

AMENDMENT NO. 1
TO THE
INTERCONNECTION AGREEMENT
BETWEEN
VERIZON NORTHWEST INC.
AND
PNG TELECOMMUNICATIONS, INC. D/B/A POWERNET GLOBAL COMMUNICATIONS

This Amendment No. 1 (this "Amendment") shall be deemed effective on April 14, 2008 (the "Amendment Effective Date"), by and between Verizon Northwest Inc. ("Verizon"), a Washington corporation with offices at 1800 41st Street, Everett, WA 98201 and PNG Telecommunications, Inc. d/b/a PowerNet Global Communications ("PNG"), a Ohio corporation with offices at 100 Commercial Drive, Fairfield, Ohio 45014. (Verizon and PNG may be hereinafter referred to individually as a "Party" and, collectively, as the "Parties"). This Amendment only covers the services addressed herein that Verizon provides in its operating territory in the State of Washington (the "State").

WITNESSETH:

WHEREAS, Verizon and PNG are Parties to an interconnection agreement under Sections 251 and 252 of the Communications Act of 1934, as amended (the "Act") dated April 14, 2008 (the "Agreement"); and

WHEREAS, on April 18, 2001, in the Order on Remand and Report and Order, *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP-Bound Traffic*, FCC 01-131, CC Docket Nos. 96-98 and 99-68, 16 FCC Rcd 9151 ("Order"), the Federal Communications Commission affirmed its prior determination that Internet traffic is not subject to Reciprocal Compensation under Section 251(b)(5) of the Act, but exercised its authority under Section 201 of the Act to establish a transitional plan for intercarrier compensation for Internet traffic that is not V/FX Traffic; and

WHEREAS, in accordance with the Order, Verizon has elected to offer an optional Reciprocal Compensation rate plan for traffic subject to Section 251(b)(5) of the Act, under which such traffic exchanged between Verizon and a local exchange carrier or CMRS provider in Verizon's service territory in a given state will be subject to compensation at the same rate applicable to intercarrier compensation for Internet traffic (that is not V/FX Traffic) in Verizon's service territory in that state under the terms of the Order; and

WHEREAS, PNG has requested that the Parties amend the Agreement to address the matters set forth herein;

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

1. Amendment to Agreement. The Agreement is amended to incorporate the terms and conditions set forth in this Amendment, all of which shall apply to and be a part of the Agreement (hereinafter referred to as the "Amended Agreement") notwithstanding any other term or condition of the Amended Agreement, a Tariff or a Verizon Statement of Generally Available Terms and Conditions ("SGAT").
 - 1.1 Reciprocal Compensation Rate.
 - 1.1.1 The Reciprocal Compensation Rate that shall apply pursuant to Section 251(b)(5) of the Act and Section 7 of the Interconnection Attachment of the Agreement for the transport and termination of Reciprocal Compensation Traffic shall be the Reciprocal Compensation Rate set out in Exhibit A to this Amendment.
 - 1.1.2 [Intentionally Left Blank].
 - 1.1.3 The Reciprocal Compensation Rate provided for in Section 1.1.1 above shall replace and apply in lieu of the Reciprocal Compensation Rate for the transport and termination of Reciprocal Compensation Traffic set out in the Agreement (including, but not limited to, the Reciprocal Compensation Rate set out in Appendix A to the Pricing Attachment, Section I.A, "Reciprocal Compensation Traffic Termination").
 - 1.1.4 The Reciprocal Compensation Rate provided for in Section 1.1.1 above shall apply to the Parties in an equal and symmetrical manner.
 - 1.1.5 The Reciprocal Compensation Rate (including, but not limited to, per minute of use rates) billed by PNG to Verizon shall not exceed the Reciprocal Compensation Rate (including, but not limited to, per minute of use rates) billed by Verizon to PNG.
 - 1.1.6 The rates provided for in Section 1.1.1 above shall apply until such time as they are replaced prospectively by such new rates as may be approved or allowed into effect from time to time by the Commission pursuant to FCC orders and FCC regulations, or by the FCC, subject to a stay or other order issued by a court of competent jurisdiction.
 - 1.2 Reciprocal Compensation shall not apply to traffic that is not subject to Reciprocal Compensation under Section 251(b)(5) of the Act.
 - 1.3 "Internet Traffic" means any traffic that is transmitted to or returned from the Internet at any point during the duration of the transmission.
 - 1.4 [Intentionally Left Blank].
 - 1.5 Reciprocal Compensation shall not apply to Internet Traffic, or to any traffic that does not originate and terminate within the same basic exchange area as defined by Verizon, based on the actual originating and terminating points of the complete end-to-end communication.
 - 1.6 The Parties' rights and obligations with respect to any intercarrier compensation that may be due in connection with their exchange of Internet Traffic shall be governed by the terms of the Order and other applicable FCC orders and FCC regulations, including, without limitation, the Order in Petition of Core

Communications, Inc. for Forbearance Under 47 U.S.C. § 160(c) from Application of the ISP Remand Order, 19 FCC Rcd 20179, WC Docket No. 03-171 (2004) (the "Core Order").

- 1.7 The determination of whether traffic is Reciprocal Compensation Traffic or Internet Traffic shall be performed in accordance with Paragraphs 8 and 79, and other applicable provisions, of the Order (including, but not limited to, in accordance with the rebuttable presumption established by the Order that traffic delivered to a carrier that exceeds a 3:1 ratio of terminating to originating traffic is Internet Traffic, and in accordance with the process established by the Order for rebutting such presumption before the Commission), as modified by the Core Order and other applicable orders and rules of the FCC.

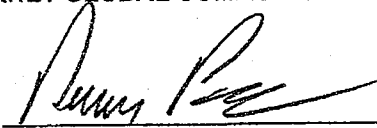
2. Miscellaneous Provisions.

- 2.1 Conflict Between this Amendment and the Agreement. This Amendment shall be deemed to revise the terms and conditions of the Agreement to the extent necessary to give effect to the terms and conditions of this Amendment. In the event of a conflict between the terms and conditions of this Amendment and the terms and conditions of the Agreement, this Amendment shall govern; provided, however, that the fact that a term or condition appears in this Amendment but not in the Agreement, or in the Agreement but not in this Amendment, shall not be interpreted as, or deemed grounds for finding, a conflict for purposes of this Section 2.
- 2.2 Capitalization. Capitalized terms used and not otherwise defined herein have the meanings set forth in the Amended Agreement.
- 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.
- 2.4 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 condition of this Amendment.
- 2.5 Scope of Amendment. This Amendment shall amend, modify and revise the Agreement only to the extent set forth expressly in this Amendment and, except to the extent expressly set forth in this Amendment, the terms and conditions of the Agreement shall remain in full force and effect after the Amendment Effective Date. For the avoidance of any doubt, nothing in this Amendment shall be deemed to amend or extend the term of the Amended Agreement, or to affect the right of a Party to exercise any right of termination it may have under the Amended Agreement.
- 2.6 Joint Work Product. The Parties acknowledge that this Amendment is the joint work product of the Parties, that, for convenience, this Amendment has been drafted in final form by Verizon and that, accordingly, in the event of ambiguities in this Amendment, no inferences shall be drawn for or against either Party on the basis of authorship of this Amendment.
- 2.7 Amendments. No amendments or modifications shall be made to this Amendment unless in writing and signed by appropriate representatives of the Parties.

- 2.8 Waivers. A failure or delay of either Party to enforce any of the provisions of this Amendment, or any right or remedy available under this Amendment, or at law or in equity, or to require performance of any of the provisions of this Amendment, or to exercise any option that is provided under this Amendment, shall in no way be construed to be a waiver of such provisions, rights, remedies or options.
- 2.9 Definitions. Notwithstanding any other provision in the Agreement, this Amendment or any Verizon Tariff or SGAT, the term "Tariff," as used in this Amendment, shall mean: (a) Any applicable Federal or state tariff of a Party, as amended from time to time; or (b) any standard agreement or other document, as amended from time to time, that sets forth the generally available terms, conditions and prices under which a Party offers a Service. The term "Tariff" does not include any Verizon Statement of Generally Available Terms (SGAT) which has been approved or is pending approval by the Commission pursuant to Section 252(f) of the Act.
- 2.10 No Arbitrage. PNG represents and warrants that as of the Amendment Effective Date, and covenants that so long as this Amendment and the Agreement remain in effect, neither PNG, nor any competitive local exchange carrier controlled by or under common control with PNG, shall exchange with Verizon, or any incumbent local exchange carrier controlled by or under common control with Verizon, Reciprocal Compensation Traffic or Measured Internet Traffic for the State of Washington at any rates other than the rates for such traffic as specified in this Amendment.

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

PNG TELECOMMUNICATIONS, INC. D/B/A
POWERNET GLOBAL COMMUNICATIONS

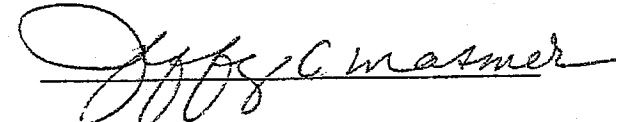
By: 

Printed: Dennis Packer

Title: General Counsel

Date: 5/21/08

VERIZON NORTHWEST INC.

By: 

Printed: Jeffrey A. Masoner

Title: Vice President – Interconnection Services

Date: 5/29/08

EXHIBIT A

A. SERVICES, FACILITIES, AND ARRANGEMENTS:

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>	<u>Non-Recurring Charge:</u>
I. Reciprocal Compensation Traffic Termination Reciprocal Compensation Traffic	Amendment Effective Date and thereafter -- \$0.0007 per minute of use	Not Applicable
