## Amendment to the Reciprocal Transport and Termination Agreement between Verizon Wireless and James Valley Cooperative Telephone Company

This is an Amendment ("Amendment") to the Reciprocal Transport and Termination Agreement between James Valley Cooperative Telephone Company ("LEC"), a rural rate-of-return local exchange carrier and each of the entities listed on the signature page of this Amendment d/b/a Verizon Wireless ("Verizon Wireless") dated September 8<sup>th</sup>, 1997 (the Agreement originally executed by CommNet Cellular, Inc. and subsequently assigned or adopted by Verizon Wireless affiliate entities), jointly the "Parties".

# **RECITALS**

WHEREAS, the Parties, or their predecessors in interest, previously entered into a Reciprocal Transport and Termination Agreement (the "Agreement"), pursuant to 47 U.S.C. §§ 251/252; and

WHEREAS, the Federal Communications Commission ("FCC"), in a Report and Order released November 18, 2011 (the "November 18 Order"), has provided that "Non-Access Telecommunications Traffic" exchanged between LECs and CMRS providers, that originates and terminates within the same Major Trading Area, should be exchanged pursuant to a bill-andkeep arrangement; and

WHEREAS, the FCC, in an Order on Reconsideration released December 23, 2011, determined that the "default bill-and-keep compensation methodology for LEC-CMRS non-access traffic" should be effective as of July 1, 2012; and

WHEREAS, LEC disputes the lawfulness of the FCC's bill-and-keep requirement, the lawfulness of the requirement is on appeal, and the appeal will not be concluded by July 1, 2012; and

WHEREAS, pursuant to certain terms in the existing Agreement, the Parties have agreed to modify, in writing, the affected terms and conditions of the Agreement to bring them into compliance with the FCC's recent orders and newly adopted rules.

## **AGREEMENT**

NOW THEREFORE, in consideration of the premises and the mutual terms, covenants and conditions contained in this Amendment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

### Amendment Terms

1. Effective July 1, 2012, Non-Access Telecommunications Traffic exchanged between the Parties under the existing Agreement pursuant to 47 U.S.C. § 251(b)(5) shall be exchanged on a bill-and-keep basis.

- 2. "Non-Access Telecommunication Traffic" shall have the meaning set forth in 47 CFR § 51.701(b)(2).
- 3. Bill-and-keep, for purposes of this Amendment and the existing Agreement between the Parties, shall mean that the originating Party has no obligation to pay terminating charges to the terminating Party. Accordingly, the per MOU rate for LEC, as set forth in "Exhibit A" of the existing Agreement between the parties, shall be \$0.00.
- 4. Notwithstanding anything in the existing Agreement to the contrary, the Parties agree that this bill-and-keep arrangement for LEC-CMRS Non-Access Telecommunications Traffic does not apply to or affect the rates applicable to "Access" telecommunications traffic traffic exchanged between telecommunications service providers that is "interstate or intrastate exchange access".
- 5. This Amendment to the Agreement does not, and is not intended to, affect any agreements the Parties now have or any other agreements the Parties now have or may in the future have with any intermediate carrier for the transiting and transport of telecommunications traffic, except to the extent any such agreements may require modification in order to comply with 47 CFR § 51.709(c) and related provisions in the November 18 Order, referenced in Paragraphs 7 and 8 herein.
- 6. The Parties further agree that the bill-and-keep arrangement hereby established shall, in all respects, be subject to the provisions of any future stay, revision, reconsideration, change or modification of the related FCC orders, as subsequently issued by the FCC or a court of competent jurisdiction. Any future stay or reversal of the FCC's bill-and-keep requirement shall be effective immediately upon release of the order, and shall not be subject to the provisions of the Agreement requiring negotiation of a change of law. Further, immediately upon issuance of a stay or reversal of the FCC's bill and keep requirement, the reciprocal compensation rate in the Agreement shall be reinstated on terms consistent with the language of the related court order(s).
- 7. The Parties may, for purposes of exchanging LEC-CMRS traffic, interconnect as provided for under the existing Agreement, subject to the provisions of 47 CFR § 51.709(c), and related provisions in the November 18 Order, which establish an "interim default rule" for the allocation of transport costs related to non-access traffic exchanged between CMRS providers and rural, rate of return regulated LECs.
- 8. The Parties agree that any future requested modifications to these interconnections shall not impose transport responsibilities on LEC beyond what is permitted under FCC rules and specifically, the provisions of 47 CFR § 51.709(c), and related provisions in the November 18 Order, which establish an "interim default rule" for the allocation of transport costs related to non-access traffic exchanged between CMRS providers and rural, rate of return regulated LECs.
- 9. The Parties further agree that those portions of Paragraphs 7 and 8 above that address the interim default rule shall be subject to the provisions of any future stay, revision,

reconsideration, change or modification of the related FCC orders, as subsequently issued by the FCC or a court of competent jurisdiction. Any future stay or reversal of the FCC's "interim default rule" shall be effective immediately upon release of the order, and shall not be subject to the provisions of the Agreement requiring negotiation of a change of law. Further, immediately upon issuance of a stay or reversal of the FCC's "interim default rule", the allocation of transport costs related to non-access traffic in the Agreement shall be reinstated on terms consistent with the language of the related court order(s).

- 10. Notwithstanding anything in the existing Agreement to the contrary, the Parties contemplate that some InterMTA Traffic may be exchanged over established local interconnect facilities. Therefore, Verizon Wireless agrees to compensate LEC for such InterMTA Traffic at LEC's tariffed intrastate or interstate switched access rates, whichever is applicable, based on jurisdiction of the traffic. An initial "Percent InterMTA Traffic" factor of 5% is established with an InterMTA Interstate factor of 100% and an InterMTA Intrastate factor of 0%. At any time after three months from the full execution of this Amendment, either party may request an adjustment to the InterMTA factor. To initiate the negotiation of a new InterMTA factor, an adjustment to the current factor may be proposed by either party. Both Parties agree to cooperate in performing studies or supplying Call Detail Records (CDRs) as required to negotiate a more representative InterMTA factor. Once a new InterMTA factor is negotiated by the Parties, the Agreement shall be updated with the new factor. After the initial adjustment, any requests by either Party for further adjustments may occur no more frequently than once per year.
- 11. By this Amendment, neither Party waives any rights it may have under the Federal Act or rules of the FCC, under state statute, or pursuant to rules of the South Dakota Public Utilities Commission. Such rights include Verizon Wireless' right to request a review of the rural telephone company exemption provided for under 47 U.S.C. § 251(f) and LEC's right to seek to maintain that exemption and LEC's right to petition, pursuant to 47 U.S.C. § 251(f)(2), for a suspension or modification from any of the local exchange carrier requirements contained in 47 U.S.C. § 251(b) and 251(c), including the right to seek to suspend or modify the bill and keep provisions of the November 18 Order and related rules, at any time notwithstanding this Amendment.
- 12. This Amendment shall remain effective as long as the Agreement remains effective between the Parties.
- 13. The provisions of this Amendment, including the provisions of this sentence, may not be amended, modified or supplemented without the written consent thereto by both Parties' authorized representatives.
- 14. Except as expressly set forth herein, the terms and conditions of the Agreement shall remain in full force and effect without change.

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

#### Cellco Partnership d/b/a Verizon Wireless

Cellular Inc. Network Corporation d/b/a Verizon Wireless

Cellular, Inc. Financial Corporation d/b/a Verizon Wireless

Midwest Wireless Communications LLC d/b/a Verizon Wireless By: Alltel Communications, LLC, Its Sole Member

Rural Cellular Corporation d/b/a Verizon Wireless

Verizon Wireless (VAW) LLC d/b/a Verizon Wireless

WWC Holding Co., Inc. d/b/a Verizon Wireless

By: Beth Ann Drohan

By: James Groft

Title: CEO

Date:

Title: Area Vice President - Network

Date:

James Valley Cooperative Telephone Company