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November 13, 2007

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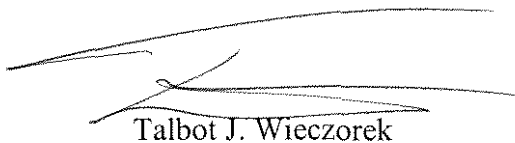
RE: In the Matter of the Petition of **Santel Communications Cooperative, Inc.** for  
Arbitration to Resolve Issues Relating to an ICA with Alltel, Inc.  
TC07-115 GPGN File No. 5925.070687

Dear Ms. Van Gerpen:

Enclosed for filing please find Alltel, Inc.'s Response in the above-entitled Arbitration matter. I have also included a Certificate of Service. By copy of same, counsel has been served.

If you have any questions, please call me.

Sincerely,



Talbot J. Wieczorek

TJW:klw

Enclosures

c: Meredith Moore via email  
Keith Senger via email  
Karen Cremer via email  
Clients

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE PETITION OF )  
SANTEL COMMUNICATIONS COOPERATIVE, )  
INC. FOR ARBITRATION PURSUANT TO THE )  
TELECOMMUNICATIONS ACT OF 1996 ) **DOCKET No. TC 07-115**  
TO RESOLVE ISSUES RELATING TO AN )  
INTERCONNECTION AGREEMENT WITH )  
ALLTEL, INC. )

**CERTIFICATE OF SERVICE**

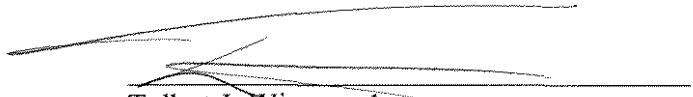
I hereby certify that on the 13 day of November, 2007, a true and correct copy of **Alltel Communication, Inc.'s Response to Petition for Arbitration**, was sent electronically to:

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Talbot J. Wieczorek

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

In the Matter of the Petition of Santel Communications )  
Cooperative, Inc. for Arbitration Pursuant to the )  
Telecommunications Act of 1996 to Resolve Issues )  
Relating to an Interconnection Agreement with Alltel )  
Communications, Inc. )

Docket No. TC 07 - 115

**RESPONSE OF ALLTEL COMMUNICATIONS, INC. TO PETITION FOR  
ARBITRATION OF SANTEL COMMUNICATIONS COOPERATIVE, INC.**

Alltel Communications, Inc. ("Alltel") hereby files this response to the Petition of Santel Communications Cooperative, Inc. ("Santel" or "Petitioner") for resolution of issues relating to the negotiation of an interconnection and reciprocal compensation agreement under the terms of the Telecommunications Act of 1996. (the "Act").

1. On October 19, 2007, Petitioner filed a Petition with the South Dakota Public Utilities Commission ("Commission") to arbitrate issues that were unresolved through negotiations with Alltel. (the "Petition"). The Petition and filing were made pursuant to 47 U.S.C. § 252.

2. Alltel is a commercial mobile radio services ("CMRS") provider serving, among other areas, the State of South Dakota. Alltel holds federal licenses to provide cellular telecommunications service in SD1, SD2, SD3, SD4, SD5, SD6, SD7, SD8 and SD9 Rural Service Areas ("RSAs") as well as the Rapid City and Sioux Falls Metropolitan Service Areas ("MSAs") with the State of South Dakota.

3. Alltel files this Response to the Petition for Arbitration pursuant to 47 U.S.C. § 252(b)(3). In this Response, Alltel will clarify its position on the issues identified by the Petition

and identify additional open issues not included in the Petition. All allegations and statements in the Petition not expressly admitted herein are specifically denied.

4. Alltel admits the allegations in paragraph 1 of the Petition.

5. Alltel admits, with respect to paragraph 2, that it sought to negotiate common issues among the six incumbent local exchange carriers.

6. Alltel confirms, with respect to paragraph 3, that Exhibit A attached to the Petition represents terms and conditions which the parties discussed during the negotiation process. Alltel denies that Exhibit A to the Petition identifies all contested issues and fully represents the position of Alltel on the identified issues.

7. Alltel admits, with respect to paragraph 4, that it had an interconnection and reciprocal compensation agreement with Santel that was effectively terminated as of January 1, 2003.

8. Alltel admits the allegations in paragraph 5 of the Petition.

9. Alltel admits the allegations in paragraph 6 of the Petition.

10. Alltel admits the allegations in paragraph 7 of the Petition.

11. Alltel admits the allegations in paragraph 8 of the Petition.

12. Alltel admits the allegations in paragraph 9 of the Petition.

13. Alltel admits the allegations in paragraph 10 of the Petition.

14. Alltel admits, with respect to paragraph 11, that Exhibit A attached to the Petition represents terms and conditions which the parties discussed during the negotiation process. However, Alltel denies that Exhibit A identifies all contested issues or fully represents Alltel position on all contested issues. Attached as Alltel Exhibit 1 to this Response is Alltel's version

of an appropriate interconnection and reciprocal compensation agreement which identifies all contested issues as well as Alltel's position on each issue.

### **ARBITRATION ISSUES RAISED BY PETITIONER**

**Issue 1 (Section 5): Is the reciprocal compensation rate for IntraMTA Traffic proposed by Telco appropriate pursuant to 47 U.S.C. § 252(d)(2).**

15. FCC rules require that an incumbent LEC "must prove to the State commission that the rates [for call termination] do not exceed the forward-looking economic cost per unit of providing [call termination] using a cost study that complies with [FCC TELRIC] methodology."<sup>1</sup>

16. Alltel has not had the opportunity to review or conduct discovery of Petitioner's alleged cost study. Therefore, a detailed assessment and response to Petitioner's proposed rates in Appendix A is not possible. However, even a cursory review of Petitioner's proposed rate, reveals that the rate substantially exceeds cost justifications presented in prior dockets. In an arbitration involving these same petitioners in 2003, Alltel (then WWC) identified Petitioner's transport and termination cost, derived in conformance with FCC forward rules, to be \$.001306. Even in that arbitration, Petitioner's cost witness put forth rates less than what Petitioner's claim in their current petition. Alltel specifically denies that the proposed rate in Appendix A of the Petition represents the forward-looking economic cost per unit for call termination as required under the Act.

**Issue 2 (Section 7.2.4): What is the appropriate Percent of InterMTA Use Factor to be applied to non-IntraMTA traffic exchanged between the parties.**

17. InterMTA use factors are often used to designate an amount of traffic exchanged between two carriers that is estimated to originate and terminate in different MTAs. Alltel has

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<sup>1</sup> 47 C.F.R § 51.505(e).

not had the opportunity to review or conduct discovery on Petitioner's proposed InterMTA use factor or measurement methodology. Additionally, Petitioner's proposal on use of interstate versus intrastate access rates for such InterMTA traffic is also unsupported. It is Alltel's position that, to the extent an InterMTA use factor is included at all, that factor should reflect the net amount of InterMTA traffic exchanged between the Parties. A net InterMTA use factor provides for each party to realize compensation for termination of InterMTA traffic originated by the other Party. In other words, Petitioner should be required to compensate Alltel for its originated InterMTA traffic just as Alltel would compensate Petitioner for Alltel originated InterMTA traffic. Alltel specifically denies that the InterMTA use factors as proposed by Petitioner and the corresponding access rate for such InterMTA traffic is supported or otherwise appropriate.

**Issue 3 (Section 5 and Appendix A): What is the appropriate manner by which the minutes of use of IntraMTA Traffic terminated by the parties, one to the other, should be calculated and billed. (Alltel's alternative language is provided in Section 7.2.1 of Alltel Exhibit 1)**

18. Alltel's position is that the interconnection and reciprocal compensation agreement should follow industry standard practice and allow for a "net billing" approach or a "factor billing" method. Such method is currently in use in South Dakota and is used by the Petitioner in other interconnection agreements. Proposed language that further identifies and clarifies Alltel position on alternative billing methods for IntraMTA traffic is provided in Section 7.2 of the attached Alltel Exhibit 1. This alternative billing method is necessary to support reciprocal compensation billing of Petitioner by Alltel.

**Issue 4. What is the obligation of the parties with respect to dialing parity?**

19. Alltel agrees that Petitioner has an obligation and responsibility to provide local dialing parity pursuant to 47 U.S.C. § 51.207 and accepts Petitioner's proposed language in Section 4.3 of Exhibit A to the Petition.

**Issue 5. What is the appropriate effective date and term of the Agreement?**

20. Alltel accepts the effective date and term of the Agreement as proposed by Petitioner.

**ADDITIONAL ISSUES FOR RESOLUTION**

**Issue 6. What is the appropriate definition of IntraMTA and InterMTA Traffic?**

21. Alltel seeks to revise Petitioner's proposed definitions of IntraMTA and InterMTA Traffic. Alltel's definition of InterMTA and IntraMTA identified in Alltel Exhibit 1 is consistent with 47 C.F.R. § 51.701(b)(2) which defines the scope of traffic subject to reciprocal compensation obligations.

**Issue 7. (Section 3.1.3) Which party can initiate a direct interconnection request.**

22. Petitioner's proposed language in Section 3.1.3 of Exhibit A provides that either Party can request and thus require direct interconnection facilities. However, Alltel asserts that as a non-incumbent CMRS provider, Alltel has the unilateral right to seek indirect interconnection, pursuant to 47 U.S.C. § 251(a)(1).

**REQUEST FOR RELIEF**

Alltel respectfully requests that the Commission:

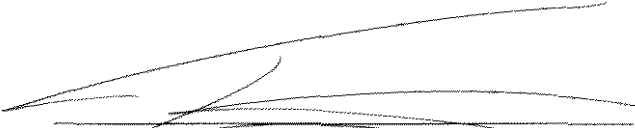
1. Arbitrate the unresolved issues between Alltel and Petitioner;
2. At the conclusion of this proceeding, issue an Order approving and Interconnection and Reciprocal Compensation Agreement between Alltel and

Santel reflecting Alltel's position with respect to the unresolved issues as described above; and

3. Issue such orders as are just and proper.

Respectfully submitted,

Dated: November 13, 2007



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ATTORNEYS FOR  
ALLTEL COMMUNICATIONS, INC.



**RECIPROCAL INTERCONNECTION, TRANSPORT AND  
TERMINATION AGREEMENT**

**BETWEEN**

**PETITIONER**

**AND**

**ALLTEL COMMUNICATIONS, INC**

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**RECIPROCAL INTERCONNECTION, TRANSPORT AND  
TERMINATION AGREEMENT**

This Reciprocal Interconnection, Transport and Termination Agreement ("Agreement") is entered into by and between \_\_\_\_\_ ("the Telephone Company"), and Alltel Communications, Inc. a Delaware corporation, for itself and its wireless affiliates and solely with respect to its operations as a CMRS provider ("the CMRS Provider"). The Telephone Company and the CMRS Provider are each individually a "Party" and are together the "Parties" to this Agreement.

WHEREAS, the Telephone Company is an Incumbent Local Exchange Carrier which is operating as a rural telephone company in the State of South Dakota;

WHEREAS, the CMRS Provider is licensed by the Federal Communications Commission ("FCC") as a Commercial Mobile Radio Service Provider;

WHEREAS, the Telephone Company and the CMRS Provider desire to establish arrangements between one another for the exchange of Traffic between their respective networks for the benefit of the Parties and their customers.

WHEREAS, the Parties wish to put in place an arrangement for the mutual exchange and reciprocal compensation for IntraMTA Traffic in accordance with Section 251(b) of the Telecommunications Act of 1996.

WHEREAS, the Parties agree that their entry 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 related to the same types of arrangements covered in this Agreement, and;

NOW, THEREFORE, in consideration of the foregoing and the undertakings contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Telephone Company and the CMRS Provider agree as follows:

This Agreement sets forth the terms, conditions and prices under which the Parties agree to directly connect or to indirectly connect their networks for the purpose of the exchange of Traffic. This Agreement is not intended to establish any terms, conditions, or pricing applicable to the provisioning of any transiting service. Further, this Agreement is not intended to establish any terms, conditions, or pricing applicable to ISP-bound traffic.

Except as otherwise expressly provided for herein, this Agreement does not obligate either Party to provide arrangements or transport or terminate Traffic not specifically provided for herein. Except as otherwise expressly provided for herein, this Agreement has no effect on the definition of End User services that either Party offers to its End User customers, the services either Party chooses to offer to its respective End User customers, the rate levels or rate structures that either Party charges its End Users for services, or the manner in which either Party provisions or routes the services either Party provides to its respective End User customers.

Further, this Agreement does not address the additional service obligations imposed on incumbent local exchange carriers pursuant to 47 U.S.C. § 251(c) and is based on a request for services pursuant to 47 U.S.C. § 251(b).

By this Agreement neither Party waives any rights it may have under the Act or rules of the FCC, under state statute, or pursuant to rules of the Commission.

## **1.0 Definitions**

Definitions of the terms used in this Agreement are listed below. The Parties agree that certain terms may be defined elsewhere in this Agreement, as well. Terms not defined shall be construed in accordance with their customary meaning in the telecommunications industry as of the effective date of this Agreement.

“Act” means the Communications Act of 1934 (47 U.S.C. Section 151 et seq.), as amended.

“Cell Site” means the location of CMRS radio transmitting and receiving facilities.

“Commercial Mobile Radio Service” or “CMRS” has the meaning given to the term in the Act.

“Commission” means the South Dakota Public Utilities Commission.

“Conversation Time” means the time that both Parties’ equipment is used for a call, measured from the receipt of answer supervision to disconnect supervision.

“Extended Area Service” or “EAS” means a group of two or more exchanges, as defined in the Telephone Company’s local exchange tariff or as implemented through the Telephone Company’s practice, among which a Telephone Company customer of either exchange may make landline-to-landline calls without incurring a toll charge.

“End Office” means a local Telephone Company switching point where the Telephone Company’s customer station loops are terminated for purposes of interconnection to each other and to the network.

“End User” means, whether or not capitalized, any business, residential or governmental customer of services provided by a Party, and includes the term “customer” and “subscriber”. More specific meanings of either of such terms are dependent upon the context in which they appear in this Agreement and the provisions of the Act.

“Direct Interconnection Facilities” means the dedicated transport facilities used to connect two carriers’ networks.

“FCC” means the Federal Communications Commission.

“Incumbent Local Exchange Carrier or Incumbent LEC” has the meaning given the term in the Act.

“Indirectly Connected” or “Indirectly Connect” refers to a network arrangement in which the networks of the Parties are connected through a Third Party Provider’s facilities.

“Interconnection” refers to the connection of separate pieces of equipment, facilities, or platforms between or within networks for the purpose of transmission and routing of Telecommunications.

“Interexchange Carrier” or “IXC” means a Telecommunications Carrier that provides telephone toll service, as the latter term is defined in the Act.

“InterMTA Traffic” means all wireless to wireline calls, which originate in one MTA and terminate in another MTA.

Alltel Proposed Language	Telco Proposed Language
	Add: “based on the location of the connecting Cell Site serving the wireless End User at the beginning of the call and the location of the End Office serving the wireline End User.”

“Local Calling Area” means, for CMRS Provider originated traffic, all intraMTA traffic and for Telephone Company originated traffic, its originating rate center and any rate center associated with an EAS exchange where the originating caller has local calling to any NPANXX in that rate center.

“IntraMTA Traffic,” for purposes of this Agreement, means traffic exchanged between the CMRS Provider and the Telephone Company that, at the beginning of the call, originates and terminates within the same MTA.

Alltel Proposed Language	Telco Proposed Language
	Add: “based on the location of the connecting Cell Site serving the wireless End User at the beginning of the call and the location of the End Office serving the wireline End User.”

“Mobile Switching Center” or “MSC” means the CMRS Provider’s facilities and related equipment used to route and switch commercial mobile radio service traffic to and from and among its End Users and other Telecommunications Carriers.

“Major Trading Area” or “MTA” has the meaning given to the term in 47 CFR Section 24.202(A).

“NPA” or the “Number Plan Area” also referred to as an “area code” refers to the three-digit code which precedes the NXX in a dialing sequence and identifies the general calling area within the North American Numbering Plan scope to which a call is routed to (i.e., NPA/NXX-XXXX).

“NXX”, “NXX Code”, “Central Office Code”, or “CO Code” is the 3-digit switch indicator that is defined by the D, E, and F digits of a 10-digit telephone number within the North American Numbering Plan. Each NXX Code contains 10,000 telephone numbers.

“Party” means either the CMRS Provider or the Telephone Company, and “Parties” means the CMRS Provider and the Telephone Company.

"Point of Interconnection" or "POI" means a physical location where the exchange of traffic between the Parties takes place thereby establishing the technical interface and points for operational and financial division of responsibility.

“Tandem” means a switching system that, through a trunk-to-trunk connection, provides a concentration and distribution function for originating or terminating traffic between End Offices, MSCs, other tandems and Third Party Providers’.

“Telecommunications” has the meaning given in the Act.

"Telecommunications Carrier" has the meaning given in the Act.

“Termination” means the switching of Traffic at the terminating carrier’s End Office switch, or equivalent facilities, and delivery of such Traffic to the called party.

“Third Party Provider” shall mean any facilities-based Telecommunications Carrier, including, without limitation, Interexchange Carriers, Regional Bell Operating Companies, independent telephone companies, competitive local exchange carriers, or CMRS providers that carries transiting Traffic. The term shall not mean resellers of a LEC’s local exchange services or resellers of a CMRS provider’s services.

“Traffic” shall mean IntraMTA Traffic and InterMTA Traffic.

“Transport” means the transmission of Traffic from the POI between the two Parties or from the Interconnection point of the Third Party Provider and a Party to the Party’s switch that directly serves the called party.

“Trunk Group” means a set of trunks of common routing, origin and destinations, and which serve a like purpose or function.

“Trunk Side” means a Party’s connection that is capable of, and has been programmed to

treat the circuit as, connecting to another switching entity, for example another Telephone Company to CMRS Provider switch. Trunk Side connections offer those transmission and signaling features appropriate for the connections of switching entities.

**2.0 Description of Traffic**

2.1 This Agreement applies both to IntraMTA Traffic and to InterMTA Traffic originated by the End User of one Party and terminated to the End User of the other Party which is (a) delivered over facilities owned or controlled by the Parties, which directly interconnect the Parties or, (b) delivered over facilities not owned or controlled by the Parties, which Indirectly Connect the Parties, i.e., delivered over a Third Party Provider’s transiting facilities. Local Traffic is subject to Transport and Termination charges as described in Appendix A and as set forth in Section 7.2.4 of this Agreement..

**3.0 Direct Interconnection of the Party’s Facilities Where a Third Party Provider Is Not Utilized**

This Section describes the network architecture with which the Parties to this Agreement may interconnect their respective networks for the Transport and Termination of Traffic.

3.1 Direct Interconnection Facilities

3.1.1 Direct Interconnection Facilities provide a Trunk Side connection between the CMRS Provider’ network and the Telephone Company’s network. Direct Interconnection facilities provide the capability for either or both Parties to terminate Traffic to the other Parties’ network.

3.1.2 Either Party may elect to provision one-way direct interconnection facilities for the delivery of its originated traffic to the terminating Party’s network. In that event, the originating Party will be responsible for 100% of the recurring and non-recurring costs associated with those facilities.

3.1.3

Alltel Proposed Language	Telco Proposed Language
Add: At CMRS Provider’s request or	

when both parties agree to utilize and implement 2-way facilities in accordance with the terms of 3.2.1.1, the Parties will provision two-way direct interconnection facilities between their networks with each Party being responsible for their own recurring and non-recurring facility costs to the POI.

3.1.4 The Parties shall provide each other a forecast of projected Traffic volume for each Point of Interconnection when significant changes in Traffic patterns are anticipated. The Parties agree to work cooperatively to determine the number of trunks needed to handle the estimated Traffic. Upon mutual agreement of

the Parties, Direct Interconnection facilities may be either one-way or two-way.

### 3.1 Facility Locations

#### 3.2.1 Technical Feasibility

3.2.1.1 The Parties acknowledge for purposes of this requirement that the locations listed in Appendix B constitute the technically feasible points of Direct Interconnection which include any meet point location at the service boundary of the Telephone Company, any other location within the service area boundary at which the Telephone Company has provisioned services to its end users, any location at which a Telecommunications Carrier has obtained special access services from Telephone Company, or any point mutually agreed to the Parties. Appendix B contains the existing POIs established between the Parties if applicable. The CMRS Provider and Telephone Company may establish additional POIs, from time to time, in accordance with this Agreement. Appendix B also contains information on the other locations where Direct Interconnection with the Telephone Company's network may be requested.

3.2.1.2 Both Parties recognize the Telephone Company may make modifications to its network architecture, NPA-NXX utilization, or Local Calling Area that impact the "Direct Interconnection POI Locations and Telephone Company Local Calling Area" data contained in Appendix B. In the event the Telephone Company intends to make modifications that impact Appendix B, the Telephone Company will provide 90 days advance notice of any such modifications to CMRS Provider where such modifications will impact Traffic routed over Direct Interconnection facilities.

#### 3.2.2 Incumbent LEC Requirement

3.2.2.1 The Parties acknowledge that the services provided by Telephone Company under this Agreement are provided pursuant to the Telephone Company's obligations falling under 47 U.S.C. § 251(b) and that terms and conditions specified in this Agreement do not apply to the provision of services or facilities by the Telephone Company in those areas where the Telephone Company is not the Incumbent LEC.



### 3.3 Additional Interconnection Methods Available to the CMRS Provider

3.3.1 The CMRS Provider may provide its own facilities to connect with a POI identified in Appendix B. Alternatively, the CMRS Provider may purchase facilities from a Third Party Provider or from the Telephone Company. Rates for facilities purchased from the Telephone Company are specified in the Telephone Company's applicable tariff, pricing catalog or as established under separate agreement.

### 3.4 Technical Requirements and Standards

3.4.1 Nothing in this Agreement will limit either Party's ability to modify its network, including, without limitation, the incorporation of new equipment and new software. Each Party will provide the other Party reasonable written notice, of any such modifications to its network, which will materially impact the other Party's service. Each Party will be solely responsible, at its own expense, for the overall design of its telecommunications services and for any redesigning or rearrangement of its telecommunications services which may be required as a consequence of this Agreement, including, without limitation, changes in facilities, operations or procedures, minimum network protection criteria, or operating or maintenance characteristics of facilities.

## **4.0 Transmission and Routing of Traffic**

This Section provides the terms and conditions for the exchange of Traffic between the Parties' respective networks for the transmission and routing by the Parties of Traffic.

### 4.1 Wireless to Wireline Traffic – Directly Interconnected

4.1.1 The CMRS Provider shall be responsible for the delivery of Traffic from its network to the appropriate Point of Interconnection as set forth in Appendix B, for the Transport and Termination of such Traffic by the Telephone Company to one of its End Users.

### 4.2 Wireline to Wireless Traffic – Directly Interconnected

4.2.1 The Telephone Company shall be responsible for the delivery of Traffic from its network to the appropriate Point of Interconnection as set forth in Appendix B, for the Transport and Termination of such Traffic by the CMRS Provider to its End User.

### 4.3 Dialing Parity

Telephone Company agrees that its landline customers will dial CMRS Provider's NPA-NXXs on a local basis, so long as the CMRS Provider's NPA-NXX has been

assigned by the North American Numbering Plan Administrator (NANPA) to a rate center within the Telephone Company's Local Calling Area.

4.4 Database Queries for Direct Routed Traffic

Each Party will ensure that local number portability database queries are performed on all calls routed via Direct Interconnection Facilities.

4.5 Indirectly Connected via a Third Party Provider.

As an alternative to routing traffic covered by this Agreement through a Point of Interconnection, either Party may choose to deliver Traffic from its network to the other Party's network via a Third Party Provider and thus be Indirectly Connected with the other Party for the delivery of Traffic.

**5.0 Transport and Termination Compensation**

5.1 Rates - The CMRS Provider and the Telephone Company shall reciprocally and symmetrically compensate one another for IntraMTA Traffic terminated on either Party's network.

Alltel Proposed Language	Telco Proposed Language
See Section 7.2.3	Add: "Each party shall bill the other party for IntraMTA Traffic actually terminated to its network by the other party at the rates as provided in Section 5.1.2."

5.1.1 The rates applicable to Telephone Company's Termination of InterMTA Traffic are set forth in Appendix A.

5.1.2 The rates applicable to IntraMTA Traffic are set forth in Appendix A.

5.1.3 The Transport and Termination Services provided hereunder are intended for wireless to wireline or wireline to wireless, but not wireline to wireline communications. Such services will not be used by one Party to terminate other non-party traffic on the other Party's network (such as wireline originated traffic) and services used in violation hereof shall constitute a breach of this Agreement. In addition to any other remedies available, the Party whose services have been improperly used shall be entitled to recover the appropriate charges for such traffic for the entire period of misuse.

5.2 De Minimus Traffic - In the event the Traffic terminated on the Telephone Company's network is de minimus such that the total minutes for compensation is less than 3,000 minutes of use for a three month period (or 1,000 minutes of use for a one month period if the Telephone Company bills monthly), the Parties

agree that the Telephone Company shall not render a billing. It is agreed that the only compensation for that de minimus Traffic will be in the form of the reciprocal Transport and Termination services provided by the other Party, i.e., Traffic will be exchanged on a bill and keep basis, and no billing will be issued by the Telephone Company.

- 5.3 Conversation Time - For purposes of billing compensation, billed minutes will be based upon Conversation Time. Conversation Time will be determined (a) from actual usage recordings by the Parties or (b) records of terminating Traffic provided by the Third Party Provider. 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.

## **6.0 Transmission and Routing of Other Types of Traffic**

The Parties agree that this Agreement does not provide for the exchange of 911/E911 traffic and that if such service is requested by the CMRS Provider that the Parties will negotiate a separate agreement for such traffic.

Other ancillary traffic including traffic destined for ancillary services including, but not limited to, directory assistance, operator call termination (busy line interrupt and verify), 800/888, LIDB, and information services requiring special billing will not be exchanged between the Parties.

## **7.0 Responsibilities of the Parties**

### **7.1 Verification Reviews**

- 7.1.1 The Parties will be responsible for the accuracy and quality of the data as submitted to the other Party. Upon reasonable written notice, either Party or its authorized representative shall have the right to conduct a review and verification of the other Party's data to give assurances of compliance with the provisions of this Agreement. The review will consist of an examination and verification of data involving records, systems, procedures and other information related to the services performed by the Party as related to settlement charges or payments made in connection with this Agreement. Each Party, whether or not in connection with an on-site verification review, shall maintain reasonable records for a minimum of twelve (12) months and provide the other Party with reasonable access to such information as is necessary to determine amounts receivable or payable under this Agreement.

- 7.1.2 Either Party's right to access information for verification review purposes is limited to data not in excess of twelve (12) months in age. Once specific data

has been reviewed and verified, it is unavailable for future reviews. Any items not reconciled at the end of a review will, however, be subject to a follow-up review effort. Any retroactive adjustments required subsequent to previously reviewed and verified data will also be subject to follow-up review. Information of the Party involved with a verification review shall be subject to the confidentiality provisions of this Agreement.

- 7.1.3 The Party requesting a verification review shall fully bear its costs associated with conducting a review. The Party being reviewed will provide access to required information, as outlined in this section, at no charge to the reviewing Party. Should the reviewing Party request information or assistance beyond that reasonably required to conduct such a review, the Party being reviewed may, at its option, decline to comply with such request or may bill actual costs incurred in complying subsequent to the concurrence of the reviewing Party.

## 7.2 Billing

- 7.2.1 For directly connected arrangements between the Parties, the Telephone Company shall issue its bill to CMRS Provider based on actual usage recordings. The CMRS Provider also shall issue its bill to the Telephone Company based on actual usage recordings

Alltel Proposed Language	Telco Proposed Language
Insert: “unless the CMRS provider elects billing treatment under Section 7.2.3.”	

For arrangements involving a Third Party Provider, the Telephone Company shall issue its bill based on the best information reasonably available including, but not limited to, records of terminating Traffic created by the Telephone Company.

- 7.2.2 When a Third Party Provider indirectly connected arrangement is used by the CMRS Provider to deliver Traffic to the Telephone Company, the Telephone Company may use its terminating records or usage reports and/or records (such as category 11-01-0-1 records) generated by a Third Party Provider whose network is used to indirectly connect the Traffic as the basis for billing the CMRS Provider.

Alltel Proposed Language	Telco Proposed Language
7.2.3 CMRS Provider may elect to use a Reciprocal Compensation Factor Billing Method in lieu of actual traffic recording.  7.2.3.1 CMRS Provider shall provide Telephone Company not less than sixty (60) days prior	

written notice when changing its election to use actual recorded MOU to bill Telephone Company rather than utilize a Reciprocal Compensation Factor Billing Method. In such event, CMRS Provider will be then responsible for measuring the monthly IntraMTA Traffic, measured by minutes of use, terminating into its network from Telephone Company's network and shall bill Telephone Company on a going forward basis using the rates set forth in Appendix A.

7.2.3.2 The Reciprocal Compensation Factor Billing Method amount shall be calculated as follows: Divide the total number of monthly measured minutes of use originated by CMRS Provider and terminated on Telephone Company's network by the Mobile to Land Traffic Factor. The total calculation will then be multiplied by the Land to Mobile Traffic Factor to arrive at the total minutes of use terminated on CMRS Provider's network per month. This monthly total will be multiplied by the IntraMTA Reciprocal Compensation Rate set forth in Appendix A to determine the amount of Reciprocal Compensation due the CMRS Provider. For example, Telephone Company determines that 10,000 minutes of CMRS Provider originated Traffic has been delivered to it in a given billing period: The Parties will assume that 6,667 minutes of land originated calls were delivered by Telephone Company to CMRS Provider for termination (10,000/.60 multiplied by .40).

7.2.3.3 It is agreed that the Traffic Factors set forth on Appendix A represent a reasonable estimate of the ratio of Traffic originated and terminated by the Parties, considering the anticipated mix of Traffic routed between the parties. Either Party may, at its option, request modification of the Factors, on a going forward basis, based on the results of a traffic study conducted for Traffic originated by or terminating to the

<p>Party's End Users. These factors may be modified, but no more than once annually. If the Parties are unable to reach agreement for modification of the Land to Mobile Factor, either Party may request resolution of the dispute pursuant to Section 35 of this Agreement.</p>	
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7.2.4 For terminating InterMTA Traffic, CMRS provider shall pay

Alltel Proposed Language	Telco Proposed Language
<p>Telephone Company the InterMTA rate(s) set forth in Appendix A.</p>	<p>Telephone Company's intrastate or interstate switched network access service rate elements on a per minute of use basis, which rate elements are wet out in Telephone Company's Intrastate Access Services Tariff or Telephone Company's Interstate Access Services Tariff as those tariffs may be amended from time to time during the term of this Agreement. The InterMTA use factor to be applied to total minues of use delivered by the CMRS Provider and the percentage of that factor that shall be classified as intrastate exchange access and interstate exchange access shall be set forth in Appendix A.</p>

7.2.5 The Parties shall pay each other for all charges in accordance with the rates set forth in Appendix A of this Agreement. Such payments are to be received within 30 days from the receipt of the billing statement. Undisputed charges, not paid within the 30 days from the receipt of the billing statement may be subject to a late charge at the rate of 1.5% per month or the maximum amount allowed by law. The Party collecting revenues shall be responsible for reporting and remitting all applicable taxes associated therewith.

7.2.6 Each Party will bear its own billing and collection expenses. In the event either Party fails to send calling party number and/or other industry standard call record fields sufficient to identify that Party as the originating carrier for each the originating Party shall be in default and such default action will be subject to the provisions of Section 12.2.3 of this Agreement.

7.2.7 If either Party disputes a billing statement issued by the other Party, the disputing Party shall notify the billing Party in writing regarding the nature

and the basis of the dispute within forty five (45) days of the receipt of the statement. The Parties shall diligently work toward resolution of all billing issues.

### 7.3 Network Maintenance and Management for Direct Interconnection

The Parties will work cooperatively to install and maintain reliable network facilities. The Parties will exchange appropriate information to achieve this desired reliability, subject to the confidentiality provisions herein.

- 7.3.1 Party shall provide a 24-hour contact number for network Traffic management issues to the other's surveillance management center.

Telephone Company Contact Number: (xxx)-xxx-xxxx  
CMRS Provider Contact Number: 866-900-9662

- 7.3.2 Neither Party will use any service provided under this Agreement in a manner that impairs the quality of service to other carriers or to either Party's subscribers. Either Party will provide the other Party notice of said impairment at the earliest practicable time.

- 7.3.3 Use of the CMRS Providers' facilities, or that of a third party in conjunction with any of the Telephone Company's facilities, shall not materially interfere with or impair service over any facilities of either Party, its affiliated companies or its connecting and concurring carriers involved in its services, cause damage to their plant, impair the privacy of any communications carrier over their facilities or create hazards to the employees of any of them or the public. Upon reasonable written notice and opportunity to cure, the Party whose facilities are being used may discontinue or refuse service to the other Party if the Party using the facilities violates this provision; provided, that such termination of service will be limited to the facilities being used that is subject of the violation.

- 7.3.4 Maintenance of Service Charge - When one Party reports trouble to the other Party for clearance and no trouble is found in the second Party's network, the reporting Party shall be responsible for payment of a Maintenance of Service Charge for the period of time when the second Party's personnel are dispatched. In the event of an intermittent service problem that is eventually found to be in the second Party's network, the reporting Party shall receive a credit for any Maintenance of Service Charges applied in conjunction with this service problem.

If a Party reports trouble to the other Party for clearance and the other Party's personnel are not allowed access to the reporting Party's premises, the Maintenance of Service Charge will apply for the time that the non-reporting

Party's personnel are dispatched; provided that the Party's have arranged a specific time for the service visit.

- 7.4 The Parties agree that local and EAS dialing available to CMRS Provider NXXs will be as specified in Appendix B. Telephone Company agrees to provide Notice, according to Section 12.13, for any additions or deletions of rate centers associated with local calling area or EAS. Accordingly, the Parties agree that the information contained in Appendix B pertaining to "Local Calling Areas", subsequent to such Notice, may be revised during the term of this Agreement providing such revision is consistent with Telephone Company's dialing parity obligations.

## **8.0 Liability and Indemnification**

- 8.1 Except as otherwise expressly provided herein or in specific appendices, each Party shall be responsible only for the Interconnection, functions, products and services which are provided by that Party, its authorized agents, subcontractors, or others retained by such Party, and neither Party shall bear any responsibility for the Interconnection, functions, products and services provided by the other Party, its agents, subcontractors, or others retained by such Party.
- 8.2 Each Party shall be indemnified and held harmless by the other Party against claims, losses, suits, demands, damages, costs, expenses, including reasonable attorney's fees ("Claims"), asserted, suffered, or made by third parties arising from (i) any act or omission of the indemnifying Party in connection with its performance or non-performance under this Agreement; (ii) actual or alleged infringement by the indemnifying Party of any patent, trademark, copyright, service mark, trade name, trade secret or intellectual property right (now known or later developed), and (iii) provision of the indemnifying Party's services or equipment, including but not limited to Claims arising from the provision of the indemnifying Party's services to its End Users (e.g., Claims for interruption of service, quality of service or billing disputes). Each Party shall also be indemnified and held harmless by the other Party against Claims of persons for services furnished by the indemnifying Party or by any of its subcontractors, under worker's compensation laws or similar statutes.
- 8.3 A Party (the "Indemnifying Party") shall defend, indemnify and hold harmless the other Party ("Indemnified Party") against any claim or loss arising from the Indemnifying Party's use of Interconnection, functions, products and services provided under this Agreement involving:
- 8.3.1 any Claim for libel, slander, invasion of privacy, or infringement of Intellectual Property rights arising from the Indemnifying Party's or its customer's use.
- 8.3.2 any Claims, demands or suits that asserts any claim for libel, slander,



infringement or invasion of privacy or confidentiality of any person or persons caused or claimed to be caused, directly or indirectly, by the other Party's employees and equipment associated with the provision of any service herein. The foregoing includes any Claims or Losses arising from disclosure of any customer-specific information associated with either the originating or terminating numbers used to provision Interconnection, functions, products or services provided hereunder and all other Claims arising out of any act or omission of the customer in the course of using any Interconnection, functions, products or services provided pursuant to this Agreement.

- 8.3.3 any and all penalties imposed on either Party because of the Indemnifying Party's failure to comply with the Communications Assistance to Law Enforcement Act of 1994 (CALEA).
- 8.4 Neither Party makes any warranty, express or implied, concerning either such Party's (or any third party's) rights with respect to intellectual property (including without limitation, patent, copyright and trade secret rights) or contract rights associated with either Party's right to interconnect. Nothing in this Section will be deemed to supersede or replace any other agreements, if any, between the Parties with respect to either Party's intellectual property or contract rights.
- 8.5 Each Party ("Indemnifying Party") shall reimburse the other Party ("Indemnified Party") for damages to the Indemnified Party's equipment, Interconnection trunks and other property utilized to provide Interconnection hereunder caused by the negligence or willful act of the Indemnifying Party, its agents, subcontractors or customer or resulting from the Indemnifying Party's improper use of the Indemnified Party's equipment, Interconnection trunks or other property, or due to malfunction of any functions, products, services or equipment of the Indemnifying Party or of any other party that have been provided to the Indemnifying Party. Upon reimbursement for damages, the Indemnified Party will cooperate with the Indemnifying Party in prosecuting a claim against the person causing such damage. The Indemnifying Party shall be subrogated to the right of recovery by the Indemnified Party for the damages to the extent of such payment.
- 8.6 Indemnification Procedures
  - 8.6.1 Whenever a claim shall arise for indemnification, the relevant Indemnified Party, as appropriate, shall promptly notify the Indemnifying Party and request in writing the Indemnifying Party to defend the same. Failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability that the Indemnifying Party might have, except to the extent that such failure prejudices the Indemnifying Party's ability to defend such claim.
  - 8.6.2 The Indemnifying Party shall have the right to defend against such liability or assertion, in which event the Indemnifying Party shall give written notice to

the Indemnified Party of acceptance of the defense of such claim and the identity of counsel selected by the Indemnifying Party.

- 8.6.3 Until such time as Indemnifying Party provides written notice of acceptance of the defense of such claim, the Indemnified Party shall defend such claim, at the expense of the Indemnifying Party, subject to any right of the Indemnifying Party to seek reimbursement for the costs of such defense in the event that it is determined that Indemnifying Party had no obligation to indemnify the Indemnified Party for such claim.
- 8.6.4 Upon accepting the defense, the Indemnifying Party shall have exclusive right to control and conduct the defense and settlement of any such Claims, subject to consultation with the Indemnified Party. So long as the Indemnifying Party is controlling and conducting the defense, the Indemnifying Party shall not be liable for any settlement by the Indemnified Party unless such Indemnifying Party has approved such settlement in advance and agrees to be bound by the agreement incorporating such settlement.
- 8.6.5 At any time, an Indemnified Party shall have the right to refuse a compromise or settlement, and, at such refusing Party's cost, to take over such defense; provided that, in such event the Indemnifying Party shall not be responsible for, nor shall it be obligated to indemnify the refusing Party against, any cost or liability in excess of such refused compromise or settlement.
- 8.6.6 With respect to any defense accepted by the Indemnifying Party, the Indemnified Party will be entitled to participate with the Indemnifying Party in such defense if the claim requests equitable relief or other relief that could affect the rights of the Indemnified Party, and shall also be entitled to employ separate counsel for such defense at such Indemnified Party's expense.
- 8.6.7 If the Indemnifying Party does not accept the defense of any indemnified claim as provided above, the Indemnified Party shall have the right to employ counsel for such defense at the expense of the Indemnifying Party.
- 8.6.8 In the event of a failure to assume the defense, the Indemnified Party may negotiate a settlement, which shall be presented to the Indemnifying Party. If the Indemnifying Party refuses to agree to the presented settlement, the Indemnifying Party may take over the defense. If the Indemnifying Party refuses to agree to the presented settlement and refuses to take over the defense, the Indemnifying Party shall be liable for any reasonable cash settlement not involving any admission of liability by the Indemnifying Party, though such settlement may have been made by the Indemnified Party without approval of the Indemnifying Party, it being the Parties' intent that no settlement involving a non-monetary concession by the Indemnifying Party, including an admission of liability by such Party, shall take effect without the written approval of the Indemnifying Party.

- 8.6.9 Each Party agrees to cooperate and to cause its employees and agents to cooperate with the other Party in the defense of any such claim and the relevant records of each Party shall be available to the other Party with respect to any such defense, subject to the restrictions and limitations set forth in Section 9.
- 8.7 Apportionment of Fault. Except for losses alleged or claimed by a customer of either Party and except as otherwise provided in specific appendices, in the case of any loss alleged or claimed by a third party arising out of the negligence or willful misconduct of both Parties, each Party shall bear, and its obligation under this Section shall be limited to, that portion of the resulting expense caused by its own negligence or willful misconduct or that of its agents, servants, contractors, or others acting in aid or concert with it.
- 8.7.1 The Parties are not liable for any act or omission of Third Party Providers.
- 8.7.2 Failure of either Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right or privilege
- 8.8 No Consequential Damages

NEITHER THE TELEPHONE COMPANY NOR THE CMRS PROVIDER SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, RELIANCE, OR SPECIAL DAMAGES SUFFERED BY SUCH OTHER PARTY (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR HARM TO BUSINESS, LOST REVENUES, LOST SAVINGS, OR LOST PROFITS SUFFERED BY SUCH OTHER PARTY), REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, WARRANTY, STRICT LIABILITY, OR TORT, INCLUDING, WITHOUT LIMITATION, NEGLIGENCE WHETHER ACTIVE OR PASSIVE, AND REGARDLESS OF WHETHER THE PARTIES KNEW OF THE POSSIBILITY THAT SUCH DAMAGES COULD RESULT. EACH PARTY HEREBY RELEASES THE OTHER PARTY (AND SUCH OTHER PARTY'S SUBSIDIARIES AND AFFILIATES AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS) FROM ANY SUCH CLAIM. NOTHING CONTAINED IN THIS SECTION WILL LIMIT EITHER PARTIES LIABILITY TO THE OTHER FOR (i) WILLFUL OR INTENTIONAL MISCONDUCT (INCLUDING GROSS NEGLIGENCE) OR (ii) BODILY INJURY, DEATH, OR DAMAGE TO TANGIBLE REAL OR TANGIBLE PERSONAL PROPERTY TO THE EXTENT PROXIMATELY CAUSED BY THE TELEPHONE COMPANY'S OR THE CMRS PROVIDER'S NEGLIGENT ACT OR OMISSION OR THAT OF THEIR RESPECTIVE AGENTS, SUBCONTRACTORS OR EMPLOYEES, NOR WILL ANYTHING

CONTAINED IN THIS SECTION LIMIT THE PARTIES'  
INDEMNIFICATION OBLIGATIONS, AS SPECIFIED HEREIN.

**9.0 Confidentiality and Proprietary Information**

- 9.1 For the purposes of this Agreement, Confidential Information (“Confidential Information”) means confidential or proprietary technical or business information given by one Party (the “Discloser”) to the other (the “Recipient”). All information which is disclosed by one Party to the other in connection with this Agreement, during negotiations and the term of this Agreement will not be deemed Confidential Information to the Discloser and subject to this Section 9, unless the confidentiality of the information is confirmed in writing by the Discloser prior to disclosure. The Recipient agrees (i) to use Confidential Information only for the purpose of performing under this Agreement, (ii) to hold it in confidence and disclose it to no one other than its employees having a need to know for the purpose of performing under this Agreement, and (iii) to safeguard it from unauthorized use or disclosure using at least the same degree of care with which the Recipient safeguards its own Confidential Information. If the Recipient wishes to disclose the Discloser's Confidential Information to a third-party agent or consultant, such disclosure must be agreed to in writing by the Discloser, and the agent or consultant must have executed a written agreement of nondisclosures and nonuse comparable in scope to the terms of this section.
- 9.2 The Recipient may make copies of Confidential Information only as reasonably necessary to perform its obligations under this Agreement. All such copies will be subject to the same restrictions and protections as the original and will bear the same copyright and proprietary rights notices as are contained on the original.
- 9.3 The Recipient agrees to return all Confidential Information in tangible form received from the Discloser, including any copies made by the Recipient, within thirty (30) days after a written request is delivered to the Recipient, or to destroy all such Confidential Information if directed to do so by Discloser except for Confidential Information that the Recipient reasonably requires to perform its obligations under this Agreement; the Recipient shall certify destruction by written letter to the Discloser. If either Party loses or makes an unauthorized disclosure of the Party's Confidential Information, it will notify such other Party immediately and use its best efforts to retrieve the lost or wrongfully disclosed information.
- 9.4 The Recipient shall have no obligation to safeguard Confidential Information: (i) which was in the possession of the Recipient free of restriction prior to its receipt from the Discloser; (ii) after it becomes publicly known or available through no breach of this Agreement by the Recipient; (iii) after it is rightfully acquired by the Recipient free of restrictions on its discloser; (iv) after it is independently developed by personnel of the Recipient to whom the Discloser's Confidential Information had not been previously disclosed. In addition, either Party will have

the right to disclose Confidential Information to any mediator, arbitrator, state or federal regulatory body, or a court in the conduct of any mediation, arbitration or approval of this Agreement, as long as, in the absence of an applicable protective order, the Discloser has been previously notified by the Recipient in time sufficient for the Recipient to undertake all lawful measures to avoid disclosing such confidential information and for Discloser to have reasonable time to seek or negotiate a protective order before or with any applicable mediator, arbitrator, state or regulatory body or a court.

- 9.5 The Parties recognize that an individual End User may simultaneously seek to become or be a customer of both Parties. Nothing in this Agreement is intended to limit the ability of either Party to use customer specific information lawfully obtained from End Users or sources other than the Discloser.
- 9.6 Each Party's obligations to safeguard Confidential Information disclosed prior to expiration or termination of this Agreement will survive such expiration or termination.
- 9.7 No license is hereby granted under any patent, trademark, or copyright, nor is any such license implied solely by virtue of the disclosure of any Confidential Information.
- 9.8 Each Party agrees that the Discloser may be irreparably injured by a disclosure in breach of this Agreement by the Recipient or its representatives and the Discloser will be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any breach or threatened breach of the confidentiality provisions of this Agreement. Such remedies will not be deemed to be the exclusive remedies for a breach of this Agreement, but will be in addition to all other remedies available at law or in equity.

## **10.0 Finality of Disputes**

No Claims shall be brought for disputes arising from this Agreement more than twenty-four (24) months from the date of occurrence which gives rise to the dispute, or beyond the applicable statute of limitations, whichever is shorter.

## **11.0 Intervening Law**

- 11.1 The terms and conditions of this Agreement shall be subject to any and all applicable laws, rules, regulations, orders or guidelines that subsequently may be prescribed by any federal or state government authority with jurisdiction. To the extent required or permitted by any such subsequently prescribed law, rule, regulation, order or guideline, the Parties agree to negotiate in good faith toward an agreement to modify, in writing, any affected term or condition of this Agreement to bring them into compliance with such law, rule, regulation, order or guideline. Upon failure to reach agreement to implement a change in laws, rules,

regulations, orders or guidelines, either Party may seek arbitration before any regulatory authority with jurisdiction.

- 11.2 Each Party shall comply with all federal, state, and local laws, rules and regulations applicable to its performance under this Agreement.

## **12.0 Miscellaneous Provisions**

- 12.1 Effective Date – The effective date of this Agreement is January 1, 2007 (the “Effective Date”). The Parties shall implement the Agreement immediately, work cooperatively, and take all steps necessary and proper to expeditiously prosecute a joint application before the Commission seeking approval of this Agreement pursuant to the provisions of 47 U.S.C. '252. Each Party shall be responsible for its own costs and expenses incurred in obtaining approval of this Agreement from the Commission.

### 12.2 Term and Termination

- 12.2.1 This Agreement shall remain in effect for three (3) years after January 1, 2007. This Agreement shall continue in force and effect thereafter, on a month-to-month basis, until replaced by another agreement or terminated by either Party upon sixty (60) days written notice to the other.

- 12.2.2 Upon termination or expiration of this Agreement in accordance with the above Section:

- (a) Each Party shall continue to comply with its obligations set forth in Section 9.0 Confidentiality and Proprietary Information.
- (b) Each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement; and upon termination or expiration of this Agreement, each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement or place disputed amounts into an escrow account.
- (c) Each Party's indemnification obligations shall survive.

- 12.2.3 Either Party may terminate this Agreement 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 thirty (30) days of receipt of written notice thereof.

- 12.3 Binding Effect - This Agreement will be binding on and inure to the benefit of the respective successors and permitted assigns of the Parties.

- 12.4 Assignment - Neither Party may assign, subcontract, or otherwise transfer its rights or obligations under this Agreement except under such terms and conditions as are mutually acceptable to the other Party and with such Party's prior written consent, which consent shall not be unreasonably withheld, delayed, or conditioned; provided, that either Party may assign its rights and delegate its benefits, and delegate its duties and obligations under this Agreement without the consent of the other Party to a parent, one hundred (100) per cent owned affiliate or subsidiary of that Party for the continued provisioning of the telecommunications service under this Agreement.
- 12.5 Third Party Beneficiaries - This Agreement shall not provide any non-party with any remedy, claim, cause of action or other right.
- 12.6 Force Majeure - Neither Party shall be responsible for delays or failures in performance resulting from acts or occurrences beyond the reasonable control of such Party, regardless of whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement, including, without limitation: fire, explosion, power failure, acts of God, war, revolution, civil commotion, or acts of public enemies; any law, order, regulation, ordinance or requirement of any government or legal body; or labor unrest, including, without limitation strikes, slowdowns, picketing or boycotts; or delays caused by the other Party or by other service or equipment vendors; or any other circumstances beyond the Party's reasonable control. In such event, the Party affected shall, upon giving prompt notice to the other Party, be excused from such performance on a day-to-day basis to the extent of such interference (and the other Party shall likewise be excused from performance of its obligations on a day-for-day basis to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use its reasonable commercial efforts to avoid or remove the cause of non-performance and both Parties shall proceed to perform with dispatch once the causes are removed or cease.
- 12.7 **DISCLAIMER OF WARRANTIES - THE PARTIES MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR INTENDED OR PARTICULAR PURPOSE WITH RESPECT TO SERVICES OR FACILITIES PROVIDED HEREUNDER. ADDITIONALLY, NEITHER PARTY ASSUMES ANY RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY THE OTHER PARTY WHEN THIS DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD PARTY.**
- 12.8 Survival of Obligations - Any liabilities or obligations of a Party for acts or omissions prior to the cancellation or termination of this Agreement, any obligation of a Party under the provisions regarding indemnification, Confidential Information, limitations on liability, and any other provisions of this Agreement

which, by their terms, are contemplated to survive (or to be performed after) termination of this Agreement, will survive cancellation or termination thereof.

12.9 Waiver - The failure of either Party to enforce or insist that the other Party comply with the terms or conditions of this Agreement, or the waiver by either Party in a particular instance of any of the terms or conditions of this Agreement, shall not be construed as a general waiver or relinquishment of the terms and conditions, but this Agreement shall be and remain at all times in full force and effect.

#### 12.10 Patents, Trademarks and Trade Names

12.10.1 With respect to Claims of patent infringement made by third persons, the Parties shall defend, indemnify, protect and save harmless the other from and against all Claims arising out of the improper combining with or use by the indemnifying Party of any circuit, apparatus, system or method provided by that Party or its subscribers in connection with the Interconnection arrangements furnished under this Agreement.

12.10.2 No license under patents is granted by either Party to the other, or shall be implied or arise by estoppel with respect to any circuit, apparatus, system, or method used by either Party in connection with any Interconnection Arrangements or services furnished under this Agreement.

12.10.3 Nothing in this Agreement will grant, suggest, or imply any authority for one Party to use the name, trademarks, service marks, or trade names of the other for any purpose whatsoever, absent prior written consent of the other Party.

#### 12.11 Relationship of the Parties

12.11.4 This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein express or implied shall create or be construed to create any third-party beneficiary rights hereunder.

12.11.5 Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party.

12.11.6 Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.



- 12.11.7 Each Party is an independent contractor, and has and hereby retains the right to exercise full control of and supervision over its own performance of its obligations under this Agreement and retains full control over the employment, direction, compensation and discharge of its employees assisting in the performance of such obligations. Each Party and each Party's contractor(s) shall be solely responsible for all matters relating to payment of such employees, including the withholding or payment of all applicable federal, state and local income taxes, social security taxes and other payroll taxes with respect to its employees, as well as any taxes, contributions or other obligations imposed by applicable state unemployment or workers' compensation acts and all other regulations governing such matters. Each Party has sole authority and responsibility to hire, fire and otherwise control its employees.
- 12.11.8 Nothing contained herein shall constitute the Parties as joint venturers, partners, employees or agents of one another, and neither Party shall have the right or power to bind or obligate the other. Nothing herein will be construed as making either Party responsible or liable for the obligations and undertakings of the other Party. Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party.
- 12.12 Services - Each Party is solely responsible for the services it provides to its End Users and to other Telecommunications Carriers.
- 12.13 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 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, which shall be effective on the next Business Day following the date of transmission as reflected in the facsimile confirmation sheet. Any notice shall be delivered using one of the alternatives mentioned in this section and shall be directed to the applicable address indicated below or such address as the Party to be notified has designated by giving notice in compliance with this section.

For CMRS Provider:                    Interconnection Manager  
   Alltel Communications, Inc.  
   One Allied Drive, B1F03  
   Little Rock Arkansas

501-905-8000 (phone)  
501-905-6307 (facsimile)

For Telephone Company:

- 12.14 Expenses - Except as specifically set out in this Agreement, each Party will be solely responsible for its own expenses involved in all activities related to the subject of this Agreement.
- 12.15 Headings - The headings in this Agreement are inserted for convenience and identification only and will not be considered in the interpretation of this Agreement.
- 12.16 Governing Law – For all Claims under this Agreement, that are based upon issues within the jurisdiction of the FCC or governed by federal law, the Parties agree that the remedies for such Claims shall be governed by the FCC and the Act. For all Claims under this Agreement that are based upon issues within the jurisdiction of the Commission or governed by state law, the Parties agree that the jurisdiction for all such Claims shall be with such Commission, and the remedy for such Claims shall be as provided for by such Commission. In all other respects, this Agreement shall be governed by the domestic laws of the State of South Dakota without reference to conflict of law provisions.
- 12.17 Multiple Counterparts - This Agreement may be executed in multiple counterparts, each of which will be deemed an original but all of which will together constitute but one and the same document.
- 12.18 Complete Terms - This Agreement together with its appendices and exhibits constitutes the entire agreement regarding the exchange and compensation for Traffic between the Parties and supersedes all prior discussions, representations or oral understandings reached between the Parties. Appendices and exhibits referred to herein are deemed attached hereto and incorporated by reference. Neither Party shall be bound by any amendment, modification or additional terms unless it is reduced to writing signed by an authorized representative of the Party sought to be bound.
- 12.19 This Agreement is the joint work product of the Parties and has been negotiated by the Parties and their respective counsel and shall be fairly interpreted in accordance with its terms and, in the event of any ambiguities, no inferences shall be drawn against either Party.
- 12.20 No provision of this Agreement shall be deemed amended or modified by either Party unless such an amendment or modification is in writing, dated, and signed by an authorized representative of both Parties.

12.21 Neither Party shall be bound by any preprinted terms additional to or different from those in this Agreement that may appear subsequently in the other Party's form documents, purchase orders, quotations, acknowledgments, invoices or other communications.

### **13.0 Dispute Resolution**

- 13.1 Except as provided under Section 252 of the Act with respect to the approval of this Agreement by the state commission, the Parties desire to resolve disputes arising out of or relating to this Agreement without litigation, if possible . Accordingly, except for action seeking a temporary restraining order or an injunction related to the purposes of this Agreement, or suit to compel compliance with this dispute resolution process, the Parties agree to use the following dispute resolution procedures with respect to any controversy or claim arising out of or relating to this Agreement or its breach.
- 13.2 **Informal Resolution of Disputes.** At the written request of a Party, each Party will appoint a knowledgeable, responsible representative, empowered to resolve such dispute, 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.
- 13.3 **Formal Dispute Resolution.** If negotiations fail to produce an agreeable resolution within 60 days, then either Party may proceed with any remedy available to it pursuant to law, equity or agency mechanisms; provided, that upon mutual agreement of the Parties such disputes may also be submitted to binding arbitration. In the case of arbitration, each Party shall bear its own costs. The Parties shall equally split the fees of any mutually agreed upon arbitration procedure and the associated arbitrator.
- 13.4 **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 payment obligations in accordance with this Agreement.

13.5 Costs. Each Party shall bear its own costs of these procedures. The Parties shall equally split the fees of the arbitration and the arbitrator; provided, however, that the arbitrator may assign costs to the Party demanding arbitration upon a finding that such Party brought a frivolous cause of action or claim.

IN WITNESS WHEREOF, the Parties have executed this Agreement through their duly authorized representatives.

The Telephone Company

The CMRS Provider

BY: \_\_\_\_\_  
(Signature)

BY: \_\_\_\_\_  
(Signature)

NAME: \_\_\_\_\_  
(Printed)

NAME: \_\_\_\_\_  
(Printed)

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

## APPENDIX A

### 1.0 INTRAMTA RECIPROCAL COMPENSATION RATE PER MINUTE OF USE

\$ .001306

### 2.0 INTERMTA COMPENSATION

InterMTA Factor

TBD

InterMTA Rate

TBD

### 3.0 RECIPROCAL COMPENSATION CREDIT FACTORS

Mobile to Land Traffic Factor

TBD

Land to Mobile Traffic Factor

TBD

## **APPENDIX B**

### Direct Interconnection POI Locations and Telephone Company Local Calling Area

Direct Interconnection POI Locations:

Telephone Company Local Calling Area