louisiana, LLC dba Comcast Digital Phone  
Comcast Phone of Maine, LLC  
Comcast Phone of Northern Maryland, Inc.  
Comcast Phone of Massachusetts, Inc. dba Comcast Digital Phone  
Comcast Phone of Michigan, LLC dba Comcast Digital Phone  
Comcast Phone of Minnesota, Inc. dba Comcast Digital Phone  
Comcast Phone of Mississippi, LLC  
Comcast Phone of Missouri, LLC dba Comcast Digital Phone  
Comcast Phone of New Hampshire, LLC dba Comcast Digital Phone  
Comcast Business Communications, LLC  
Comcast Phone of New Mexico, LLC dba Comcast Digital Phone  
Comcast Phone of New York, LLC  
Comcast Phone of Ohio, LLC dba Comcast Digital Phone  
Comcast Phone of Oregon, LLC dba Comcast Digital Phone  
Comcast Phone of Pennsylvania, LLC dba Comcast Digital Phone  
Comcast Phone of South Carolina, Inc.  
Comcast Phone of Tennessee, LLC dba Comcast Digital Phone  
Comcast Phone of Texas, LLC dba Comcast Digital Phone  
Comcast Phone of Utah, LLC dba Comcast Digital Phone  
Comcast Phone of Vermont, LLC d/b/a Comcast Digital Phone  
Comcast Phone of Virginia, LLC dba Comcast Digital Phone  
Comcast Phone of Northern Virginia, LLC dba Comcast Digital Phone of Northern Virginia  
Comcast Phone of Washington, LLC  
Comcast Phone of West Virginia, LLC dba Comcast Digital Phone  
Comcast Phone of Wisconsin, LLC dba Comcast Digital Phone

**SCHEDULE B**

CenturyTel Operating Incumbent Local Exchange Companies

CenturyTel of Alabama, LLC Alabama  
Gulf Telephone Company Alabama  
CenturyTel of South Arkansas, Inc. Arkansas  
CenturyTel of Redfield, Inc. Arkansas  
CenturyTel of Northwest Arkansas, LLC Arkansas  
CenturyTel of Central Arkansas, LLC Arkansas  
CenturyTel of Mountain Home, Inc. Arkansas  
CenturyTel of Arkansas, Inc. Arkansas  
CenturyTel of Colorado, Inc. Colorado  
CenturyTel of Eagle Inc. Colorado  
Coastal Utilities, Inc. Georgia  
CenturyTel of Idaho, Inc. Idaho  
CenturyTel of the Gem State, Inc. Idaho  
Gallatin River Communications, LLC Illinois  
CenturyTel of Odon, Inc. Indiana  
CenturyTel of Central Indiana, Inc. Indiana  
CenturyTel of Chester, Inc. Iowa  
CenturyTel of Postville, Inc. Iowa  
CenturyTel of Central Louisiana, LLC Louisiana  
CenturyTel of North Louisiana, LLC Louisiana  
CenturyTel of East Louisiana, LLC Louisiana  
CenturyTel of Southeast Louisiana, Inc. Louisiana  
CenturyTel of Evangeline, LLC Louisiana  
CenturyTel of Southwest Louisiana, LLC Louisiana  
CenturyTel of Northwest Louisiana, Inc. Louisiana  
CenturyTel of Chatham, LLC Louisiana  
CenturyTel of Ringgold, LLC Louisiana  
CenturyTel Midwest - Michigan, Inc. Michigan  
CenturyTel of Michigan, Inc. Michigan  
CenturyTel of Northern Michigan, Inc. Michigan  
CenturyTel of Upper Michigan, Inc. Michigan  
CenturyTel of Minnesota, Inc. Minnesota  
CenturyTel of North Mississippi, Inc. Mississippi  
Spectra Communications Group, LLC Missouri  
CenturyTel of Missouri, LLC Missouri  
CenturyTel of Montana, Inc. Montana  
CenturyTel of the Gem State, Inc. Nevada  
CenturyTel of Southwest, Inc. - New Mexico New Mexico  
MebTel, Inc. North Carolina  
CenturyTel of Ohio, Inc. Ohio



CenturyTel of Eastern Oregon, Inc. Oregon  
CenturyTel of Oregon, Inc. Oregon  
CenturyTel of Claiborne, Inc. Tennessee  
CenturyTel of Adamsville, Inc. Tennessee  
CenturyTel of Ooltewah-Collegedale, Inc. Tennessee  
CenturyTel of Port Aransas, Inc. Texas  
CenturyTel of San Marcos, Inc. Texas  
CenturyTel of Lake Dallas, Inc. Texas  
CenturyTel of Washington, Inc. Washington  
CenturyTel of Inter Island, Inc. Washington  
CenturyTel of Cowiche, Inc. Washington  
CenturyTel of Wisconsin, LLC Wisconsin  
CenturyTel of Southern Wisconsin, LLC Wisconsin  
CenturyTel of Fairwater-Brandon-Alto, LLC Wisconsin  
CenturyTel of Central Wisconsin, LLC Wisconsin  
CenturyTel of Forestville, LLC Wisconsin  
CenturyTel of Larsen-Readfield, LLC Wisconsin  
CenturyTel of Monroe County, LLC Wisconsin  
CenturyTel of Northwest Wisconsin, LLC Wisconsin  
CenturyTel of Northern Wisconsin, LLC Wisconsin  
CenturyTel of the Midwest-Wisconsin, LLC Wisconsin  
CenturyTel of Midwest-Kendall, LLC Wisconsin  
Telephone USA of Wisconsin, LLC Wisconsin  
CenturyTel of Wyoming, Inc. Wyoming

**SCHEDULE C**

Embarq Operating Incumbent Local Exchange Companies

Carolina Telephone and Telegraph Company LLC, a North Carolina limited liability company  
d/b/a **Embarq**

Central Telephone Company, a Delaware corporation d/b/a **Embarq**  
Central Telephone Company of Texas, a Texas corporation d/b/a **Embarq**  
Central Telephone Company of Virginia, a Virginia corporation d/b/a **Embarq**

Embarq Missouri, Inc., a Missouri corporation d/b/a **Embarq**  
Embarq Florida, Inc., a Florida corporation d/b/a **Embarq**  
Embarq Minnesota, Inc., a Minnesota corporation d/b/a **Embarq**

The United Telephone Company of Pennsylvania LLC, a PA limited liability company d/b/a  
**Embarq Pennsylvania**

United Telephone Company of Indiana, Inc., an Indiana corporation d/b/a/ **Embarq**  
United Telephone Company of New Jersey, Inc., a New Jersey corporation d/b/a **Embarq**  
United Telephone Company of Ohio, an Ohio corporation d/b/a **Embarq**  
United Telephone Company of Texas, Inc., a Texas corporation d/b/a **Embarq**

United Telephone Company of Kansas, a Kansas corporation d/b/a **Embarq**  
United Telephone Company of Southcentral Kansas, an Arkansas corp. d/b/a **Embarq**  
United Telephone Company of Eastern Kansas, a Delaware corporation d/b/a **Embarq**

United Telephone Company of the Carolinas LLC, a S.C. limited liability company d/b/a  
**Embarq**  
United Telephone Company of the Northwest, an Oregon corporation d/b/a **Embarq**  
United Telephone Company of the West, a Delaware corporation d/b/a **Embarq**

United Telephone Southeast, LLC., a Virginia limited liability company d/b/a **Embarq**