



Benjamin W. Fincher
Attorney, State Regulatory

VIA AIRBORNE

September 19, 1996

3100 Cumberland Circle
Atlanta, GA 30339
Telephone: (404) 649-5145
Fax: (404) 649-5174
Mailstop: GAATLN0802

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Ms. Blanca S. Bayó
Director, Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

In Re: Petition of Sprint Communications Company Limited Partnership for Arbitration of
Proposed Interconnection Agreement with BellSouth Telecommunications, Inc.
Pursuant to the Telecommunications Act of 1996.

Dear Ms. Bayó:

Enclosed for filing, is the original and fifteen (15) copies of a Petition for Arbitration, as
captioned above, on behalf of Sprint Communications Company Limited Partnership.

Please date stamp the additional copy of this transmittal letter and return to the
undersigned in the enclosed self addressed stamped envelope. All parties of record have been
served in accordance with the attached Certificate of Service.

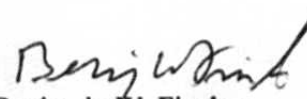
Thank you for your cooperation.

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cc: Everett Boyd
Parties of Record

Sincerely,


Benjamin W. Fincher

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**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

In the Matter of:

Petition of Sprint Communications Company Limited)
Partnership for Arbitration of Proposed Interconnection) Docket No. _____
Agreement with BellSouth Telecommunications, Inc.) Filed: September 20, 1996
Pursuant to the Telecommunications Act of 1996.)

**PETITION OF SPRINT COMMUNICATIONS COMPANY
LIMITED PARTNERSHIP
FOR ARBITRATION OF PROPOSED INTERCONNECTION AGREEMENT
UNDER THE TELECOMMUNICATIONS ACT OF 1996**

Comes now Sprint Communications Company Limited Partnership ("Sprint"), and hereby petitions the Florida Public Service Commission ("Commission") to arbitrate, pursuant to Section 252(b) of the Telecommunications Act of 1996 ("Act")¹, certain terms and conditions of a proposed interconnection agreement between Sprint and BellSouth Telecommunications, Inc. ("BellSouth"). Absent the Commission's intervention, and arbitration of the unresolved issues here involved, Sprint will be unable to compete with BellSouth and other incumbent local exchange carriers in the provision of a competitive local telephone exchange service to the consumers of Florida.

¹ Throughout this Petition, reference to sections of the Act refer to the Communications Act of 1934 (47 U.S.C. 15 *et seq.*) as amended by the Telecommunications Act of 1996.

PARTIES

The Petitioner herein, Sprint, is a Delaware Limited Partnership. Sprint is authorized to transact business, and is conducting business, within the State of Florida as a certificated interexchange carrier (IXC) and is a "telecommunications carrier" as that term is defined in the Act. Sprint's application for authority to provide local exchange service was filed with the Commission on June 21, 1996 and was assigned Docket Number 960750-TX. Sprint's application has been approved and is pending issuance of Certificate Number 4732.

The official business offices for Sprint's Florida operations are located at 3100 Cumberland Circle, Atlanta, Georgia.

The name and address of Sprint's representatives in this proceeding are:

Benjamin W. Fincher
3100 Cumberland Circle
Atlanta, Georgia 30339

and

C. Everett Boyd, Jr.
Ervin, Varn, Jacobs & Ervin
305 South Gadsden Street
Tallahassee, Florida 32301

BellSouth is a corporation organized and formed under the laws of the State of Georgia, with offices located at 675 West Peachtree Street, Atlanta, Georgia 30375. BellSouth provides local exchange and other services within its franchised territories in the State of Florida. BellSouth is a "Bell Operating Company" and an "incumbent local exchange carrier" under the terms of the Act.

JURISDICTION

The Commission has jurisdiction over Sprint's Petition pursuant to provisions of the Act. Sprint, a telecommunications carrier, formally requested negotiations with BellSouth on April 15, 1996, and as provided under the Act, files this its Petition for resolution of all unresolved issues between the parties. This Petition is timely filed

between the 135th and 160th day following such request.² Accordingly, the due date for filing Sprint's Petition with this Commission is September 23, 1996.

Exhibit 1, attached hereto, are copies of the following: (1) Letter dated April 15, 1996, from Ellen A. D'Amato, Sprint VicePresident, to Joe Baker, BellSouth Sales Vice President, formally requesting negotiation with BellSouth; (2) Letter dated July 23, 1996 signed jointly by representatives of Sprint and BellSouth wherein it was agreed that April 15, 1996 was the date BellSouth was notified of Sprint's request for negotiation under Section 252 of the Act.

NEGOTIATIONS

Sprint is currently engaged in negotiations with BellSouth in a good faith effort to enter into an agreement that would enable Sprint to interconnect with BellSouth, resell BellSouth's current retail service offerings by purchasing currently offered retail services at wholesale prices (retail price less avoided costs), and purchase and provision, on an unbundled element-by-element basis, the features and functions that comprise local exchange service.

The petitioner, Sprint, is a Sprint Corporation company. Sprint Corporation affiliates currently provide service as incumbent local exchange carriers to 6.4 million customers in 19 states. Sprint Corporation, through its operating units, has provided local telephone service for decades. Sprint, as a Sprint Corporation company, possesses strong management teams with extensive experience in all phases of telephony.

In an effort to achieve a balanced, company-consistent approach, Sprint developed its Term Sheet, attached hereto as Exhibit 2, for its negotiations with BellSouth and other incumbent local exchange companies. This is the same Term Sheet that Sprint Corporation's ILECs will use in their negotiations with CLECs. The Term Sheet, as depicted in Exhibit 2, contains a list of approximately 250 issues which have formed the basis for negotiations between Sprint and BellSouth.

² 47 U.S.C. Sec. 252(b)(1).

The principles underlying Sprint's position in its negotiations with BellSouth are premised on the concepts of economic efficiency and long-term public benefit. Sprint and BellSouth have engaged in extensive discussions concerning the terms, conditions and rates for interconnection, services and network facilities that Sprint will require to provide the quality of service that is, at the very least, currently enjoyed by the customers of BellSouth, the incumbent local exchange carrier.

Exhibit 3, attached hereto, is a matrix depicting the agreement/disagreement status of each Term Sheet issue. As indicated thereon, it would appear that Sprint and BellSouth have reached agreement in principle on a number of these issues. To the extent that BellSouth does not agree with the information set forth in Exhibit 3, Sprint requests that BellSouth so indicate in order that these issues may be appropriately considered in the requested arbitration proceeding.

Subsequent to Sprint submitting its April 15, 1996 letter to BellSouth, requesting interconnection negotiations,³ Sprint and BellSouth have engaged in numerous negotiating sessions and telephone conference calls to clarify the positions of the parties and to attempt to resolve differences where they exist. Many issues that have arisen during these discussions were left open in anticipation of receiving guidance from the rules issued by the Federal Communications Commission ("FCC") implementing the Act.

On August 8, 1996, the FCC issued its rules and regulations implementing the Act.⁴ The FCC rules are comprehensive and provide guidance on numerous topics, including issues that will be involved in this arbitration.

Such issues include, but are not limited to: (1) quality and pricing of wholesale services; (2) the rates for termination of traffic; (3) pricing of unbundled elements; (4) technical feasibility of interconnection; (5) collocation; (6) obtaining access to unbundled elements; and (7) timeframe for obtaining access to electronic data interfaces. Further, the rules establish default rates for interconnection, unbundled loops, unbundled switching and unbundled transport, which may remain in place on an interim basis until

³ Exhibit 1

⁴ CC Docket No. 96-98 et al., Implementation of the Local Competition Provision in the Telecommunications Act of 1996, First Report and Order, Released August 8, 1996 (FCC 96-325) ("The First Report and Order").

this Commission has taken the opportunity to conduct its own cost study proceedings using the appropriate cost study methodology to determine final interconnection, termination, transport, unbundled elements and wholesale rates.

Notwithstanding the FCC order, and despite Sprint's best efforts, Sprint and BellSouth have been unable to reach a comprehensive agreement through negotiations as contemplated by Section 252 of the Act. Section 252(b)(1) of the Act provides that either party may petition the state commission for arbitration during the period of the 135th day to the 160th day after the date on which the incumbent local exchange carrier received the request for negotiation. The 135th day after Sprint requested negotiation with BellSouth has now passed. Sprint's negotiations with BellSouth have reached an impasse on the issues set forth herein. Accordingly, Sprint submits this its Petition for Arbitration.

Section 252(b)(1) permits a requesting carrier to petition a state commission to "arbitrate any open issues" unresolved by voluntary negotiation under Section 252(a). Sprint, as a requesting carrier under the Act, hereby, through this its Petition for Arbitration, requests arbitration on all disputed issues, as set forth herein, and as may be further identified during the course of this proceeding. Exhibit 4, attached hereto, is the proposed Interconnection Agreement Sprint seeks to have approved through this arbitration.

Sprint and BellSouth have not formally ceased negotiations. Sprint expects to continue its negotiations with BellSouth during the arbitration process and may be able to resolve one or more issues prior to the issuance of the arbitrator's decision. To the extent that BellSouth and Sprint are in fact able to resolve one or more contested issues through continuing negotiations, Sprint and BellSouth will submit materials memorializing such understandings to the Commission for action pursuant to the standards for negotiated agreements under Section 252(a) of the Act.

SUBMISSION OF RELEVANT DOCUMENTATION

Sprint is filing with its Petition for Arbitration all relevant documentation concerning issues that remain unresolved, the position of each party regarding such issue,

and the terms and conditions Sprint believes BellSouth has accepted. (Exhibits 2, 3 & 4) Pursuant to Commission Order, dated August 29, 1996,⁵

In the event, and to the extent, that BellSouth disputes any of the issues that Sprint understands BellSouth has accepted, Sprint includes those issues for resolution in this arbitration and will file a supplemental Petition with relevant documentation, as it becomes known and available, and as may be necessary in the circumstances.

UNRESOLVED ISSUES PRESENTED FOR ARBITRATION

The issues presented for arbitration can be classified into five general categories.

- I. Pricing
 - A. Rates for Wholesale Services
 - B. Rates for Transport and Termination of Traffic
 - C. Rates for Unbundled Elements
 - D. Nondiscrimination in Pricing
 - E. Interim Number Portability
- II. Points of Interconnection
 - A. Single Point of Interconnection
 - B. Meet Point Billing and Construction of Meet Point Facilities
 - C. Multiple Trunk Groups
- III. Operational Parity
- IV. Branding
- V. Access to Poles, Ducts and Conduits

I. Pricing.

The parties have not been able to reach complete agreement on issues involving price. Outstanding issues include the pricing of wholesale services which Sprint may offer for resale, the pricing of interconnection and termination, the pricing of unbundled elements, the pricing of directory listing and information publication, the pricing of interim number portability, the availability of discriminatory volume discounts and the availability of Most Favored Nation ("MFN") status. The basic question before this

⁵ Docket No. P-100, Sub 133

Commission is whether BellSouth should price its services to Sprint pursuant to the provisions of the Act, the FCC rules and general nondiscrimination precepts.

On August 13, 1996, Sprint requested numerous rates, rate designs, cost methodologies, etc. for unbundled network elements, transport and termination, and resale services. In response BellSouth provided material from contracts BellSouth had previously negotiated with other CLECs. Sprint does not feel that BellSouth's response was complete nor in compliance with the FCC Order. Sprint's letter and the BellSouth response is included as Exhibit 5.

A. Rates for Wholesale Services.

Sec. 251(c)(4)(A) of the Act imposes on all incumbent Local Exchange Carriers (ILECs) the duty "to offer for resale at wholesale rates any telecommunications service that the carrier provides at retail to subscribers who are not telecommunications carriers." The FCC concluded all telecommunications services, with the exception of access, should be available at a wholesale rate. Access was treated as an exception to reflect the intent of Section. 251(c)(4)(A) of the Act in exempting service sold to other telecommunications carriers in lieu of end-users. The only restriction in the Act is the cross-class sale of residential services to nonresidential customers in order to prevent resellers from selling wholesale basic residential services to business customers.⁶ Additionally, Sec. 251(c)(4)(B) goes on to provide that ILECs have the duty "not to prohibit, and not to impose unreasonable or discriminatory conditions or limitations on, the resale of such telecommunications service,..."

BellSouth has resisted offering promotions, discount plans and grandfathered services for resale. In addressing this issue the FCC stated in its Order, "We therefore conclude that no basis exists for creating a general exemption from the wholesale requirement for all promotional or discount service offerings made by ILECs."⁷ The FCC also addressed grandfathered services by stating, "The incumbent LEC shall offer

⁶ Sec. 251(c)(4)(B)

⁷ ¶948

wholesale rates for such grandfathered services to resellers for the purpose of serving grandfathered customers.”⁸

The FCC found that wholesale rates fairly compensate BellSouth for the underlying costs it incurs in providing services on a wholesale basis. Avoided costs are those costs BellSouth does not incur when it sells the service on a wholesale basis.

These costs fall into three categories: (1) the direct costs of serving retail customers of those specific services that are avoided when the service is sold on a wholesale basis; (2) costs avoided because resellers will provide for these services themselves or contract for these services separately from the ILEC or a third party; and (3) BellSouth overhead costs which should proportionally decrease as BellSouth's retail business decreases.

To set wholesale rates at a level that does not include the appropriate reduction due to the avoided costs, gives BellSouth an anticompetitive advantage over resellers of those services. BellSouth is then in the position of being able to use the additional revenue to under price resellers, operate less efficiently, or cross-subsidize other services. Correctly set wholesale prices will spur the development of resale competition which will lead to better choices and prices for customers and foster the development of facilities-based competition.

Sec. 252(d)(3) of the Act states that wholesale rates should be determined “on the basis of retail rates charged to subscribers for the telecommunications service requested, excluding the portion thereof attributable to any marketing, billing, collection, and other costs that will be avoided by the local exchange carrier.”

The FCC has interpreted this statutory provision to require that wholesale rates should be set equal to retail rates less avoided costs. In an effort to aid states in calculating avoided costs, the FCC specifically identified 20 Uniform System Of Accounts (“USOA”) cost accounts that contain avoided costs. The FCC identified the accounts as follows:

⁸ Id. ¶968

All costs recorded in the following accounts are the direct costs of serving customers and are presumed to be avoidable:

6611 - product management; 6612 - sales; 6613 - product advertising; and 6623 - customer services.

The following accounts are avoidable costs because resellers will provide these services themselves or contract for them separately from the LEC or from third parties: 6621 - call completion services and 6622 - number services.

The following accounts contain costs that are avoidable in proportion to the avoided direct expense identified in accounts 6611-6613 and 6621-6623; 6121-6124 - general support expenses; 6711, 6612, 6721-6728 - corporate operations expenses; and 5301 - telecommunications uncollectibles.

Because wholesale operations will reduce general overhead activities such as customer inquiries, billing and collection, etc., these expenses should be reduced.⁹

SPRINT PROPOSAL¹⁰

All regulated telecommunications services offered to end-users of BellSouth must be available for resale by Sprint. This includes volume discounted products, grandfathered products, individual case basis products, operators services, directory assistance, vertical services and promotions. Every retail service rate, including promotions of over 90 days, discounts plans, and option plans must have a corresponding wholesale rate. Non-recurring charges associated with resold accounts shall also have an appropriate wholesale discount. New services shall have a wholesale rate established at the same time the new service becomes available.

If BellSouth continues to sell a product to any end-user under grandfathered arrangements, then BellSouth must make that product available for resale by Sprint to that end-user. If a service withdrawn from certain customers remains available to other customers, that service must be made available for resale to those customers that could still purchase the service at retail.

⁹ Id. ¶¶ 917-918

¹⁰ See Exhibit 2, Par. XIV. A. 1,2,5; B.2,3

Any PIC administration change charge must be at TELRIC plus a reasonable allocation of forward-looking joint and common costs.

BellSouth must either adopt interim wholesale rates within the FCC 96-98 Order's proxy range or produce cost studies within the specified time frame contemplated for negotiations as part of good faith negotiations.

BELLSOUTH POSITION

BellSouth has identified, at a minimum, the following services that it will not offer to Sprint at a wholesale rate: Grandfathered services; promotional and trial retail service offerings; lifeline and linkup services; contract service arrangements; installment billing options; 911 and E911 services; interconnection services for mobile service providers; and legislatively or administratively mandated specialized discounts (e.g. education institutions discount).

BellSouth has refused to offer these services for resale. Further, BellSouth does not intend to discount nonrecurring charges. BellSouth does not agree to offer grandfathered services for resale. BellSouth does not agree to reference TELRIC.

BellSouth has made no pricing commitments to Sprint other than those agreements that BellSouth has reached with other parties.

BellSouth's position is not in compliance, or consistent with, the Act or the applicable rules and regulations concerning pricing of interconnection and its related elements.

B. Rates for Transport and Termination of Local Traffic.

The Act provides direction regarding the establishment of prices for the transport and termination of local traffic under reciprocal compensation arrangements. Sec. 251(b)(5) of the Act imposes a duty upon all LECs to "establish reciprocal compensation arrangements for the transport and termination of telecommunications." Sec. 252(d)(2)(A) of the Act sets forth two standards for determining if reciprocal compensation rates are just and reasonable. The first standard is that, "such terms and

conditions provide for the mutual and reciprocal recovery by each carrier of costs associated with the transport and termination on each carrier's network facilities of calls that originate on the network facilities of the other carrier." The second standard is that it is necessary to "...determine such costs on the basis of a reasonable approximation of the additional costs of terminating such calls." Sec. 251(d)(2)(B)(i) of the Act states the rules do not "preclude arrangements that afford the mutual recovery of costs through the offsetting of reciprocal obligations, including arrangements that waive mutual recovery (such as bill and keep arrangements)."

The FCC also defined transport and termination. Transport was defined as "the transmission of terminating traffic that is subject to Sec. 251(b)(5) from the interconnection point between the two carriers to the terminating carrier's end office switch that directly serves the called party..."¹¹ Additionally, the FCC defined termination as "the switching of traffic that is subject to Sec. 251(b)(5) at the terminating carrier's end office switch (or equivalent facility) and delivery of that traffic from that switch to the called party's premises."¹²

The FCC defined the "additional cost" standard discussed in Sec. 252(d)(2)(A)(ii) of the Act to be "the forward-looking, economic cost-based pricing standard for interconnection and unbundled elements."¹³ Specifically, additional cost is equal to Total Element Long Run Incremental Cost ("TELRIC") plus a reasonable allocation of forward-looking joint and common costs.¹⁴

The FCC also found that a state commission has three options for establishing transport and termination rates. First, a state commission may conduct a thorough review of economic studies prepared using the same TELRIC-based methodology that is used for pricing unbundled elements. Second, a state may adopt the FCC's default proxy price of 0.2¢ per MOU to 0.4¢ per MOU. And third, a state may order "bill and keep."¹⁵ In regards to the first method, conducting a thorough review of economic studies, the FCC

¹¹ First Report and Order ¶ 1039, § 51.701(c)

¹² Id. ¶1040

¹³ Id. ¶1054

¹⁴ See, 47 C.F.R. § 51.505

¹⁵ 47 C.F.R. §51.705

found that Sec. 251(d)(2)(B)(ii) of the Act does not preclude state commissions from conducting an investigation of forward-looking TELRIC cost studies. The FCC differentiated such studies from the traditional rate base, rate-of-return studies that the FCC believes Congress intended to preclude in Sec. 251(d)(2)(B)(ii) of the Act.

Regarding the FCC's default proxy price of 0.2¢ per MOU to 0.4¢ per MOU, such a proxy is offered as an interim price until the state can conduct or review a forward-looking cost study and develop state-specific transport and termination rates. Use of the proxy is intended to promote the Act's goal of rapid competition in the local exchange.

New entrants into local exchange telecommunications face many barriers as they enter the market. Anticompetitive pricing is a barrier that has consistently been used by BellSouth to thwart the development of competition. It is critical that this Commission establish cost based rates for the transport and termination of telecommunications under reciprocal compensation arrangements.

Additionally, it is important for rates to be established as quickly as possible to begin the development of competition and start offering the benefits of such competition to end-users. In an effort to quickly allow competition to begin to develop, Sprint recommends that the commission implement bill and keep for an interim period if traffic is presumed to be in balance or is not capable of measurement at this point-in-time, while the Commission conducts cost studies to determine the appropriate rate. Delays in allowing Sprint or other carriers to interconnect their networks to BellSouth and terminate their traffic on BellSouth networks is one of the biggest threats to the development of local competition.

The Commission should act swiftly to allow Sprint to interconnect its network, by bill and keep where necessary, for the interim period. Such a policy will bring the benefits of local competition to customers in as quick a manner as possible without causing undue harm to the interconnecting carriers.

Absent any actual data from traffic studies, it is reasonable to presume that for the termination of local traffic, there will be a roughly equal balance of traffic flowing in both directions. Allowing local competition to begin immediately under an interim bill and

keep method will quickly foster the development of competition while still giving the Commission time to deliberate on the proper cost basis and the parties time to develop a measurement system facilitating a more permanent rate for reciprocal compensation.

In the early stages of competition, where BellSouth moves from controlling 100 percent of local traffic to a competitive market, it is critical for the Commission to set the rules for the transport and termination of local traffic under reciprocal compensation such that development of competition is promised. This requires a number of factors as discussed above.

First, the commission should define local calling areas the same for BellSouth as its competitors. The inclusion of expanded local area calling plans such as Extended Area Service ("EAS") and mandatory and optional wide area calling plans into the definition of local calling areas will foster full and fair competition, especially as competing carriers vertically integrate to provide local and toll traffic. Second, it is important for rates to be established as quickly as possible to begin the development of competition. In an effort to quickly allow competition to begin to develop, Sprint agrees that the Commission may implement bill and keep for an interim period while the Commission conducts cost studies to determine the appropriate rate. And third, it is crucial that the Commission set the price of transport and termination under reciprocal compensation at the true TELRIC plus a reasonable allocation of forward-looking joint and common costs. Setting prices at this level will foster and ensure the development of full and fair competition. These steps, taken together, will foster the growth of local competition and ensure that end-user customers enjoy those benefits.

SPRINT PROPOSAL¹⁶

BellSouth has the duty to provide reciprocal compensation arrangements for the transport and termination of telecommunications with Sprint. In order to implement this requirement in the most efficient manner, the specifically recognized option of Mutual Traffic Exchange ("MTE") (a/k/a "bill and keep") may be utilized where traffic is

¹⁶ Exhibit No. 2: Par. XIII.A.1., B.1 & B.2

presumed to be in balance either because it has been measured and no significant balance different exist or because measurement has not yet been accomplished. Otherwise, default proxies contained in the FCC 96-98 Order shall be used until TELRIC cost studies have been performed and the results implemented in permanent rates

Pursuant to 47 C.F.R. §51.705(a)¹⁷ an ILEC's rates for transport and termination of local telecommunications traffic shall be established, at the election of the state commission, on the basis of:

- a. the forward-looking economic costs of such offerings using a cost study pursuant to 47 C.F.R. §§ 51.505 and 51.511; or
- b. default proxies, as provided in 47 C.F.R. § 51.707; or
- c. a "bill and keep" arrangement, as provided in 47 C.F.R. § 51.713.

Pursuant to 47 C.F.R. § 51.715, in a state in which the state commission has neither established transport and termination rates based on forward-looking economic cost studies nor established transport and termination rates consistent with the default price ranges described in 47 C.F.R. §51.707¹⁸, the ILEC shall set interim transport and termination rates at the default ceilings for end-office switching (0.2 cents per minute of use), and transport as described in 47 C.F.R. § 51.707(b)(2).

BELLSOUTH POSITION

BellSouth has offered rates consistent with rates BellSouth has offered other parties. These rates are based on existing access rates and are therefore not consistent with the TELRIC methodology. BellSouth does not agree with "bill and keep."

BellSouth has offered rates consistent with rates BellSouth has offered other parties. These rates are based on access rates, not proxy rates as stated in the FCC order. In addition BellSouth wishes to utilize a 5% cap, whereby neither party is required to

¹⁷ 47 C.F.R. § 51.705(a)

¹⁸ Id. §51.707

compensate the other for more than 105% of the total billed local interconnection minutes of use of the party with the lower total billed local interconnection minutes of use.

C. Rates for Unbundled Elements.

Sec. 252 (d)(1) of the Act states, "prescribes how just and reasonable rates for interconnection and network elements shall be calculated. Moreover, this section of the Act provides that for purposes of Sec. 251 (c)(3) of the Act, rates (A) shall be (i) based on the cost (determined without reference to a rate-of-return or other rate based proceeding) of providing the interconnection or network element (whichever is applicable); and (ii) nondiscriminatory, and (B) may include a reasonable profit."

Sec. 51.505 et seq. of the FCC rules prescribe¹⁹ the methodology for computation of pricing of network elements, interconnection, and methods of obtaining access to unbundled elements, including physical collocation and virtual collocation. Rule 51.503(b) provides that the rate an ILEC offers for each unbundled element shall comply with the rate structure rules set forth in §§ 51.507 and 51.509... and shall be established, at the election of the state commission -- (1) pursuant to the forward-looking economic cost-based pricing methodology set forth in §§ 51.505 and 51.511 of the regulations. If the forward-looking economic cost based pricing methodology is not utilized, the rates for these elements shall be consistent with the proxy ceilings set forth in § 51.513 of the regulations. The rules also provide that prices for network elements should be geographically deaveraged; for example, according to high cost, medium cost, and low cost areas. Prices for loop transmission may vary according to distance and density characteristics.

Congress realized that access to the ILEC's bottleneck facilities is critical to the development of meaningful competition. The FCC established a forward-looking economic cost standard for setting network element prices for two primary reasons. First, pricing based on forward-looking economic cost provides the most representative attempt to simulate the conditions of a competitive market. Second, it reduces the ability of an

¹⁹ Id. §51.505 et seq.

incumbent LEC to engage in anti-competitive behavior. Pricing based on forward-looking economic costs ensure that consumers will receive the full benefit of the incumbent LEC's economies of scale and scope as well as the benefits of competition. This methodology of establishing rates for interconnection and unbundled elements will facilitate efficient entry and effective competition, which in turn will lead to market-sensitive, rather than regulatory driven retail prices.

Under the FCC's TELRIC pricing methodology, ILEC prices for network elements must be the sum of (1) forward-looking cost over the long run of the total quantity of the facilities and functions that are directly attributable, or reasonably identifiable as incremental to such element; and (2) a reasonable allocation of forward-looking common costs. Specifically, the following is a listing that best describes items explicitly included under the TELRIC pricing methodology:

- costs directly attributable to the specified element;
- a reasonable allocation of forward-looking common costs;
- per-unit costs derived from total costs using reasonably accurate fill factors;
- current wire center locations and the most efficient technology available;
- a reasonable return on investment; and
- economic depreciation rates.

This methodology does not include the following:

- embedded costs;
- retail prices;
- opportunity costs; and
- subsidies for other elements or services.

Sprint has attempted to define what a reasonable level of contribution to common costs should be and believes that a uniform loading that is reflective of an economically efficient local exchange carrier, should not exceed 15 percent. Sprint believes the reasonable profit level to be included in TELRIC to be the most recent authorized intrastate rate of return or prescribed interstate rate of return.

SPRINT PROPOSAL²⁰

. All unbundled network elements including their functionality should be priced at TELRIC plus reasonable allocation of forward-looking joint and common costs as outlined in FCC Rule 51.505.²¹

To the extent available in its network, BellSouth should provide CIP (CIC within the SS7 call set-up signaling protocol). Sprint presumes there is no incremental recurring cost associated with this request and believes no charge is appropriate. If, after performing a TELRIC study, incremental costs are identified, Sprint will pay those costs for delivery of this information to Sprint. If chargeable, Sprint will likewise perform a cost study to identify this cost when it provides this information to BellSouth and shall charge BellSouth in a similar manner. At the option of Sprint, BellSouth must provide SS7 functionality via GR-394 SS7 format and/or GR-317 SS7 format

BellSouth must place Sprint customer listings in its DA database. BellSouth should make its unbundled DA database available to Sprint. Prices should be negotiated, reasonable, and non-discriminatory at TELRIC plus reasonable forward-looking allocation of joint and common costs.

BELLSOUTH POSITION

BellSouth's DA database services are available at tariffed rates. BellSouth is not in a position to offer the service at rates other than the tariffed rates offered other parties.

BellSouth has offered rates consistent with what it has offered other parties. Sprint does not feel these rates are consistent with the TELRIC methodology

CIP is a chargeable feature pursuant to BellSouth's interstate tariff. The rate is \$0.28 per trunk per month. This rate is not based on the TELRIC methodology

D. Nondiscrimination in Pricing.

The Act and FCC rules clearly support nondiscrimination in pricing. One significant protection against price discrimination by BellSouth is the right of any carrier

²⁰ Exhibit No. 2 Par. II.F.3.; IV.B., B1

²¹ Id.

purchaser to substitute the price, term and condition of each service element, offered to another carrier, for the price originally offered by BellSouth. This right protects against BellSouth and large CLECs agreeing to service availability or pricing under favored terms that place other carriers at a price disadvantage which is not based on BellSouth's cost of providing service. To protect the competitive market, the MFN was created.

Sec. 252(i) of the Act provides that a local exchange carrier shall make available any interconnection service, or network element provided under an agreement approved under this Sec. 252, to which it is a party, to any other requesting carrier upon the same terms and conditions as those in the agreement.

Sec. 51.809 of the FCC rules²² deals with the availability of provisions of agreements to other telecommunications carriers under Sec. 252(i) of the Act. In its First Report and Order, the FCC concluded that incumbent LECs must permit all third parties to obtain access under Sec. 252(i) to any individual interconnection, service, or network element arrangement on the same terms and conditions as those contained in any agreement approved under Sec. 252. The FCC concluded that the text of Sec. 252(i) supports requesting carrier's ability to choose among individual provisions contained in the publicly filed interconnection agreements. As noted by the FCC, Congress drew a distinction between any interconnection, service, or network element(s) provided under an agreement, which the statute lists individually, and agreements in their totality.

Requiring requesting Carriers to elect entire agreements, instead of provisions relating to specific elements, would render as mere surplusage the words ("any interconnection service, or network element").²³ The Commission went on to note that failure to make provisions available on an unbundled basis could encourage an ILEC to insert into its agreement onerous terms for a service or element that the original carrier does not need, in order to discourage subsequent Carriers from making a request under that agreement.

Further, Sprint's non-discriminatory and cost-based volume discount language ensures that Sprint will not be disadvantaged in relation to larger interconnectors simply

²² Id.

²³ ¶1310.

on the basis of size. Non-cost based volume discounts advantage larger CLECs to the detriment of smaller CLECs. Volume discounts that are not proportional to the actual cost savings of providing the service (or element) at that level of volume creates an environment where size becomes a key determinant of competitive success rather than economic efficiency. For example, if one CLEC purchased 100,000 individual loops and received a per loop price that was 50 percent less than two CLECs purchasing 50,000 loops each, the first CLEC would have an advantage over the other CLECs merely because of its size, not because it is any more efficient than the other two CLECs. Whether the underlying provider sells the 100,000 loops to the first CLEC or to the other two CLECs separately there is little, if any, difference in the underlying provider's cost. Yet, although the first CLEC has not introduced any efficiencies, it has the opportunity to drive the smaller CLECs out of the market. Unless volume discounts are tied directly to actual cost differences, smaller, more efficient CLECs may be driven out of the market. Thus, volume discounts must be cost-justified or prohibited.

SPRINT PROPOSAL²⁴

As required by the FCC's Order in Docket No. 96-98 ("the 96-98 Order"), any price, term and/or condition offered to any carrier by BellSouth shall be made available to Sprint on a MFN's basis and BellSouth shall immediately notify Sprint of the existence of such better prices and/or terms and make the same available to Sprint effective on the date the better price and/or term became available to the other carrier. The MFN should apply to any unbundled element or service (e.g. directory assistance, basic residential service, intraLATA toll, Centrex, call waiting). Exceptions to the general availability of MFN should be very limited and include only volume discounts that reflect only cost savings, term discounts, significant differences in operations support (e.g. unbundled loops with maintenance as compared to unbundled loops without maintenance or unbundled loops conditioned for data as compared to voice grade loops), and technical feasibility (e.g. local switching must be purchased to receive vertical features supported

²⁴ Exhibit No. 2, Par. I.B.

by the switch). If a state commission issues an Order setting price for all carriers, then this Agreement should reflect this price as long as that is the only price offered by BellSouth. If geographic zones are not uniform as applied to all carriers, Sprint may choose the lowest price available from the ILEC for the each specific area being served by Sprint.

BELLSOUTH POSITION

— BellSouth does not agree with the Most Favored Nations (MFN) clause as it is intended by the FCC and presented by Sprint. BellSouth agrees only to the extent that certain terms within the agreement are not severable if they were agreed upon collectively and not as separate items. For example, according to BellSouth individual items under "Resale" are not severable.

E. Interim Number Portability.

The FCC in its Number Portability Order²⁵ recognized that states have the initial responsibility to implement interim number portability rates. The FCC interprets, Sec. 251(b)(2) of the Act to, require the implementation of both interim and permanent local number portability. The Act's Sec. 251(e)(2) requires all Carriers to participate in number portability funding function, with competitive neutrality as a basis for implementation. The FCC believes that competitive neutrality prohibits number portability pricing mechanisms that would result in one carrier obtaining "an appreciable, incremental cost advantage over another service provider". Further, the FCC believes the cost recovery mechanism "should not have a disparate effect on the ability of competing service providers to earn normal returns." Sprint believes its proposed TELRIC cost with a 55 percent discount would produce results that would be within this guidance.

²⁵ CC Docket No. 95-116, Telephone Number Portability, First Report and Order, Released July 2, 1996 (FCC 96-286) ("Number Portability Order").

SPRINT POSITION²⁶

Sprint and BellSouth will establish reasonable cost recovery for RCF/DID. Existing retail call forwarding rates are not considered reasonable for this purpose. Sprint proposes that interim number portability be priced at TELRIC cost less a 55 percent discount which recognizes that interim number portability solutions degrade network performance to Sprint customers. Should a lower interim number portability price be offered by BellSouth to others or ordered by a regulatory body, Sprint should be able to adopt the lower price.

BELLSOUTH POSITION

BellSouth states that it is not in a position to offer rates other than those BellSouth has offered to other parties. The methodology used by BellSouth to develop the rates was not provided to Sprint. Therefore, Sprint must disagree in principle.

II. POINTS OF INTERCONNECTION.

The Act requires that ILECs must allow interconnection to their networks for exchange service and exchange access at any technically feasible point that is at least equal in quality to what the local exchange carrier provides to itself, its affiliates, or anyone else. The First Report and Order established a minimum of five technically feasible points of interconnection; (1) the line side of a switch, (2) the trunk side of a switch; (3) the trunk interconnection points of a tandem switch; (4) central office cross-connect points, and (5) out-of-band signaling facilities.²⁷ In addition, the FCC concluded that the obligations imposed by Sec. 251 (c)(2) and 251 (c)(3) of the Act include modifications to ILEC facilities to the extent necessary to accommodate interconnection and that the ILEC bears the burden of proof that a particular interconnection point is not technically feasible.²⁸

²⁶ Exhibit No. 2, Par. XI.B.1.

²⁷ First Report and Order ¶ 26.

²⁸ Id. ¶ 198.

With respect to methods of obtaining interconnection, the FCC concluded that ILECs are required to provide for any technically feasible method of interconnection or access requested, including physical collocation, virtual collocation, and interconnection at meet points.²⁹

The Act requires all ILECs to provide to any requesting telecommunications carrier for the provision of a telecommunications service, nondiscriminatory access to network elements on an unbundled basis at any technically feasible point at rates, terms and conditions that are just, reasonable and nondiscriminatory.³⁰ In addition, ILECs are required to provide unbundled network elements in a manner that allows carriers to combine the elements in order to provide the telecommunications service. The Act defines a network element as a facility or equipment used in the provision of a telecommunications service, including features, functions, and capabilities such as subscriber numbers, databases, signaling systems and information sufficient for billing and collection, or used in transmission, routing, or provision of a telecommunications service. The Act requires the FCC, in determining which network elements should be made available, to consider, at a minimum, whether (a) access to network elements that are proprietary is necessary and (b) whether failure to provide access to these network elements would impair the ability of a carrier to provide the services it wishes.³¹

The FCC's First Report and Order established a minimum set of network elements that the ILEC must provide including (1) local loops; (2) network interface device; (3) local switching and tandem switching capability; (4) interoffice transmission facilities; (5) signaling and call-related databases; (6) operations support systems functions; and (7) operator services and directory assistance facilities.³²

Issues have arisen concerning where, within the BellSouth network, Sprint may interconnect. Whether a single point of interconnection in each local calling area is sufficient, what types of Sprint traffic may be delivered over a specific interconnection

²⁹ Id. ¶ 28.

³⁰ Sec. 251(c)(3).

³¹ Sec. 251 (d)(2).

³² First Report and Order ¶ 366.

arrangement and whether percent of use factors or Sprint traffic measurement is sufficient are typical questions that need to be resolved.

In order for competition to develop in an effective manner, BellSouth, an ILEC with market power, must be required to open its bottleneck facilities to competitors in a manner that does not needlessly raise the cost of competitive entry. Sprint asserts that requirements to interconnect at multiple locations within an incumbent's network increase the cost of entry to competitors. Likewise, requirements that multiple trunk groups be established to carry different types of traffic needlessly raise the cost of competitive entry. Finally, restrictions on interconnections between collocators needlessly raise their cost of interconnection with one another, again raising their cost of entry.

Barriers to entry of this type, which are somewhat less obvious than prohibitions on competitive entry, are still very effective in raising the cost structure of competitors and making them less efficient. This behavior must be strongly restrained or competition will be strangled by the bottleneck network owner.

SPRINT PROPOSAL³³

Sprint's Position concerning the availability of unbundled elements is set forth in paragraph IV of its Term Sheet, exhibit 2, and mirrors the FCC's Rules and Order as summarized above.

When technically feasible and requested by Sprint, BellSouth should route Sprint customer DA calls to Sprint DA centers.

BELLSOUTH POSITION

BellSouth does not feel it is technically feasible to route CLEC customer DA calls to the CLEC.

BellSouth has offered unbundled elements that are consistent with those BellSouth has agreed to with other parties. Although extensive, the elements are not

³³ Exhibit No. 2, Par. IV.A.1-9.

consistent with the FCC order. Furthermore, without being provided the methodology and cost studies as to how the rates were developed, Sprint must disagree in principle to BellSouth's proposal.

A. Single Point of Interconnection.

There is simply no technical reason why Sprint must interconnect at more than one point in BellSouth's local service area. BellSouth transports its traffic throughout the area and is capable of doing likewise for the Sprint.

Collocators should be allowed to interconnect in the lowest cost manner. When they have facilities in the same building, BellSouth's prohibition on interconnection of those facilities is clearly unreasonable. If interconnection of collocation areas were denied, Sprint would be forced to establish more expensive interconnection arrangements elsewhere. This would needlessly raise market entry costs and adversely and improperly affect competition.

SPRINT PROPOSAL³⁴

Sprint may designate at least one Point of Interconnection ("POI") on BellSouth's network within an BellSouth's calling area for the purpose of routing local traffic. Interexchange traffic may be routed via one POI per LATA. Sprint has the responsibility for providing its own facilities (1) to route calls originating on its network and terminating on BellSouth's network to its POI, and (2) to route calls originating on BellSouth's network, but terminating on its network from that carrier's POI. Sprint need not interconnect at each tandem or end office to terminate calls to the entire local calling or toll call area of BellSouth.

³⁴ Exhibit No. 2, Par. II.B.1.

BELLSOUTH POSITION

BellSouth requires CLECs to interconnect at each tandem. Each of the access tandems has a finite set of end offices that home on that tandem per the Local Exchange Routing Guide (LERG). In order for an interconnector to terminate traffic to one of those end offices, the traffic must be delivered to that access tandem.

B. Meet Point Billing and Construction of Meet Point Facilities.

The incumbent local exchange carriers operating in an area have traditionally interconnected either through collocation arrangements or through "mid span meets" of their cable facilities.³⁵ When access charges are applied, meet point billing takes place.

The issues involved in meet point billing and construction of meet point facilities involve the responsibility of BellSouth to construct its fair share of facilities involved in interconnecting the networks of Sprint and itself. Sprint has proposed that BellSouth be responsible for 50 percent of the construction of meet point facilities up to its company boundary. BellSouth has refused any meet point arrangements.

FCC Rule 51.321 defines "meet point interconnection arrangements" as one of those that are "technically feasible" and thus required. The FCC stated "the creation of meet point arrangements may require some build out of facilities by the incumbent LEC" whereby "each party pays its portion of the costs to build out the facilities to the meet point." However, the FCC only applied this arrangement "for interconnection pursuant to Sec. 251(c)(2) but not for unbundled access under Sec. 251(c)(3)." The FCC, however declined to adopt specific length of build guidelines, leaving this up to this Commission to determine what would constitute a "reasonable accommodation of interconnection."³⁶

Sprint believes that its meet point interconnection proposal, with its shared build out requirement, meets the "reasonable accommodation of interconnection" test.

³⁵ First Report and Order ¶553

³⁶ Id.

SPRINT PROPOSAL³⁷

As required by the 96-98 Order, Sprint's POIs may be at any technically feasible point within the ILEC network, including, but not limited to: tandem switches, end office switches or other wire centers. Collocation is not a requirement for establishing a POI. POIs can be established via meetpoint, collocation or other mutually agreed to methods, subject only to the limitation of technical feasibility.

BELLSOUTH POSITION

BellSouth does not agree to utilize mid-span or mid-air meets. Points of interconnection and collocation must comport with minimum standards of technical feasibility definition regarding network reliability and security. Certain interconnection points, such as cross-boxes, could not be sufficiently reinforced to prevent intentional or unintentional damage by a CLEC's personnel or agents. Point of interconnection and collocation must compare with minimum standards of technical feasibility regarding network evolution. Such evolution would consider, for example, types and brands of equipment. Certain forms of interconnection, such as mid-span or mid-air meets could require the incumbent LEC to install and maintain a myriad of equipment configurations, brands and vintages which could be very costly and inefficient.

C. Multiple Trunk Groups.

The types of traffic that can be combined on a trunk and whether those trunks can carry two-way traffic has been a significant issue of contention. Multiple trunk groups clearly increase costs and are less efficient than two-way trunk groups that carry multijurisdictional traffic. The FCC concluded that, where technically feasible, an incumbent LEC must accommodate two-way trunking upon request, and that refusing to provide two-way trunking raises costs to new entrants and creates a barrier to entry.³⁸

The FCC also concluded that incumbent LECs must provide interconnection for the purposes of transmitting and routing telephone exchange traffic or exchange access or

³⁷ Exhibit No. 2, Par. II.B.2.

³⁸ ¶219

both.³⁹ While the company may lack the ability to measure the jurisdiction of all terminating traffic over a combined service trunk group, Sprint with Local Measured Service ("LMS") capability in its office, can provide such measurements. Further, it has been common practice for neighboring ILECs to bill based on measurements from the sending company. Based on this reality, and the availability of reasonable audit privileges, combined trunk groups utilizing either percent usage factor billing or sending company measurement are reasonable and should be allowed.

SPRINT PROPOSAL⁴⁰

BellSouth should not impose any restrictions on traffic types delivered to/from the POI(s) but may require the development and reporting of a jurisdictional usage factor indicating local, intrastate interexchange, and interstate interexchange usage along with reasonable audit rights or Sprint may report its actual usage. BellSouth and Sprint shall each have reasonable audit rights.

Trunking should be available to any switching center designated by either carrier including end offices, local tandems, access tandems, 911 routing switches, directory assistance/operator services switches, or any other feasible point in the network. Two-way trunking should be used where technically feasible.

Local, intraLATA toll, interLATA access and other traffic should not be required to be separated across trunk groups without good technical reason. BellSouth should accept percentage of use factors or Sprint traffic measurements of traffic delivered to BellSouth. Sprint should accept BellSouth percentage of use factors or BellSouth traffic measurements of traffic delivered to Sprint. Reasonable audit rights shall be granted each party.

BELLSOUTH POSITION

BellSouth does not agree to combine local, intraLATA toll, interLATA access and other traffic on the same trunk groups.

³⁹ ¶185

⁴⁰ Exhibit No., 2, Par. II.B.5; II.D.1; II.D.2;

BellSouth opposes passing wireless traffic through the same POI. Compensation arrangements are different for wireless traffic. Therefore, the traffic should be separated.

BellSouth does not agree to the use of two-way trunks for exchange of local and intraLATA traffic. The one-way trunk groups established for the mutual exchange of local and intraLATA traffic are required to distinctly and accurately record and bill the access and terminating usage. In order to maintain flexibility for various compensation and billing exchange arrangements, it is imperative that these recordings be available. There are also cost considerations and potential administrative difficulties associated with two-way trunks. Two-way shared arrangements are much more labor-intensive and costly to maintain than one-way trunking arrangements. BellSouth does not have a problem with interLATA toll. It may be possible to move to two-way in the future with language in the contract to that effect if required by regulatory authorities.

III. OPERATIONAL PARITY.

Consumers of local telephone service will judge the quality of their local service provider in terms of not only technical circuit quality (e.g., does a call go through quickly with good quality sound) but also in terms of ease to do business with and speed of installation and repair. BellSouth, as the supplier of wholesale services, unbundled elements and interconnection is the quality bottleneck that will affect whether Sprint can meet customer quality expectations. BellSouth has a natural incentive to deny operational parity to Sprint so that retail customers will have no incentive to migrate to Sprint service.

The FCC recognized the bottleneck over operations support systems that incumbent LECs possess. In response, operations support systems were declared unbundled elements and electronic interfaces were required so that CLECs could operate at parity with BellSouth's.⁴¹

Operational parity issues arise in the context of access to pre-ordering, ordering,

⁴¹ First Report and Order ¶516

repair, billing, branding and preferential dialing systems and arrangements. Central to the issue of operational parity is the availability of operations support systems and the information contained within those systems via an efficient electronic interface. Unless current customer record information is available to Sprint during the initial customers contact for service, Sprint will be penalized in both the customer service process and the timeline/resource requirements to complete an accurate customer service request.

This difference in quality will be noticed by customers. For example, the continued use of N11 dialing will encourage end-users to continue current discriminatory dialing patterns. If a Sprint customer dials N11 and reaches a BellSouth representative they may be encouraged to return to BellSouth for service. Further, Sprint believes N11 dialing gives BellSouth a marketing opportunity for win backs, a simpler, more customer friendly dialing process for telephone services, and increases opportunities for customer confusion as well as increased delays in service restoration due to misdirected calls. N11 should either be available to all competitors with no restrictions, or discontinued for all.

The Act, in Sec. 251(c)(2)(C) clearly imposes upon the individual ILEC, "the duty to provide, facilities and equipment that is at least equal in quality to that provided by the local exchange carrier to itself or to any subsidiary, affiliate, or any other party to which the carrier provides interconnection..."

As part of the FCC's implementation of the Act, the FCC concluded that operations support systems and the information they contain are included within the definition of "network element" and must be unbundled upon request under Sec. 251(c)(3). The FCC noted that these systems determine, in large part, the speed and efficiency with which incumbent LECs can market, order, provision and maintain telecommunications services and facilities. The FCC made a finding that it is absolutely necessary for competitive carriers to have access to operations support systems functions in order to successfully enter the local service market. The FCC went on to conclude that in order to comply fully with Sec. 251(c)(3) of the Act, an incumbent LEC must provide, upon request, nondiscriminatory access to operations support systems functions for pre-ordering, ordering, provisioning, maintenance and repair and billing of unbundled network elements under Sec. 251(C)(3) and resold services under Sec. 251(c)(4). The

order went on to direct incumbent LEC's that currently do not comply with the requirements of Sec. 251(C)(3) to do so as expeditiously as possible, "but in any event no later than January 1, 1997." ⁴²

It is crucial that Sprint's operations not be negatively impacted by the delays/holding of service order requests and trouble reporting that Sprint would experience caused by BellSouth's processes and systems that are not available in a timely manner. Sprint repair representatives should have the same access to scheduling systems as BellSouth representatives to schedule BellSouth repair of resold and unbundled element service. Sprint should have the same access to BellSouth service ordering systems for ordering resold and unbundled BellSouth service as BellSouth sales/service representatives. Sprint services should be branded as "Sprint" to the public, not branded as "BellSouth". When a customer moves from BellSouth to Sprint and desires to configure service in the same manner as before, the information on what services the customer had should transfer to Sprint.

When BellSouth has an electronic ordering and support system, Sprint should interface electronically and seamlessly with that system. Service delays built on manual process must be eliminated. BellSouth marketing and sales personnel should not have advance notice of network changes while competitors using the same network are denied information and disadvantaged.

SPRINT PROPOSAL⁴³

When necessary and available, Sprint requires the "real time" ability to schedule installation appointments with the customer on-line and access to the ILEC's schedule availability.

BellSouth should provide "real time" response for: firm order confirmation, due date availability/scheduling, dispatch required or not, identity of line option availability

⁴² First Report and Order ¶516

⁴³ Exhibit No. 2; Par. III.A.10; III.A.11; III.A.12; III.B.2; III.B.4; III.C.2; III.C.a,b,c,d; III.D.2,8; III.E.9,10; III.F.3,4,7; VIII.A.3; XII.A.2; XIV.D.3,4

by LSO (such as Digital Copper, Copper Analog, ISDN, etc.), order completion with all service order and time and cost related fees, rejections/errors on service order data element(s), jeopardy against the due date, missed appointments, additional order charges (construction charges), order status, validation of street address detail, and electronic notification of the local line options that were provisioned, at the time of order completion, by the ILEC for all Sprint local customers. This applies to all types of service orders and all elements

At all times, BellSouth should direct customers to Sprint for inquiries or actions concerning their Sprint service. BellSouth should either migrate from N11 dialing to its business office and repair centers to seven digit numbers or 800 numbers so that Sprint customers have dialing parity to similar centers or BellSouth should make N11 dialing available so that Sprint customers are directed to Sprint.

Within 48 hours of any disconnect, BellSouth should notify Sprint of the disconnect of any Sprint unbundled element/combination/service.

BellSouth should provide the ability for Sprint to mechanize test or will test all elements/combinations.

BellSouth and Sprint shall develop a process for the management of misdirected service calls, to be used to refer/transfer calls from customers to Sprint for action. N11 dialing to BellSouth repair centers should be discontinued, or N11 call routing to the appropriate carrier should be available.

Sprint must have read and write access to the ILEC's maintenance and trouble report systems including the following systems and/or functionality:

- a. Trouble reporting/dispatch capability - access must be real time;
- b. Repair status/confirmations; maintenance/trouble report systems;
- c. Planned/unplanned outage reports; and.
- d. Mechanized line testing.

Meet point billing arrangements should be made available to Sprint on the same terms and conditions as made available to other independent LECs engaged in meet point

billing arrangements with BellSouth. No discrete development changes to Sprint for meetpoint billing arrangements.

Sprint and BellSouth should agree to capture EMR records for inward terminating and outward originating calls and send them to BellSouth or Sprint, as appropriate, in daily files via an agreed upon media (e.g., Network Data Movers ("NDM")), at no additional charge.

Sprint and BellSouth must agree upon a mechanism whereby BellSouth will improve performance when it is in breach of any commission imposed or agreed upon quality-of-service standards. BellSouth shall indemnify Sprint for any forfeitures or civil penalties or other regulator-imposed fines caused by BellSouth's failure to meet commission imposed service standards or agreed to service standards.

Sprint must be at parity with BellSouth (or its affiliates or third parties) in provision of unbundled elements. This must, at a minimum, include:

- a. . Switch features at parity;
- b. Treatment during overflow/congestion conditions at parity;
- c. Equipment/interface protection at parity;
- d. Power redundancy at parity;
- e. Sufficient spare facilities to ensure provisioning, repair,
performance, and availability at parity;
- f. Standard interfaces; and
- g. Real time access to integrated test functionality

BellSouth must provide and update an electronic copy of their switch Network ID Database including a complete list of features/functions by switch, NPA/NXXs, rate centers, etc.

BellSouth must provide a list/description of all services and features with availability down to street address detail, including: Type of Class 5 Switch by CLLI, line features availability by LSO, and service and capacity availability by LSO. Sprint

further requires a complete layout of the data elements that will be required to provision all such services and features.

Parity with BellSouth regarding knowledge of any engineering changes associated with its network elements and deployment of new technologies is required. Sprint shall receive notice of the availability of new features (e.g. both BellSouth and Sprint should be notified that a BellSouth switch is now capable of offering a given feature or service or that a hybrid fiber/coaxial network is replacing copper loops in a given area) at the same time so that BellSouth and Sprint marketing personnel have parity in network information availability.

BellSouth shall provide operator service deliverables to include the following:

- a. Local call completion - 0+ and 0-, billed to Calling Cards, collect and third Party.
- b. Billable - Time and Charges, Etc.

Any end-user should be able to access Sprint network for services using the same dialing protocol that the end-user would use to access the same service on the BellSouth network, (e.g., intraLATA toll, operator assisted, directory assistance, and N11).

BellSouth shall provide confirmation of the installation/change activity to Sprint via an initial Firm Order Confirmation ("FOC") and positive completion of order activity. Sprint requires an "As Is" process when customers are migrating from BellSouth to Sprint at the same location. On migration type orders the FOC should contain all services/features currently being provided by BellSouth and those services/features being migrated to Sprint. On new installation/change orders the FOC should verify all services/features ordered by Sprint. A positive completion delineating all the services installed and those not installed should be sent to Sprint upon actual completion within 24 hours of Order completion. This will ensure proper billing to end-user customers for services provided.

Once Sprint has obtained a customer, BellSouth shall provide in pre-ordering and ordering phases of processing the Sprint order, the BellSouth regulated local features/products/services/elements/combinations that were previously provisioned by BellSouth for all affected Sprint local customers. This applies to all types of local service

orders and all elements. Sprint requires that BellSouth provide any customer status which qualifies the customer for a special service (e.g. DA exempt, lifeline, etc.)

BELLSOUTH POSITION

It is recognized that BellSouth is developing an electronic interface that is scheduled to be available the first or second quarter of 1997. It is also recognized that it is BellSouth's intent to provide Sprint's customers the same average intervals as BellSouth provides its own customers. However, without an operating interface and data to compare, Sprint cannot agree the interface will meet Sprint's requirements.

BellSouth intends to have an interactive electronic interface available the first or second quarter of 1997. Access will be via dial-up, LAN-to-LAN, or through the Internet. It is not possible to determine if this interface will meet the criteria "parity" standard. BellSouth has indicated that it cannot agree to real time order response to rejection/errors, jeopardy on due date, missed appointment or additional order charges.

BellSouth uses 611 for repair and feels it is not practical to modify the current process to accommodate Sprint. If a Sprint customer calls BellSouth, BellSouth will direct them to Sprint.

BellSouth will use a mechanized letter to notify Sprint of disconnects. Demonstrated success is required to determine if this process will meet Sprint's expectations.

Sprint initiated mechanized line testing is not provided. A trouble report initiates the test. Sprint will have access to the results of the test through the electronic interface being proposed by BellSouth. In addition, "other" status information is available and Sprint will be able to request line tests. It is not possible to determine if this meets Sprint's requirements until acceptable response times are demonstrated.

BellSouth does utilize N11 dialing. BellSouth will answer as BellSouth, enter the appropriate working telephone number (WTN) to determine who the customer belongs to and then refer the customer to Sprint or the appropriate CLEC.

Interactive interfaces are under development and will be available during the first quarter of 1997. It is not possible to determine if these interfaces will meet Sprint's requirements until they are operational and fully tested.

BellSouth does not want to provide meet point arrangements for CLECs. BellSouth is planning to treat CLECs and connecting companies the same and will renegotiate connecting company agreements.

BellSouth will provide usage data for billable calls, but not call attempts for resale or unbundled. BellSouth does record some call attempts for access billing purposes. These are not sent to CRIS, the billing system for resale call detail records. BellSouth does not want to provide anything other than billable records contained in CRIS because it would be burdensome. In addition, daily usage detail is an optional service with a charge of \$0.005 per message. It is assumed this charge is not based on TELRIC.

BellSouth has suggested "at parity" be removed from each item and change item a to read "features, capabilities and/or functionality". It cannot be determined if real time access to integrated test functionality is available until it is demonstrated.

BellSouth will provide an electronic interface to its PSIMS database first quarter of 1997. This interface is to provide the information requested by Sprint. The exception is the availability of rate center information. This interface is to be available end of first quarter 1997. Complete agreement cannot be reached until the actual functionality is demonstrated.

BellSouth will provide an electronic interface to its PSIMS data base first quarter of 1997. Feature availability at street address level is not possible through a mechanized process.

BellSouth is concerned about modifying or developing a process to notify Sprint of changes in the same time frame as BellSouth notifies its internal recipients. BellSouth has proposed two potential modifications to the current term sheet language. The first would in effect only require BellSouth to notify Sprint of changes affecting Sprint's network. The second would be to eliminate the issue of parity between notification of Sprint and BellSouth marketing personnel of network information availability. Neither proposal is acceptable to Sprint.

BellSouth cannot quote time and charges.

BellSouth does not agree it is technically feasible to provide dialing parity for all services identified, N11, DA or operator.

It has not been determined specifically what will be provided on the FOC and the timeliness of the FOC.

BellSouth will not provide CSR information in the "preordering" data. CSR information is considered PNI and should not be provided until after an order has been placed.

IV. Branding.

Branding issues appear in several contexts in the relationship between Sprint and its customer. To the extent that BellSouth is involved as an underlying supplier to Sprint, branding issues arise. Sprint believes that its customers should deal with Sprint and should know that Sprint is the company they pay for services when service is rendered. Further, when BellSouth is acting as a supplier to Sprint but appears on a Sprint customer's premises to work on a Sprint service request, marketing in the name of BellSouth should not occur.

The branding issues arise in the context of directory presentation, publishing and billing, premises repair and installation, directory assistance, operator services, services such as automated call trace, and N11 dialing.

The FCC has addressed branding concerns in the context of operator services and directory assistance. The FCC "noted that branding plays a significant role in markets where competing providers are reselling" the services of the incumbent. The FCC concluded that , "Continued use of the providing LEC's brand with a competing provider's customers clearly advantages the providing LEC." As a result, the FCC stated that "a providing LEC's failure to comply with the reasonable, technically feasible request of a competing provider for the providing LEC to rebrand operator services in the competing provider's name, or to remove the providing LEC's brand name, creates a presumption" that LECs such as BellSouth are "unlawfully restricting access to these

services by competing providers.”⁴⁴ The FCC dealt with directory assistance branding in a similar manner.⁴⁵

The Act also restricts marketing activities to Sprint customers when BellSouth is providing service to Sprint. For operator services, directory assistance, other resold services such as automated call trace, repair and installation, Sprint is the customer. BellSouth is receiving access to Sprint customer information in its role as a contractor to Sprint. In the Act, Sec. 222, Sprint and Sprint’s customers CPNI is protected against use by BellSouth for marketing purposes by BellSouth. Applying the brand name of BellSouth to either premises visits or calls by Sprint customers when Sprint is the retail service provider is a clear misuse of Sprint’s and its customers CPNI for marketing purposes by BellSouth. What better method of inappropriate BellSouth target marketing to Sprint customers could be devised than branding Sprint’s retail customer calls with the BellSouth brand? Misuse of Sprint’s or its customers CPNI in the form of customer address or identity of caller is only possible because BellSouth is the telecommunications supplier to Sprint.

In the directory context, Sprint requests that its customers receive either a bill from the directory publisher or from Sprint as an agent of the directory publisher for white and yellow page advertising. Sprint believes that it is patently unfair competition for BellSouth to bill Sprint customers for advertising. Arguably, the CPNI restrictions in the Sec. 222 of the Act prohibit BellSouth from billing in its name, with the benefit of presenting its marketing messages through targeted “win back” messages and other BellSouth branding. Directory billing information is a basic telecommunications service related function, and as such, the protected information should not flow to the BellSouth for this marketing purposes. To protect against this marketing issue, the BellSouth brand must be removed for fair competition to take place.

Sprint believes that the general non-discrimination requirements of the Communications Act of 1934, as amended, where Sec. 202(a) states that it is “unlawful

⁴⁴ CC Docket No. 96-98 et al., Implementation of the Local Competition Provisions of the Telecommunications Act 1996, Second Report and Order and Memorandum Opinion and Order, Released August 8, 1996 (FCC 96-335) (“Second Report and Order”), ¶128.

⁴⁵ *Id.* ¶148

for any common carrier to make any unjust or unreasonable discrimination in charges, practices,.... facilities, or services in connection with like communication service.. by any means or device, or to make or give any undue or unreasonable preference or advantage to any particular person" prohibit discriminatory branding activity. This is supported by FCC findings that services such as directory assistance and operator service must be either unbranded or branded in the name of the retail service provider when technically feasible. It is not difficult to apply the directory assistance and operator service solution of either Sprint branding or total unbranding in all contexts where BellSouth is providing service as a Sprint contractor.

SPRINT PROPOSAL⁴⁶

Sprint branded DA should be available to Sprint for resale. Sprint will pay any additional trunking costs necessary to obtain this service. If BellSouth cannot satisfy all demand for Sprint branded DA service, BellSouth must save capacity to provide an unbranded option.

BellSouth shall allow resale of Operator Services. Until such time that BellSouth may route Operator Traffic to the Operator Service provider of Sprint's choice, BellSouth resold Operator Service shall be branded Sprint and BellSouth operators shall, where technically or operationally feasible and requested by Sprint quote. Sprint's rates for both Card and Operator Services functions and shall provide service that is at least at parity for services delivered to BellSouth end-users. To the extent that separate trunk groups are needed to provide this functionality, Sprint agrees to pay the costs of necessary trunking. If BellSouth cannot meet all of the Sprint demand for branded operator services, BellSouth must save capacity to provide an unbranded option.

BELLSOUTH POSITION

⁴⁶ Exhibit No. 2; Par. VII.A.8; VIII.A.2

BellSouth will provide unbranded DA, but can't economically rebrand service. BellSouth has not purchased the necessary equipment. BellSouth feels that because it does not brand its own DA service, it should not be required to rebrand the service as Sprint.

BellSouth will not unbrand or rebrand resold operator services. BellSouth states that it is technically possible, but not economically feasible.

V. Access to Poles, Ducts, Conduits, Rights-of-way.

New entrants into local exchange telecommunications face many barriers as they enter the market, not the least of which is securing adequate rights-of-way to install facilities for their network. Inasmuch as many urban areas have limited rights-of-way to offer new entrants or seek to charge exorbitant prices for access to those right-of-way, it is essential that new entrants be able to access the existing right-of-way granted to the ILECs at reasonable rates, terms, and conditions. Without access to these rights-of-way, new entrants could easily be prevented from completing their networks by just one small, missing rights-of-way. Realizing that the ILECs would seek to prevent competitive entry by denying CLECs access to right-of-way, Congress and the FCC saw the need for such access and thus, required access to ILEC right-of-way, conduit and other similar facilities. Access to rights-of-way at reasonable rates, terms, and conditions will allow the CLECs to provide complete networks and greatly foster the development of facilities-based competition.

Sec. 251(b)(4) of the Federal Act imposes upon LECs the obligation to "afford access to poles, ducts, conduits, and rights-of-way of such Carrier to competing providers of telecommunications services on rates, terms, and conditions that are consistent with Sec. 224." Specifically, Sec. 224(f)(1) requires a utility to "provide a cable television system or telecommunications Carrier with nondiscriminatory access to any pole, duct, conduit, or right-of-way owned or controlled by it." Sec. 224(f)(2) of the Act, does allow ILECs the right to refuse access due to reasons of safety, reliability, and generally applicable engineering purposes.

The FCC opened their comments on the discussion of access to poles, ducts, and conduits by stating that utilities must generally accommodate requests for access by telecommunications carriers and cable operators strongly implying that the burden of proof rested upon the ILEC to prove sufficient reasons to deny access.⁴⁷ The FCC interpreted the Act's requirement of nondiscriminatory access to mean that the incumbent LEC may "not favor itself over other parties with respect to the provision of telecommunications or video programming services."⁴⁸ The FCC also stated that "where access is mandated, the rates, terms, and conditions of access must be uniformly applied to all telecommunications carriers and cable operators that have or seek access."⁴⁹ In regards to available capacity on any systems, the FCC specifically stated that "lack of capacity does not automatically entitle a utility to deny a request for access."⁵⁰ Rather, the FCC noted several methods of capacity expansion such as overloading, installing taller poles, and rearranging existing facilities that could accommodate a CLEC's request for access.⁵¹

In regards to reserving capacity for future use, the FCC expressly stated that the nondiscrimination clause in Sec. 224(f)(1) of the Act meant that an ILEC could not "reserve space for local exchange service to the detriment of a would-be entrant into the local exchange business"⁵² because such a policy "would favor the future needs of the ILEC over the current needs of the new LEC."

SPRINT PROPOSAL⁵³

Where facilities are available, BellSouth must provide any telecommunications carrier requesting access, including Sprint, with equal and non-discriminatory competitively neutral access to, by way of example and not limitation, any pole, pole

⁴⁷ ¶ 1123.

⁴⁸ ¶ 1157.

⁴⁹ ¶ 1156.

⁵⁰ ¶ 1162.

⁵¹ ¶ 1161.

⁵² ¶ 1170.

⁵³ Exhibit No. 2, Par. V.A.1,3; V.B.1; V.C.3

attachment, duct, conduit, and ROW on terms and conditions equal to that obtained by BellSouth. Other users of these facilities cannot interfere with the availability or use of these facilities by Sprint.

Any ILEC having poles and/or ducts on, over or under public or private property, to the extent allowed by law, must permit the use of such facilities by any other telecommunications carrier on an equal and non-discriminatory basis.

Fees related to engineering surveys for potential right-of-way use shall be based on TELRIC plus a reasonable allocation of joint and common costs to be consistent with the provisions in the Act.

BellSouth must provide information on the location of, and the availability to access conduit, poles, etc., to any telecommunications carrier requesting such information, within ten (10) working days after the request.

BELLSOUTH POSITION

BellSouth will only agree if requested facilities are not in its five (5) year forecast. This is inconsistent with the Act. Therefore, Sprint can not agree.

BellSouth believes Sprint should be responsible for any expense incurred by occupancy of Sprint without regard to TELRIC plus a reasonable allocation of joint and common costs.

BellSouth suggests a twenty (20) day interval versus Sprint's ten (10) day. In addition, field surveys will be conducted at Sprint's expense without reference to TELRIC plus a reasonable allocation of joint and common costs to be consistent with the Act.

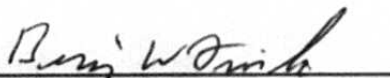
REQUESTED COMMISSION ACTION

Sprint respectfully requests that the Commission take the following action with respect to this Petition.

- A. Arbitrate the unresolved issues between Sprint and BellSouth within the time limits imposed in the Act;
- B. Issue Order requiring BellSouth to comply with all terms and conditions set out herein as **Sprint Proposal**, and as more specifically reflected in Exhibit Number 2 to this Petition;;
- C. Issue Order adopting Sprint's Interconnection and Resale Agreement as attached to this Petition as Exhibit Number 4;
- D. Retain jurisdiction of this arbitration until such time as the parties have submitted an agreement for approval to the Commission as provided by 47 U.S.C. Section 252(e); and
- E. Take such other and further action as may be deemed appropriate by the Commission.

Respectfully submitted,

Sprint Communications Company
Limited Partnership



Benjamin W. Fincher
3100 Cumberland Circle
Atlanta, Georgia 30339
(404) 649-5145

C. Everett Boyd, Jr.
Ervin, Varn, Jacobs & Ervin
305 South Gadsden Street
Tallahassee, Florida 32301
(904) 224-9135

Its Attorneys



8140 Ward Parkway
Kansas City, MO 64114
Telephone: (913) 624-6878

April 15, 1996

Ellen A. D'Amato
Vice President
State External Affairs

Mr. Joe Baker
Sales Vice President - Interconnection
BellSouth Telecommunications, Inc.
Suite 4429
675 West Peachtree Street
Atlanta, Georgia 30375

Dear Joe:

Pursuant to Section 252 of the Telecommunications Act of 1996, Sprint Communications Company L.P. ("Sprint") hereby confirms that as of March 11, 1996, it entered into negotiations with BellSouth for interconnection to enable Sprint to provide local service in BellSouth's nine-state region. Although any agreement entered into will have to be filed and approved in each of the nine states, Sprint believes regional negotiations will be the most efficient.

For the present time, Tony Key, Director of State Regulatory for Sprint at 3100 Cumberland Circle, Atlanta, Georgia 30339, (404-649-5144) is the Sprint point of contact.

Sprint looks forward to entering into a fair and reasonable interconnection agreement with BellSouth in accordance with the requirements of Telecommunications Act.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Ellen".

Ellen A. D'Amato

cc: Carol Jarman
Tony Key
George Head



Robert C. Lippman
Senior Attorney

VIA by FAX and Airborne Express

External Affairs
RMO World Partnership
Kansas City, MO 64111
Telephone: (816) 434-4432

July 23, 1996

Ms. Mary Jo Feed, Esq.
BellSouth
4300 BellSouth Center
675 West Peach Tree Street
Atlanta, Georgia 30375

Dear Ms. Feed:

Pursuant to my voice mail from Jerry Hendrix, InterConnection Services Pricing Manager for BellSouth, it is my understanding that BellSouth has no objection to April 15, 1996, being utilized as date negotiations commenced for purposes of Sec. 252(a) of the Telecommunications Act of 1996 ("the Act").

As you may recall, Ellen D'Amato of Sprint, sent a letter on April 15, 1996, to Joe Baker of BellSouth. The text of the letter indicated that Sprint had entered into interconnection negotiations with BellSouth as contemplated by the Act as of March 11, 1996. Sec. 252(b)(1) of the Act states that a state commission can be brought in as an arbitrator any time between the 135th and 150th day after the date negotiations commence. This would place the window for either Sprint or BellSouth to seek state commission intervention at an arbitrator from July 24 to August 21.

As BellSouth is aware, several meetings between the parties occurred between March and June; however, the parties conducted their first formal negotiation session on July 12, 1996. Conference calls are scheduled on July 25 and 26 to continue the negotiations on interconnection and resale issues.

Mary Jo Reed
July 23, 1996
Page Two

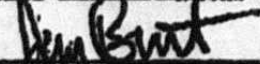
Sprint believes that there are many areas of agreement and that significant progress can be made between the parties. By utilizing the April 15, 1996 date as the commencement of negotiations, the window for seeking state intervention as an arbiter is extended 34 days. Sprint and/or BellSouth could seek state commission intervention as an arbiter between August 28 and September 23, 1996.

Please do not hesitate to call us if you have any questions. We would appreciate you confirming in writing at the bottom of this letter and faxing back BellSouth's concurrence. My fax number is (815) 624-8504. It is Sprint's hope that significant progress can be made and the issues to be taken to arbitration minimized with this extension.

Very truly yours,

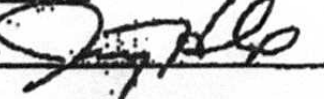

Rachel C. Lippman
Senior Attorney

Sprint Communications Company L.P.

By 
Jim Burt
Director - Local Market Development

Dated 7/23/96

BellSouth

By 

Dated 7/24/96

RCL:lan
Enclosures

cc: Jerry Hendrix - BellSouth
Carol Garman - BellSouth
Jim Burt - Sprint
Ellen D'Amato - Sprint
George Head - Sprint
Tony Key - Sprint



**SPRINT TERMS FOR
LEC/CLEC
INTERCONNECTION AND
OTHER AGREEMENTS**

**INTERCONNECTION, UNBUNDLING, RESALE,
ANCILLARY SERVICES, AND ASSOCIATED
ARRANGEMENTS**

SEPTEMBER 16, 1996

I. GENERAL

- A. A master services agreement must be developed providing for all interconnection and electronic bonding. New contracts shall not be required as additional Points Of Interconnection ("POIs") are established, additional collocation arrangements are created, or additional electronic systems pass data to one another. Rather, schedules to the master services agreement detailing the inventory of POIs and other items subject to the master services agreement shall be updated.
- B. As required by the FCC's Order in Docket No. 96-98 ("the 96-98 Order"), any price, term and/or condition offered to any carrier by ILEC shall be made available to Sprint Communications Company ("Sprint") on a most favored nation's ("MFN") basis and ILEC shall immediately notify Sprint of the existence of such better prices and/or terms and make the same available to Sprint effective on the date the better price and/or term became available to the other carrier. The MFN shall apply to any unbundled element or service (e.g. directory assistance, basic residential service, intraLATA toll, Centrex, call waiting). Exceptions to the general availability of MFN should be very limited and include only volume discounts that reflect only cost savings, term discounts, significant differences in operations support (e.g. unbundled loops with maintenance as compared to unbundled loops without maintenance or unbundled loops conditioned for data as compared to voice grade loops), and technical feasibility (e.g. local switching must be purchased to receive vertical features supported by the switch). If a state commission issues an Order setting price for all carriers, then this Agreement shall reflect this price as long as that is the only price offered by ILEC. If geographic zones are not uniform as applied to all carriers, Sprint may choose the lowest price available from the ILEC for the each specific area being served by Sprint.
- C. As required by the 96-98 Order, ILEC must geographically deaverage it's cost-based unbundled elements. However, geographic deaveraging must be accomplished in a manner such as Zone Density by office and not on specific routes or capacity dedicated to individual carriers. Deaveraging should reflect cost differences due to transmission facility size on ILEC facilities and on such facilities the price to each interconnecting carrier shall be equal per unit of traffic thus sharing the economies of scale equally with each interconnecting carrier. (e.g., a LEC could establish loop prices reflecting underlying cost differences, but the price per loop to a customer location should not vary by volume purchased by an individual carrier.)
- D. ILEC will not charge Sprint any non-recurring charges incurred as a result of ILEC implementing network redesigns/reconfigurations or electronic system redesign/reconfigurations initiated by the ILEC to its own network or systems. However, any redesign or reconfiguration expenses required by a regulatory body

where the regulatory body establishes a cost-sharing arrangement may be billed on an appropriate non-discriminatory basis to Sprint.

- E. ILEC shall not discriminate against Sprint or Sprint customers and shall provide parity treatment (as compared to its own end-users or other carriers) to Sprint and Sprint customers in all regards to (by way of example and not limited to) ordering, provisioning, maintenance, call completion, pricing, numbering, restoration, directory listing, data protection, service availability, signaling, interconnection, and compensation.
- F. ILEC shall protect Sprint CPNI and the CPNI of Sprint customers, including non-pub/non-list information, and shall not use this information for its own or other marketing purposes. ILEC shall not seek releases from Sprint customers for use of Sprint CPNI, as compared to customer CPNI which is subject to customer authorized release, (e.g. Sprint interexchange billings performed by ILEC on behalf of Sprint).
- G. ILEC and Sprint shall negotiate implementation time frames for and work cooperatively to provide all requirements where current system capabilities are limited and/or additional development or hardware deployment is required before the requirement may be met.

II. INTERCONNECTION

- A. **GENERAL REQUIREMENTS.** The ILEC shall interconnect its facilities with those of Sprint upon bona fide request at any technically feasible points within the ILEC's network that Sprint desires at rates, terms and prices that are just, reasonable and non-discriminatory, via physical or virtual collocation when requested, in a timely manner, and in a manner that provides Sprint with at least interconnection quality equal to that which the ILEC provides to itself, its affiliate or third parties.
- B. **POINT OF INTERCONNECTION.**
 - 1. Sprint may designate at least one POI on the ILEC's network within an ILEC calling area for the purpose of routing local traffic. Interexchange traffic may be routed via one POI per LATA. Sprint has the responsibility for providing its own facilities (1) to route calls originating on its network and terminating on the ILEC's network to its POI, and (2) to route calls originating on the ILEC's network, but terminating on its network from that carrier's POI. Sprint need not interconnect at each tandem or end office to terminate calls to the entire local calling or toll call area of the ILEC.

2. As required by the 96-98 Order, Sprint's POIs may be at any technically feasible point within the ILEC network, including, but not limited to: tandem switches, end office switches or other wire centers. Collocation is not a requirement for establishing a POI. POIs can be established via meetpoint, collocation or other mutually agreed to methods, subject only to the limitation of technical feasibility.

3. ILEC and Sprint agree to install sufficient facilities to carry traffic (1) to route calls originating on their networks and terminating on Sprint's network to its POI, and (2) to route calls originating on Sprint's network, but terminating on its network from Sprint's POI, and will work cooperatively to ensure such.

4. ILEC shall be responsible for provisioning 50% of the interconnection facilities or to the ILEC wire center boundary, whichever is less. Sprint shall be responsible for provisioning 50% of the interconnection facilities or to the ILEC wire center boundary whichever is greater.

5. ILEC may not impose any restrictions on traffic types delivered to/from the POI(s) but may require the development and reporting of a jurisdictional usage factor indicating local, intrastate interexchange, and interstate interexchange usage along with reasonable audit rights or Sprint may report its actual usage. ILEC and Sprint shall each have reasonable audit rights.

6. Sprint may make any modifications or additions to its designated POIs in order to add capacity or establish new POIs. Such changes should not require a new contract, but should be covered by the master service agreement.

7. Once traffic is delivered to the POI, it is the terminating carrier's responsibility to terminate the traffic to its end-users or to route transit traffic to Sprint utilizing the tandem function of Sprint, (e.g., subtending ILECs, CMRS carriers and IXC's). Calls should be routed or terminated using the same network, ensuring the same quality of service, as Sprint provides its own end-users. Tandem and transport cost, if any, between tandem and end office shall be recovered from the originating carrier.

C. COLLOCATION.

1. When interconnection or access to unbundled elements is provided where collocation is utilized, Sprint must be allowed to lease transport from the collocation facility to any other point on ILEC network and to directly connect via ILEC facilities with other collocators.

2. Sprint collocation equipment must include any equipment used for interconnection or access to unbundled elements. FCC Rules 51.323.

3. The ILEC should generally meet a minimum 90-day interval for establishing new collocation arrangements. A full explanation of required delays past 90-days for installation of new collocation arrangements must be provided by ILEC.

4. **COMPENSATION.** The cost of providing collocation shall be at TELRIC plus a forward-looking allocation of reasonable joint and common costs, but in the absence of a cost study the interim price shall be set, subject to that under investigation in CC Docket 91-141 Expanded Interconnection.

D. TRUNKING.

1. Trunking should be available to any switching center designated by either carrier including end offices, local tandems, access tandems, 911 routing switches, directory assistance/operator services switches, or any other feasible point in the network. Two-way trunking should be used where technically feasible.

2. Local, intraLATA toll, interLATA access and other traffic should not be required to be separated across trunk groups without good technical reason. ILEC should accept percentage of use factors or Sprint traffic measurements of traffic delivered to ILEC. Sprint should accept ILEC percentage of use factors or ILEC traffic measurements of traffic delivered to Sprint. Reasonable audit rights shall be granted each party.

3. Sprint should offer B8ZS Extended Super Frame ("ESF") facilities, where technically feasible, to each other, and make these facilities available to allow for transmission of voice and data traffic.

4. Interconnection should be available at any technically feasible point that is used in the transmission of voice, data or other types of traffic.

E. TRAFFIC TYPES.

1. ILECs should provide the necessary facilities and equipment to allow for the exchange of Local Exchange, Exchange Access, Transit functions (the ILEC must provide intermediary tandem switching and transport services for Sprint's connection of its end-user to a local end-user of the ILEC served by a distant local switch, other CLECs, ITCs, CMRS providers and IXC's), and Other Services (the ILEC must provide connection and call routing for 911, directory assistance, and operator assistance services) between the ILEC and Sprint.

F. SIGNALING.

1. Where available, the ILEC shall provide and implement all defined and supported Sprint Signaling System 7 ("SS7") mandatory parameters as well as procedures that are defined in the ANSI standards. When available for its own use, the ILEC shall also provide all defined and supported optional parameters.

2. Sprint shall have the option for Multi-frequency ("MF") signaling, but only when either party does not have the technical capacity to provide SS7 facilities.

3. To the extent available in its network, the ILEC shall provide CIP (CIC within the SS7 call set-up signaling protocol). Sprint presumes there is no incremental recurring cost associated with this request and believes no charge is appropriate. If, after performing a TELRIC study, incremental costs are identified, Sprint will pay those costs for delivery of this information to Sprint. If chargeable, Sprint will likewise perform a cost study to identify this cost when it provides this information to ILEC and shall charge ILEC in a similar manner. At the option of Sprint, the ILEC must provide SS7 functionality via GR-394 SS7 format and/or GR-317 SS7 format.

4. The ILEC must support inter-company 64 KBPS clear channel.

5. Sprint will cooperate in the exchange of TCAP messages to facilitate full inter-operability of SS7 - based features between their representative networks, including all CLASS features and functions, to the extent each carrier offers such features and functions to its own end-users.

6. Inter-network connection and protocol must be based on industry standards developed through a competitively neutral process, consistent with Section 256 of the Federal Telecommunications Act of 1996, open to all companies for participation. All carriers must adhere to the standard.

7. The standards and ILEC-developed requirements/specifications for the ILEC network-user interface must be compatible with the network-network interface utilized between the ILEC and Sprint. Specifically, the ILEC should not develop products and services with proprietary network interfaces that inhibit or restrict the ability of Sprint to utilize the product or service in the provisioning of Sprints' services.

III. BUSINESS PROCESS

A. **ORDER PROCESSING.** The ILEC and Sprint will work cooperatively to provide or establish the following:

1. The ILECs should establish dedicated CLEC ordering centers.
2. Industry standardized electronic interfaces for the exchange of ordering information must be adopted and made available using industry standard order formats and methods that are developed, (e.g. EDI). Electronic Data Interfaces ("EDI") should be established to provide access to the ILEC order processing database. Prior to industry standards being established, ILEC shall develop interim electronic interface arrangements with their systems.
3. The ILEC is responsible for ordering facilities to terminate traffic to Sprint.
4. When two-way trunking is employed, the parties will select a mutually agreeable automated ordering process.
5. Appropriate ordering/provisioning codes should be established for each identified service and unbundled combination.
6. When combinations are ordered where the elements are currently interconnected and functional, those elements will remain interconnected and functional without any unnecessary interruption in service.
7. When Sprint purchases switching capabilities from ILEC, until such time as numbering is administered by a third party, Sprint requires the ability to obtain telephone numbers on-line from the ILEC, and to assign these numbers with the Sprint customer on-line. This includes vanity numbers. Reservation and aging of numbers remain the responsibility of the ILEC. Until such time as electronic access to numbering resources is available, ILEC shall pre-assign blocks of numbers in sufficient quantity to meet the needs of Sprint.
8. When purchasing switching capabilities, Sprint requires the ability to order all features on that switch (e.g., calling block of 900, 976, or 976-like calls by line or trunk on an individual case basis) and ILEC shall provide high usage reports to Sprint as needed, so that Sprint may provide any regulatory-required or currently available to ILEC high usage reports to its end-users. Examples of high usage reports include those used with toll-cap service and fraud detection where customer service is suspended when usage reaches a certain level.
9. Sprint and the ILEC will adopt an industry standard service order/disconnect order format.

10. When necessary and available, Sprint requires the "real time" ability to schedule installation appointments with the customer on-line and access to the ILEC's schedule availability.

11. ILEC should provide "real-time" response for: firm order confirmation, due date availability/scheduling, dispatch required or not, identity of line option availability by LSO (such as Digital Copper, Copper Analog, ISDN, etc.), order completion with all service order and time and cost related fees, rejections/errors on service order data element(s), jeopardy against the due date, missed appointments, additional order charges (construction charges), order status, validation of street address detail, and electronic notification of the local line options that were provisioned, at the time of order completion, by the ILEC for all Sprint local customers. This applies to all types of service orders and all elements.

12. At all times, the ILEC will direct customer to Sprint for inquiries or actions concerning their Sprint service. ILEC should either migrate from N11 dialing to its business office and repair centers to seven digit numbers or 800 numbers so that Sprint customers have dialing parity to similar centers or ILEC should make N11 dialing available so that Sprint customers are directed to Sprint.

B. PROVISIONING & INSTALLATION.

1. The ILEC will provide all test and turn-up procedures in support of the unbundled elements/combinations/services ordered by Sprint.

2. Within 48 hours of any disconnect, the ILEC will notify Sprint of the disconnect of any Sprint unbundled element/combination/service.

3. All notices, invoices, and documentation provided on behalf of Sprint to the customer at the customer's premises by the ILEC's field personnel shall either be branded Sprint or non-branded. ILEC shall not market its services during such calls thereby misusing CPNI from Sprint. Sprint will provide or pay for notices used in its behalf.

4. ILEC shall provide the ability for Sprint to mechanize test or will test all elements/combinations.

5. ILEC will provide a system to mark Sprint emergency and trunking circuits and elements.

C. TROUBLE RESOLUTION, MAINTENANCE, CUSTOMER CARE.

1. ILEC must work toward dedicated service centers available 7 days a week, 24 hours a day, and in the interim must handle Sprint calls as well as other customer calls in a non-discriminatory manner.

2. ILEC and Sprint shall develop a process for the management of misdirected service calls, to be used to refer/transfer calls from customers to Sprint for action. N11 dialing to ILEC repair centers should be discontinued, or N11 call routing to the appropriate carrier should be available.

3. Sprint must have read and write access to the ILEC's maintenance and trouble report systems including the following systems and/or functionality:

- a. Trouble reporting/dispatch capability - access must be real time;
- b. Repair status/confirmations; maintenance/trouble report systems;
- c. Planned/unplanned outage reports; and.
- d. Mechanized line testing.

4. Each carrier has the duty to alert the other(s) to any network events that can result or have resulted in service interruption, blocked calls, changes in network performance, on a real time basis.

5. ILEC and Sprint shall develop an escalation process to assist in problem resolution.

6. Each carrier must work cooperatively to plan and implement coordinated repair procedures for local interconnection trunks and facilities to ensure trouble reports are resolved in a timely and appropriate manner.

7. Cooperative practices and processes for law enforcement and annoyance call handling must be specified. Sprint should not be charged for compliance with court ordered trap and trace, subpoenas and court ordered wire tap orders on ILEC resold lines.

8. The ILEC shall provide progress status reports so that Sprint will be able to provide end-user customers with information and an Estimated Time To Repair ("ETTR"). The ILEC will close all trouble reports with Sprint. Sprint will close all trouble reports with the end-user.

9. A non-branded, customer-not-at-home card shall be left at the customers premises when a Sprint customer is not at home for an appointment. Sprint will provide or pay for cards used in its behalf.

10. The ILEC will ensure that all applicable alarm systems that support Sprint customers are operational and the support databases are accurate so that equipment that is in alarm will be properly identified. The ILEC will respond to Sprint customer alarms consistent with how and when they respond to alarms for their own customers.

11. Sprint shall receive prior notification of any scheduled maintenance activity performed by the local supplier that may be service affecting to Sprint local customers (e.g., cable throws, power tests, etc.).

D. BILLING.

1. ILEC and Sprint agree to conform to MECAB and MECOD guidelines. They will exchange Billing Account Reference and Bill Account Cross Reference information and will coordinate Initial Billing Company/Subsequent Billing Company billing cycles.

2. Meet point billing arrangements should be made available to Sprint as a CLEC on the same terms and conditions as made available to other independent LECs engaged in meet point billing arrangements with the ILEC.

3. There should be no discrete development charges imposed on Sprint for the establishment of meet point billing arrangements.

4. Sprint and the ILEC should implement industry standard CARE records for correct provisioning and billing to IXC.

5. Where the ILEC provides transit functions, the ILEC will prepare and transmit Inward Terminating call records for the appropriate IXC to Sprint.

6. The ILEC and Sprint will exchange the appropriate records to bill access charges to the IXC.

7. The ILEC must agree to capture inward terminating call records and send them to Sprint in an agreed upon industry standard format (e.g., EMR).

8. Sprint and ILEC agree to capture EMR records for inward terminating and outward originating calls and send them to ILEC or Sprint, as appropriate, in daily files via an agreed upon media (e.g., Network data movers ("NDM")), at no additional charge.

9. ILEC must agree to exchange test files to support implementation of meet point billing prior to live bill production.

10. When Sprint owns the end-office, the ILEC will not bill a RIC to Sprint, the IXC, or a Sprint end-user for access minutes crossing the facilities of both the ILEC and Sprint.

11. To the extent that Sprint is liable to any toll provider for fraud and to the extent that Sprint could not have reasonably prevented such fraud, the ILEC must indemnify Sprint for any fraud due to compromise of ILEC's network that could have been

reasonably prevented by ILEC action (e.g., Clip-on, missing information digits, missing toll restriction, etc.).

E. QUALITY OF SERVICE.

1. ILEC shall work cooperatively to provide Sprint provisioning, repair and maintenance support 7-days a week, 24 hours a day.

2. ILEC shall provide Sprint with at least the same intervals and level of service provided by the ILEC to itself or another party at any given time to ensure parity in treatment.

3. ILEC shall provide Sprint services on resale lines and on unbundled facilities in a manner that is timely, consistent and at parity with service provided to ILEC end-users and/or other carriers.

4. Interconnection quality of service should be no less than that provided by the ILEC for its own services.

5. ILEC must agree to specified design objectives on local interconnection facilities. Sprint's standard is P.01 in the busy day busy hour.

6. Sprint and ILEC must agree on a process for circuit and unbundled element provision and restoration whereby certain identified Sprint circuits will be afforded emergency treatment. General trunking and interconnection should take priority over any other non-emergency ILEC network requirement.

7. ILEC should adhere to competitive intervals for installation of POIs. The objective in no case should be longer than 30 calendar days, absent extenuating circumstances.

8. Sprint and ILEC must agree to a process to expedite network augmentations and other orders.

9. Sprint and ILEC must agree upon a mechanism whereby ILEC will improve performance when it is in breach of commission imposed or agreed upon quality-of-service standards. ILEC shall indemnify Sprint for any forfeitures or civil penalties or other regulator-imposed fines caused by ILEC failure to meet commission imposed service standards or agreed to service standards.

10. Sprint must be at parity with the ILEC (or its affiliates or third parties) in provision of unbundled elements. This must at a minimum include:

- a. Switch features at parity
- b. Treatment during overflow/congestion conditions at parity
- c. Equipment/interface protection at parity
- d. Power redundancy at parity
- e. Sufficient spare facilities to ensure provisioning, repair, performance, and availability at parity
- f. Standard interfaces
- g. Real time access to integrated test functionality

11. Sprint and ILEC will mutually develop operating statistical process measurements that will be monitored monthly to ensure that a specific quality of service is maintained.

F. INFORMATION.

1. Completion confirmation must be provided to ensure that all necessary translation work is completed on newly installed facilities or augments.

2. ILEC and Sprint will periodically exchange technical descriptions and forecasts of their interconnection and traffic requirements in sufficient detail to assure traffic completion to and from all customers within the appropriate calling areas.

3. ILEC must provide and update an electronic copy of their switch Network ID Database including a complete list of features/functions by switch, NPA/NXXs, rate centers, etc.

4. The ILEC must provide a list/description of all services and features with availability down to street address detail, including: Type of Class 5 Switch by CLLI, line features availability by LSO, and service and capacity availability by LSO. Sprint further requires a complete layout of the data elements that will be required to provision all such services and features.

5. The ILEC must provide detailed description of the criteria and process used for handling facility and power outages on an agreed upon severity and priority basis.

6. The ILEC must provide an initial electronic copy of the Service Address Guide ("SAG"), or its equivalent, on a going forward basis. Updates are expected as changes are made to the SAG.

7. Parity with the ILEC regarding knowledge of any engineering changes associated with the incumbent's network elements and deployment of new technologies is required. Sprint shall receive notice of the availability of new features (e.g. both ILEC and Sprint should be notified that a given ILEC switch is now capable of offering a given feature or service or that a hybrid fiber/coaxial network is replacing copper loops in a given area) at the same time so that ILEC and Sprint marketing personnel have parity in network information availability.

8. ILEC shall provide Sprint with a list of emergency numbers (e.g. same digit PSAP numbers, police, fire, etc.).

IV. ACCESS TO NETWORK ELEMENTS

A. INITIAL UNBUNDLED ELEMENTS.

Sprint expects that the unbundled elements initially available will conform to the minimum standards contained in FCC Rule 51.305 and subject to the provisions of CC Docket No. 96-98 First Report and Order ("First R&O") released August 8, 1996.

1. **LOCAL LOOPS** including two-wire and four-wire analog and digital loops and cross-connects to either other unbundled elements or Sprint facilities.
2. **NETWORK INTERFACE DEVICE.**
3. **LOCAL SWITCHING** including all features and functions as described in the First R&O at ¶¶ 412 & 418.
 - a. Line-side switching includes connection to an MDF where cross-connect to a loop may be obtained and a switch card with connection to the card.
 - b. Trunk-side switching includes connection to trunk cross-connect and trunk card with features and functions.
4. **TANDEM SWITCHING** including all features and functions (e.g. recording and customized routing including those features and functions identified in the First R&O).
5. **INTEROFFICE TRANSMISSION FACILITIES**, both dedicated and shared between, ILEC offices and the offices of others.

- a. DS1, DS3 and Optical capabilities shall be provided where available.
- b. Digital Cross-Connect usage in the same manner such as is provided to IXC's.

6. **SIGNALING AND CALL-RELATED DATABASES.**

- a. SS7 signaling links and STP access must be provided.
- b. SS7 functionality for signaling within the ILEC network and to any network with which the ILEC is connected must be provided.
- c. All call-related databases must be unbundled and available for query by Sprint including LIDB, Toll Free Calling and Number Portability through physical access at the ILEC STP related to the database.
- d. All AIN databases must be unbundled and available for access by Sprint through either purchase of the ILEC local switching element or through SS7 connection with the switch of Sprint.
- e. All Service Management Systems should be available to Sprint so that Sprint may create, modify and update information in call-related databases in the same manner as ILEC.

7. **OPERATOR SERVICES** shall be available on both a wholesale basis and an unbundled basis to Sprint. Sprint shall be the brand on Sprint calls

when

technically feasible. Custom routing shall be provided when technically feasible. Sprint rates shall be quoted when technically feasible.

- 8. **DIRECTORY ASSISTANCE** shall be available on both a wholesale basis and an unbundled basis to Sprint. Sprint shall be the brand on Sprint calls when technically feasible. Sprint data shall be included in the database. The ILEC database shall be available to Sprint. routing shall be provided when technically feasible.

ILEC
Custom

9. **OPERATIONS SUPPORT SYSTEMS** including all systems used in pre-ordering, ordering, provisioning, maintenance and repair, billing, number assignment, service interval information, and including any gateway system, shall be available on January 1, 1997.

telephone
maintenance history,
an unbundled basis by

B. COMPENSATION.

All unbundled network elements including their functionality shall be priced at TELRIC plus reasonable allocation of forward-looking joint and common costs as outlined in FCC Rule 51.505.

V. ACCESS TO POLES, DUCTS, CONDUITS, RIGHT-OF-WAY

A. ACCESS.

1. Where facilities are available, ILEC must provide any telecommunications carrier requesting access with equal and non-discriminatory competitively neutral access to, by way of example and not limitation, any pole, pole attachment, duct, conduit, and ROW on terms and conditions equal to that obtained by the ILEC. Other users of these facilities cannot interfere with the availability or use of these facilities by Sprint.

2. ILEC shall allow Sprint the same access to the network interface device as it allows to end-users.

3. Any ILEC having poles and/or ducts on, over or under public or private property, to the extent allowed by law, must permit the use of such facilities by any other telecommunications carrier on an equal and non-discriminatory basis.

4. Any authorization to attach to poles, overloading requirements, or modifications to the conduit system or other pathways to allow access to and egress from the system shall not be unreasonably restricted, withheld, or delayed.

5. ILEC should agree to take no action to intervene against, or attempt to delay, the granting of permits to Sprint for use of public ROWs or public access with property owners.

B. COMPENSATION.

1. Fees related to engineering surveys for potential right-of-way use shall be based, on TELRIC plus a reasonable allocation of joint and common costs be consistent with the provisions in the Act.

C. INFORMATION.

1. ILEC should provide routine notification of changes to poles, conduits, ROW, etc., related to Sprint's network utilizing these facilities.

2. ILEC must provide access, as needed, to current pole-line prints, conduit prints, and make available maps of conduit and manhole locations, and allow manhole/conduit break-outs, and audits to confirm usability.

3. ILEC must provide information on the location of, and the availability to access conduit, poles, etc., to any telecommunications carrier requesting such information, within 10 working days after the request.

VI. ACCESS TO 911, DA, OPERATOR SERVICES

911

A. GENERAL REQUIREMENTS.

1. ILEC must provide interconnection to 911 selective routing switch to route calls from Sprint network to correct Public Safety Answering Point ("PSAP").

2. ILEC will provide identification of default arrangements.

3. ILEC will maintain and ultimately provide an automated interface to Automatic Location Identification ("ALI") database.

4. ILEC must identify any special routing arrangements to complete overflow.

5. Ultimately, ILEC must identify any requirements for emergency backup number in case of massive trunk failures.

6. ILEC must provide sufficient planning information regarding anticipated move to the use of SS7 signaling within the next 12 months.

7. ILEC must identify any special default ESN requirements.

8. ILEC must adopt NENA standards for street addressing and abbreviations.

9. ILEC must adopt use of a carrier code (NENA standard 5-character field) on all ALI records received from CLCs; carrier code will be useful when remote call forwarding is used as an interim "solution" to local number portability, and will be even more important when a true local number portability solution has been implemented.

B. QUALITY OF SERVICE. ALI database must be updated with Sprint data in a time interval that is no longer than what is experienced by the ILEC customer's data.

C. INFORMATION.

1. Where permitted by law, ILEC will make available to Sprint the mechanized Master Street Address Guide ("MSAG") and routine updates.
2. ILEC will provide mapping of NXXs to Selective Routers and PSAPs.
3. ILEC must provide reports to identify the locations of E911 tandems with CLLI codes.
4. ILEC must provide reporting to identify rate center to wire center to Central Office relationships; which 911 tandems serve which NXXs, primarily or exclusively.
5. ILEC must provide access to NXX overlay maps and detailed NXX boundaries, as well as network maps to identify diversity routing for purposes of 911 service provisioning. Sprint shall not use information provided under this section for other purposes.
6. ILEC must provide reports to identify which databases cover which states or areas of the state.
7. Sprint requires and ILEC shall provide a point-of-contact for each database administrator.
8. ILEC must identify any special operator-assisted calling requirements to support 911.

D. BUSINESS PROCESSES.

1. ILEC must establish an automated Access Service Request ("ASR") process for 911 trunk provisioning.
2. ILEC must provide emergency restoral of all trunk or network outages on the same terms/conditions it provides itself.
3. ILEC must provide notification of any pending tandem moves, NPA splits, or scheduled maintenance outages in advance, providing enough time for Sprint to react.
4. ILEC and Sprint shall negotiate a mutual aid agreement to assist with disaster recovery planning.
5. Ultimately, ILEC must provide automated interface and access to the ALI database to enable Sprint to maintain and update records on a timely basis.

6. ILEC must implement a process to identify and correct errors to the ALI database to ensure that the accuracy of data entered by ILEC for Sprint is no less accurate than its own data. Sprint is responsible for record data provided to ILEC for entry or entered by Sprint.

7. ILEC must identify process for handling of "reverse ALI."

8. ILEC must establish process for the management of NPA splits as well as NXX splits.

9. ILEC must indemnify Sprint for ILEC-caused errors in the maintenance, updating and processing of customer information to the ALI database.

VII. DIRECTORY ASSISTANCE

A. GENERAL REQUIREMENTS.

1. ILEC shall make Sprint's data available to anyone calling the ILEC's Directory Assistance ("DA"), and the ILEC's data available to anyone calling Sprint's DA.

2. ILEC should store proprietary customer information provided by Sprint in their DA database; such information should be able to be identified by source provider in order to provide the necessary protection of Sprint or Sprint customer proprietary or protected information.

3. Sprint may limit the ILEC's use of Sprint's data to directory assistance or, pursuant to written agreement, grant greater flexibility in the use of the data after receipt of proper compensation.

4. ILEC must allow wholesale resale of DA service.

5. ILEC shall provide data and processed directory assistance feeds in accordance with agreed upon industry format.

6. Sprint should be able to buy unbundled directory database and sub-databases and utilize them in the provision of its own DA service.

7. ILEC shall make available to Sprint all service enhancements on a non-discriminatory basis.

8. ILEC Sprint branded DA should be available to Sprint for resale. Sprint will pay any additional trunking costs necessary to obtain this service. If ILEC cannot satisfy all demand for Sprint branded DA service, ILEC must save capacity to provide an unbranded option for multiple CLEC's.

9. When technically feasible and requested by Sprint, ILEC should route Sprint customer DA calls to Sprint DA centers.

B. COMPENSATION. ILEC must place Sprint customer listings in its DA database. ILEC shall make its unbundled DA database available to Sprint. Prices should be, reasonable, and non-discriminatory at TELRIC plus reasonable forward-looking allocation of joint and common costs.

C. QUALITY OF SERVICE.

1. End-to-End interval for updating the database with Sprint customer data must be the same as provided for the ILEC's end-users.

2. ILEC shall provide an automated capability (e.g. tape transfer or other data feed) to update ILEC database for updating and inquiries.

3. ILEC and Sprint shall agree on speed-to-answer standards.

D. BUSINESS PROCESSES.

1. The ILEC DA database must be updated and maintained with Sprint data for customers who:

- Disconnect
- Change carrier
- Install
- "Change" orders
- Are Non-Published
- Are Non-Listed
- Are Non-Published/Non-Listed

2. Sprint bills its own end-users.

3. Sprint shall be billed in an agreeable format but prefers a CABS format.

4. ILEC and Sprint shall develop intercompany procedures to correct errors when they are identified in the database.

VIII. OPERATOR SERVICES

A. GENERAL REQUIREMENTS.

1. ILEC and Sprint shall jointly develop a process to conduct Busy Line Verification ("BLV") and Emergency Interrupt ("EI") when Sprint provides its own operator services.

2. ILEC shall allow resale of Operator Services. Until such time that ILEC may route Operator Traffic to the Operator Service provider of Sprint's choice, ILEC resold Operator Service shall be branded Sprint and ILEC operators shall, where technically or operationally feasible and requested by Sprint, quote Sprint's rates for both Card and Operator Services functions and shall provide service that is at least at parity for services delivered to ILEC end-users. To the extent that separate trunk groups are needed to provide this functionality, Sprint agrees to pay the costs of necessary trunking. If the ILEC cannot meet all of the Sprint demand for branded operator services, the ILEC must save capacity to provide an unbranded option for all other CLEC's.

3. ILEC shall provide operator service deliverables to include the following:

a. Local call completion - 0+ and 0-, billed to Calling Cards, collect and third Party.

b. Billable - Time and Charges, Etc.

IX. WHITE/YELLOW PAGE DIRECTORY LISTING

A. GENERAL REQUIREMENTS (NOTE: IN THIS SECTION ILEC MEANS ILEC AND/OR ITS DIRECTORY PUBLISHING AFFILIATE).

1. A separate directory publishing agreement may be required with ILEC's directory publisher which ILEC will assist Sprint in obtaining under the general terms which follow.

2. ILEC shall include Sprint specific information in the information pages of the directories.

3. ILEC shall publish Sprint subscriber listings in ILEC directories (main listing in White and Yellow pages).

4. ILEC shall distribute white and yellow pages to Sprint subscribers on a non-discriminatory basis.

5. ILEC should provide non-discriminatory List Rentals to Sprint.

6. ILEC shall contact Sprint business customers and offer them directory advertising.

B. TYPES OF DIRECTORY LISTINGS.

1. Primary White Page Listings
2. Primary Yellow Page Listing
3. Additional White Page Listings
4. Additional Yellow Page Listing
5. Non-Pub/Non-List
6. Foreign Listings

C. ORDER PROCESSING.

1. Order processing procedures must be established to update directory database on a defined, regular basis with Sprint customer information.
2. When available, an industry standard electronic format must be adopted for exchange of Sprint customer data.

D. PROVISIONING/DISTRIBUTION.

1. Initial and secondary distribution arrangements must be available. Sprint distribution by ILEC shall be at parity with ILEC distribution
2. Intercompany procedures need to be established to prevent errors, and to correct them when they do occur.
3. ILEC and Publisher shall protect Non-Pub/Non-List information and not disclose it to others or use it for marketing purposes.

E. BILLING.

1. At ILEC's option, the Yellow Pages advertising bill will be rendered separately to Sprint customers by Publisher or shall be rendered by Sprint as agent of Publisher. A Sprint customer's yellow pages bill may not be combined with an ILEC bill or be billed by the ILEC in a manner that allows the ILEC to utilize this billing media for local customer win back messages.
2. At ILEC's option, the Directory Publisher shall invoice Sprint subscriber directly for white page advertising, white page bolding, white page color or shall utilize Sprint as agent for billing these services.

F. COMPENSATION.

1. Distribution to Sprint Customers and end-user charges for directories should be made on the same terms and conditions as the ILEC uses for its own customers.

2. Sprint should be treated in a non-discriminatory manner (e.g. if ILEC receives payment for its listings Sprint should receive payment for its listings, if ILEC pays for white pages publication Sprint should pay for its share of white pages publication, if ILEC receives a share of white pages or yellow pages revenue including list rentals Sprint should likewise share in revenues). In the alternative, at the option of ILEC, Sprint is willing to forego payment for listings and a share of white and yellow pages revenues if Sprint receives a no charge information page in the directories, no charge publication of all appropriate accounts in the directories, and free directory distribution to Sprint customers. Additional information pages should be available for a reasonable, cost-based charge.

3. Any additional charges that are made to Sprint customers should be on the same basis as the ILEC charges its own customers.

G. INFORMATION.

1. Publishing cycles and deadlines need to be provided to Sprint to ensure timely delivery of Sprint information.

2. Sprint shall provide its customer service location information if directory publisher is to deliver books. This data shall be used by ILEC/Publisher to deliver books or sell yellow pages advertising only and not for other purposes.

3. ILEC shall provide a description of calling areas covered by each directory. This means that ILEC shall provide a list of all exchanges appearing in the directory and the local and EAS calling scope of the area covered by a directory or combination of directories as well as a list of all directories necessary for coverage of the local calling and EAS area.

X. ACCESS TO TELEPHONE NUMBERS

A. GENERAL REQUIREMENTS. Administration and assignment of numbers should be moved to a neutral third party. In the interim, while ILECs are still administering numbering, the following should apply:

1. The ILEC must assign NXXs to Sprint on a non-discriminatory basis and on the same basis as to itself.

2. No restrictions should exist on ability to assign NXX per rate center.

3. ILEC testing and loading of Sprint's NXXs should be the same as its own.

4. ILEC cannot discriminate in the allocation of numbers and types of NXXs assigned to new entrants.

B. COMPENSATION. The ILEC must assign NXXs to new entrants without the imposition of charges that are not imposed upon itself.

C. QUALITY OF SERVICE. ILECs must load NXXs according to industry guidelines, including the terminating LATA in which the NXX/rate center is located.

D. INFORMATION.

1. Until such time that number administration is moved to an independent third party, ILEC must provide to Sprint routine reporting on NXX availability, fill rates, and new assignments.

2. The ILECs must describe the details and requirements on handling NPA-NXX splits.

XI. INTERIM LOCAL NUMBER PORTABILITY VIA RCF, DID OR OTHER ARRANGEMENTS

A. GENERAL REQUIREMENTS. ILEC shall immediately implement interim number portability solutions to permit end-users to change to Sprint without changing their telephone numbers. Such interim solutions include Remote Call Forwarding ("RCF") and flexible Direct Inward Dialing ("DID"). Sprint preferred interim solution is RCF.

B. COMPENSATION.

1. Sprint and ILEC will establish reasonable cost recovery for RCF/DID. Existing retail call forwarding rates are not considered reasonable for this purpose. Sprint proposes that interim number portability be priced at TELRIC cost less a 55% discount which recognizes that interim number portability solutions degrade network performance to Sprint customers. Should a lower interim number portability price be offered by ILEC to others or ordered by a regulatory body, Sprint may adopt the lower price.

2. For Sprint facilities-based services and services built with cost-based, unbundled elements, Sprint is entitled to both originating and terminating access charges

associated with calls terminating to ported numbers assigned to Sprint subscribers. ILEC retains access charges when Sprint service is provided by a rebranded wholesale ILEC service. In addition, pursuant to 47 CFR § 51.515 where ILEC switching is used prior to June 30, 1997, CCL and 75% of TIC charge will be paid by Sprint to ILEC.

- C. **INFORMATION.** The data required for interim local number portability and for billing access when interim local number portability is used must be provided to Sprint at no additional cost above that already paid for interim local number portability.

XII. ACCESS TO SUCH SERVICES OR INFORMATION NECESSARY TO ALLOW REQUESTING CARRIER TO IMPLEMENT DIALING PARITY

A. GENERAL REQUIREMENTS.

1. Upon the earlier of a valid local commission order to implement intraLATA presubscription, three years from the date the Telecommunications Act of 1996 was effective or when the ILEC (or its affiliate) is allowed into in region (e.g. states served by the ILEC) interLATA service, the full two-PIC option must be available for intraLATA and interLATA dialing parity..

2. Any end-user should be able to access Sprint for services using the same dialing protocol that the end-user would use to access the same service on the ILEC network, (e.g., intraLATA toll, operator assisted, directory assistance, and N11).

3. ILEC must provide routine reporting on local dialing plans by switching type and end office.

XIII. RECIPROCAL COMPENSATION ARRANGEMENTS

A. LOCAL SERVICE/MUTUAL TRAFFIC EXCHANGE.

1. ILEC has the duty to provide reciprocal compensation arrangements for the transport and termination of telecommunications with Sprint. In order to implement this requirement in the most efficient manner, the specifically recognized option of "Mutual Traffic Exchange" (a/k/a "bill and keep") may be utilized where traffic is presumed to be in balance either because it has been measured and no significant balance different exist or because measurement has not yet been accomplished. . Otherwise, default proxies

contained in the 96-98 Order shall be used until TELRIC cost studies have been performed and the results implemented in permanent rates.

2. ILEC and Sprint will each be responsible for originating/terminating traffic to/from the meet point with the other carrier.

B. COST BASIS.

1. Pursuant to 47 C.F.R. §51.705(a) an ILEC's rates for transport and termination of local telecommunications traffic shall be established, at the election of the state commission, on the basis of:

- a. the forward-looking economic costs of such offerings using a cost study pursuant to 47 C.F.R. §§ 51.505 and 51.511; or
- b. default proxies, as provided in 47 C.F.R. § 51.707; or
- c. a "bill-and-keep" arrangement, as provided in 47 C.F.R. § 51.713.

2. Pursuant to 47 C.F.R. § 51.715, in a state in which the state commission has neither established transport and termination rates based on forward-looking economic cost studies nor established transport and termination rates consistent with the default price ranges described in 47 C.F.R. §51.707, the ILEC shall set interim transport and termination rates within the proxy ranges for switching and transport as described in 47 C.F.R. § 51.707(b)(2).

XIV. RESALE

A. GENERAL REQUIREMENTS.

1. All regulated telecommunications services offered to end-users of the ILEC must be available for resale by Sprint. This includes volume discounted products, grandfathered products, individual case basis products, operators services, directory assistance, vertical services and promotions.

2. Every retail service rate, including promotions of over 90-days, discounts plans, and option plans must have a corresponding wholesale rate. Non-recurring charges associated with resold accounts shall also have an appropriate wholesale discount. New

services shall have a wholesale rate established at the same time the new service becomes available.

3. No conditions may be placed on the resale of any retail service except for the single provision within the Act which allows a state commission to restrict resale between certain categories of subscribers and payphone providers as Order by the FCC. Sec. 251(c)(4)(B), FCC Rule 51.613.

4. For wholesale services, Sprint requires that the existing databases and signaling supporting the retail service continue to be provided as part of the wholesale service.

5. If the ILEC continues to sell a product to any end-user under grandfathered arrangements, the ILEC must make that product available for resale by Sprint to that end-user. If a service withdrawn from certain customers remains available to other customers, that service must be made available for resale to those customers that could still purchase the service at retail.

6. ILEC must provide a minimum notice period for changes/discontinuation of services so that Sprint has an opportunity to make the necessary modifications to its ordering, billing, and customer service systems, and so that it can provide sufficient customer notification regarding any changes.

7. Sprint's local customers must be able to retain their existing ILEC provided telephone number without loss of feature capability and ancillary services such as, but not exclusively: DA, 911/E911 capability. Both Sprint and the ILEC will work cooperatively on exceptions.

8. When ILEC provides short installation intervals to its end-users, ILEC shall match those installation intervals for Sprint customers (e.g. facilities are already connected at the premises and all that is required is a computer entry activating service, such as "warm line" activation).

B. COMPENSATION.

1. The wholesale price for each retail service must be determined based on the FCC approved methodology where costs the ILEC will avoid will be removed when the service is resold. FCC Rule 51.607 and 51.609.

2. Any PIC administration change charge must be at TELRIC plus a reasonable allocation of forward-looking joint and common costs.

3. ILECs must either adopt interim wholesale rates within the 96-98 Order's proxy range or produce cost studies within the specified time frame contemplated for negotiations as part of good faith negotiations.

C. INFORMATION. The ILEC must provide information concerning the agreements they have made with other Sprints and with its own affiliates.

D. ORDERING.

1. ILEC must provide the ability for Sprint to order local and long distance toll service on unified order.

2. Sprint shall adopt a reasonable account verification method consistent with the FCC's PIC verification guidelines. ILEC shall honor Sprint service order requests without receiving a separate signed LOA from the end-user in order to process a Sprint order.

3. ILEC shall provide confirmation of the installation/change activity to Sprint via an initial Firm Order Confirmation ("FOC") and positive completion of order activity. Sprint requires an "As Is" process when customers are migrating from the ILEC to Sprint at the same location. On migration type orders the FOC should contain all services/features currently being provided by the ILEC and those services/features being migrated to Sprint. On new installation/change orders the FOC should verify all services/features ordered by Sprint. A positive completion delineating all the services installed and those not installed should be sent to Sprint upon actual completion within 24 hours of Order completion. This will ensure proper billing to end-user customers for services provided.

4. Once Sprint has obtained a customer, the ILEC shall provide in pre-ordering and ordering phases of processing the Sprint order, the ILEC regulated local features/products/services/elements/combinations that were previously provisioned by the ILEC for all affected Sprint local customers. This applies to all types of local service orders and all elements. Sprint requires that the ILEC provide any customer status which qualifies the customer for a special service (e.g. DA exempt, lifeline, etc.)

5. Access to CRIS and routine reconciliation between CRIS records and Sprint customer records should be established.

6. Sprint, as the local service provider, and its customer are assigned any telephone line number switched by the ILEC switch. Therefore, Sprint must have access to the Telephone Line Number ("TLN") and Line Information Data Base ("LIDB").

E. BILLING.

1. When ILEC local service is rebranded (as opposed to service provided via unbundled elements) the ILEC is the appropriate recipient of all access charges, and should be responsible for directly billing the IXC's for the access related to interexchange calls generated by rebranded customers.

2. ILEC must return EMI records to IXC's with the Sprint disconnect rejection code along with the Operating Company Number ("OCN") of the associated ANI. The OCN must be provided so that the IXC will know which local ILEC provides service for the WTN.

3. Monthly invoices must be presented in a an agreed upon format. Sprint prefers Carrier Access Billing Systems ("CABS") format in order to facilitate standard industry auditing practices. Other requirements include:

a. Where available, daily receipt of local usage at the call detail level in standard EMR/EMI industry format must be provided to enable Sprint to match these records with appropriate accounts by billing cycle in parity with the ILEC.

b. Access to Bellcore CMDS in and out-collect process for inter-region alternately billed messages via a CMDS sponsor.

c. Access to in and out-collect process for intra-region alternately billed messages via the appropriate Bellcore Client Company.

d. Long term neutral third party in and out-collect process for inter and intra-region alternately billed message.

e. Provision to IXC of billing information for casual usage.

f. Information on customer's selection of billing method, special language billing, etc.

F. PIC ADMINISTRATION.

IXC PIC. When Sprint rebrands ILEC local service (becomes the end-user's local service provider), the ILEC shall process all PIC changes provided by Sprint on behalf of the IXC's. If PIC changes are received directly by the ILEC from the IXC, the ILEC shall reject the PIC change back to the IXC with the OCN of Sprint in the appropriate field of the industry standard CARE record.

Sprint to CLEC Change. When a CLEC other than Sprint or the ILEC sells local service to an existing Sprint local customer and an order is submitted to the ILEC for migrating the service, the ILEC will shall inform Sprint of the disconnect in a manner similar to the existing CARE process for notifying an IXC of a disconnect PIC change. This will ensure accurate billing to the end-user customer.

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EXHIBIT "3"
SPRINT TERM SHEET MATRIX

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
I.A.	<p>GENERAL</p> <p>A master services agreement must be developed providing for all interconnection and electronic bonding. New contracts shall not be required as additional Points Of Interconnection ("POIs") are established, additional collocation arrangements are created, or additional electronic systems pass data to one another. Rather, schedules to the master services agreement detailing the inventory of POIs and other items subject to the master services agreement shall be updated.</p>	A	
I.B.*	<p>As required by the FCC's Order in Docket No. 96-98 ("the 96-98 Order"), any price, term and/or condition offered to any carrier by ILEC shall be made available to Sprint Communications Company ("Sprint") on a most favored nation's ("MFN") basis and ILEC shall immediately notify Sprint of the existence of such better prices and/or terms and make the same available to Sprint effective on the date the better price and/or term became available to the other carrier. The MFN shall apply to any unbundled element or service (e.g. directory assistance, basic residential service, intraLATA toll, Centrex, call waiting). Exceptions to the general availability of MFN should be very limited and include only volume discounts that reflect only cost savings, term discounts, significant differences in operations support (e.g. unbundled loops with maintenance as compared to unbundled loops without maintenance or unbundled loops conditioned for data as compared to voice grade loops), and technical feasibility (e.g. local switching must be purchased to receive vertical features supported by the switch). If a state commission issues an Order setting price for all carriers, then this Agreement shall reflect this price as long as that is the only price offered by ILEC. If geographic zones are not uniform as applied to all carriers, Sprint may choose the lowest price available from the ILEC for the each specific area being served by Sprint.</p>	D	<p>BST feels MFN has the presumption that certain terms within the agreement are not severable if they were agreed upon together and not as separate items.</p> <p>For example: Individual items under Resale are not severable.</p>
I.C.	<p>As required by the 96-98 Order, ILEC must geographically deaverage its cost-based unbundled elements. However, geographic deaveraging must be accomplished in a manner such as Zone Density by office and not on specific routes or capacity dedicated to individual carriers. Deaveraging should reflect cost differences due to transmission facility size on ILEC facilities and on such facilities the price to each interconnecting carrier shall be equal per unit of traffic thus sharing the economies of scale equally with each interconnecting carrier. (e.g., a LEC could establish loop prices reflecting underlying cost differences, but the price per loop to a customer location should not vary by volume purchased by an individual carrier.)</p>	A	<p>Parties agree to deaveraged pricing of unbundled elements as required by the appropriate regulatory authorities in their final order.</p>

LEGEND

A = Agree
D = Disagree
S = Similar

Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
I.D.	ILEC will not charge Sprint any non-recurring charges incurred as a result of ILEC implementing network redesigns/reconfigurations or electronic system redesign/reconfigurations initiated by the ILEC to its own network or systems <u>for its own purposes</u> . However, any redesign or reconfiguration expenses required by a regulatory body where the regulatory body establishes a cost-sharing arrangement may be billed on an appropriate non-discriminatory basis to Sprint.	A	BST does not intend to charge for network changes or electronic system changes that are for its own purpose.
I.E.	ILEC shall not discriminate against Sprint or Sprint customers and <u>will provide the same service to Sprint that it provides to its end users or other carriers</u> and Sprint customers in all regards to (by way of example and not limited to) ordering, provisioning, maintenance, call completion, pricing, numbering, restoration, directory listing, data protection, service availability, signaling, and interconnection.	A	BST will provide the same service to Sprint that it provides its end users.
I.F.	ILEC shall protect Sprint CPNI and the CPNI of Sprint customers, including non-pub/non-list information, and shall not use this information for its own or other marketing purposes. ILEC shall not seek releases from Sprint customers for use of Sprint CPNI, as compared to customer CPNI which is subject to customer authorized release, (e.g.i.e. Sprint interexchange billings performed by ILEC on behalf of Sprint).	A	"ILEC and Sprint agree to protect one another's CPNI and customer's CPNI. Nor shall this information be used for its own or other marketing purposes. Neither party shall seek release of Sprint or BST CPNI from the customers of the other, as compared to customer CPNI which is subject to customer authorized release."
I.G.	ILEC and Sprint shall negotiate implementation time frames for and work cooperatively to provide all requirements where current system capabilities are limited and/or additional development or hardware deployment is required before the requirement may be met.	A	
II.A.	INTERCONNECTION GENERAL REQUIREMENTS The ILEC shall interconnect its facilities with those of Sprint upon bona fide request at any technically feasible points within the ILEC's network that Sprint desires at rates, terms and prices that are just, reasonable and non-discriminatory, via physical or virtual collocation when requested, in a timely manner, and in a manner that provides Sprint with at least interconnection quality equal to that which the ILEC provides to itself, its affiliate or third parties.	A	"BST shall, upon request of Sprint, and to the extent technically feasible, provide to Sprint interconnection to its network elements or access to its network elements for the provisioning of any Sprint Telecommunications Service. Any request by Sprint for access to the BST network at any particular point or to a BST network element that is not already available shall be treated as a network element bona fide request. Sprint agrees to pay reasonable and appropriate costs to evaluate the technical feasibility and quotation of costs should Sprint fail to implement the request."
II.B.1.a.*	POINT OF INTERCONNECTION Sprint may designate at least one POI on the ILEC's network within an ILEC calling area for the purpose of routing local traffic.	D	BellSouth requires CLECs to interconnect at each tandem. Each of the access tandems has a finite set of end offices that home on that tandem

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
			per the Local Exchange Routing Guide (LERG). In order for an interconnector to terminate traffic to one of those end offices, the traffic must be delivered to that access tandem.
II.B.1.b.	Interexchange traffic may be routed via one POI per LATA. Sprint has the responsibility for providing its own facilities (1) to route calls originating on its network, and terminating on the ILEC's network to its POI, and (2) to route calls originating on the ILEC's network, but terminating on its network from that carrier's POI. Sprint need not interconnect at each tandem or end office to terminate calls to the entire local calling or toll call area of the ILEC.	A	
II.B.2.*	As required by the 96-98 Order, Sprint's POIs may be at any technically feasible point within the ILEC network, including, but not limited to: tandem switches, end office switches or other wire centers. Collocation is not a requirement for establishing a POI. POIs can be established via meetpoint, collocation or other mutually agreed to methods, subject only to the limitation of technical feasibility.	D	BST doesn't agree to utilize mid-span or mid-air meets. Points of interconnection and collocation must comport with minimum standards of technical feasibility definition regarding network reliability and security. Certain interconnection points, such as cross-boxes, could not be sufficiently reinforced to prevent intentional or unintentional damage by an ALEC's personnel or agents. Point of interconnection and collocation must compare with minimum standards of technical feasibility regarding network evolution. Such evolution would consider, for example, types and brands of equipment. Certain forms of interconnection, such as mid-span or mid-air meets could require the incumbent LEC to install and maintain a myriad of equipment configurations, brands and vintages which could be very costly and inefficient.
II.B.3.	ILEC and Sprint agree to install sufficient facilities to carry traffic (1) to route calls originating on their networks and terminating on Sprint's network to its POI, and (2) to route calls originating on Sprint's network, but terminating on its network from Sprint's POI, and will work cooperatively to ensure such.	A	
II.B.4.	ILEC shall be responsible for provisioning 50% of the interconnection facilities or to the ILEC wire center boundary, whichever is less. Sprint shall be responsible for provisioning 50% of the interconnection facilities or to the ILEC wire center boundary whichever is greater.	A	"ILEC and Sprint under joint agreement will provision interconnection facilities where needed. Parties agree to recover costs in a reasonable and appropriate manner."

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
II.B.5.*	ILEC may not impose any restrictions on traffic types delivered to/from the POI(s) but may require the development and reporting of a jurisdictional usage factor indicating local, intrastate interexchange, and interstate interexchange usage along with reasonable audit rights or Sprint may report its actual usage. ILEC and Sprint shall each have reasonable audit rights.	D	BellSouth opposes passing wireless traffic through the same POI. Compensation arrangements are different for wireless traffic. Therefore, the traffic should be separated.
II.B.6.	Sprint may make any modifications or additions to its designated POIs in order to add capacity or establish new POIs. Such changes should not require a new contract, but should be covered by the master service agreement.	A	
II.B.7.	Once traffic is delivered to the POI, it is the terminating carrier's responsibility to terminate the traffic to its end-users or to route transit traffic to Sprint utilizing the tandem function of Sprint, (e.g., subtending ILECs, CMRS carriers and IXCs). Calls should be routed or terminated using the same network, ensuring the same quality of service, as Sprint provides its own end-users. Tandem and transport cost, if any, between tandem and end office shall be recovered from the originating carrier.	A	
II.C.1.	COLLOCATION When interconnection or access to unbundled elements is provided where collocation is utilized, Sprint must be allowed to lease transport from the collocation facility to any other point on ILEC network and to directly connect via ILEC facilities with other collocators.	A	
II.C.2.	Sprint collocation equipment must include any equipment used for interconnection or access to unbundled elements. FCC Rules 51.323.	A	
II.C.3.	The ILEC should generally meet a minimum 90-day interval for establishing new collocation arrangements. A full explanation of required delays past 90-days for installation of new collocation arrangements must be provided by ILEC.	A	"Interval will be jointly negotiated on a sight-by-sight basis due to the inconsistencies and the required site preparation with a target of 90 days to establish new collocation arrangement."
II.C.4	COMPENSATION. The cost of providing collocation shall be at TELRIC plus a forward-looking allocation of reasonable joint and common costs, but in the absence of a cost study the interim price shall be set, subject to that under investigation in CC Docket 91-141 Expanded Interconnection.	A	"The rate for collocation shall be consistent with CC Docket 91-141 or as ordered by the appropriate regulatory body or as mutually agreed to by parties."
II.D.1.*	TRUNKING Trunking should be available to any switching center designated by either carrier including end offices, local tandems, access tandems, 911 routing switches, directory assistance/operator services switches, or any other feasible point in the network. Two-way trunking should be used where technically feasible.	D	BellSouth does not agree to the use of two-way trunks for exchange of local and intraLATA traffic. The one-way trunk groups established for the mutual exchange of local and intraLATA traffic are required to distinctly and accurately record and bill the access and terminating usage. In order to maintain flexibility for various compensation and billing exchange arrangements, it is

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
			imperative that these recordings be available. There are also cost considerations and potential administrative difficulties associated with two-way trunks. Two-way shared arrangements are much more labor-intensive and costly to maintain than one-way trunking arrangements. BellSouth does not have a problem with interLATA toll. It may be possible to move to two-way in the future with language in the contract to that effect if required by regulatory authorities.
II.D.2.*	Local, intraLATA toll, interLATA access and other traffic should not be required to be separated across trunk groups without good technical reason. ILEC should accept percentage of use factors or Sprint traffic measurements of traffic delivered to ILEC. Sprint should accept ILEC percentage of use factors or ILEC traffic measurements of traffic delivered to Sprint. Reasonable audit rights shall be granted each party.	D	BellSouth does not agree to combine local, intraLATA toll, interLATA access and other traffic on the same trunk groups.
II.D.3.	Sprint should offer B8ZS Extended Super Frame ("ESF") facilities, where technically feasible, to each other, and make these facilities available to allow for transmission of voice and data traffic.	A	
II.D.4.	Interconnection should be available at any technically feasible point that is used in the transmission of voice, data or other types of traffic.	A	
II.E.1.	TRAFFIC TYPES ILECs should provide the necessary facilities and equipment to allow for the exchange of Local Exchange, Exchange Access, Transit functions (the ILEC must provide intermediary tandem switching and transport services for Sprint's connection of its end-user to a local end-user of the ILEC served by a distant local switch, other CLECs, ITCs, CMRS providers and IXC's), and Other Services (the ILEC must provide connection and call routing for 911, directory assistance, and operator assistance services) between the ILEC and Sprint.	A	
II.F.1.	SIGNALING Where available, the ILEC shall provide and implement all defined and supported Sprint Signaling System 7 ("SS7") mandatory parameters as well as procedures that are defined in the ANSI standards. When available for its own use, the ILEC shall also provide all defined and supported optional parameters.	A	BST will provide/support all BellCore defined standards, not ANSI.
II.F.2.	Sprint shall have the option for Multi-frequency ("MF") signaling, but only when either party does not have the technical capacity to provide SS7 facilities.	A	
II.F.3.*	To the extent available in its network, the ILEC shall	D	CIP is a chargeable feature per

LEGEND

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
	provide CIP (CIC within the SS7 call set-up signaling protocol). Sprint presumes there is no incremental recurring cost associated with this request and believes no charge is appropriate. If, after performing a TELRIC study, incremental costs are identified, Sprint will pay those costs for delivery of this information to Sprint. If chargeable, Sprint will likewise perform a cost study to identify this cost when it provides this information to ILEC and shall charge ILEC in a similar manner. At the option of Sprint, the ILEC must provide SS7 functionality via GR-394 SS7 format and/or GR-317 SS7 format.		BellSouth's interstate tariff. The rate is \$0.28 per trunk per month. This rate is not based on the TELRIC methodology.
II.F.4.	The ILEC must support inter-company 64 KBPS clear channel.	A	
II.F.5.	Sprint will cooperate in the exchange of TCAP messages to facilitate full inter-operability of SS7 - based features between their representative networks, including all CLASS features and functions, to the extent each carrier offers such features and functions to its own end-users.	A	
II.F.6.	Inter-network connection and protocol must be based on industry standards developed through a competitively neutral process, consistent with Section 256 of the Federal Telecommunications Act of 1996, open to all companies for participation. All carriers must adhere to the standard.	A	
II.F.7.	The standards and ILEC-developed requirements/specifications for the ILEC network-user interface must be compatible with the network-network interface utilized between the ILEC and Sprint. Specifically, the ILEC should not develop products and services with proprietary network interfaces that inhibit or restrict the ability of Sprint to utilize the product or service in the provisioning of Sprints' services.	A	
III.A.1.	BUSINESS PROCESS ORDER PROCESSING The ILEC and Sprint will work cooperatively to provide or establish the following: The ILECs should establish dedicated CLEC ordering centers.	A	BST will have a center dedicated to processing CLEC orders. It will not be dedicated to Sprint.
III.A.2.	Industry standardized electronic interfaces for the exchange of ordering information must be adopted and made available using industry standard order formats and methods that are developed, (e.g. EDI). Electronic and methods that are developed, (e.g. EDI). Electronic Data Interfaces ("EDI") should be established to provide access to the ILEC order processing database. Prior to industry standards being established, ILEC shall develop interim electronic interface arrangements with their systems.	A	BST is working on EDI for ordering of resale. BST agrees to order communication and mechanized order generation. Dates identified in GPSC order.
III.A.3.	The ILEC is responsible for ordering facilities to terminate traffic to Sprint.	A	"Parties will agree to provision appropriate quantities of facilities so as not to impede traffic flows."

LEGEND

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
III.A.4.	When two-way trunking is employed, the parties will select a mutually agreeable automated ordering process.	A	
III.A.5.	Appropriate ordering/provisioning codes should be established for each identified service and unbundled combination.	D	BST will not use USOCs on LSR, but intends to comply with any industry standard that may be developed.
III.A.6.	When combinations are ordered where the elements are currently interconnected and functional, those elements will remain interconnected and functional without any unnecessary interruption in service.	A	
III.A.7.	When Sprint purchases switching capabilities from ILEC, until such time as numbering is administered by a third party, Sprint requires the ability to obtain telephone numbers on-line from the ILEC, and to assign these numbers with the Sprint customer on-line. This includes vanity numbers. Reservation and aging of numbers remain the responsibility of the ILEC. Until such time as electronic access to numbering resources is available, ILEC shall pre-assign blocks of numbers in sufficient quantity to meet the needs of Sprint.	A	Groups of numbers (rolling block of 100) can be reserved by office. BST does actual line assignment in switch. Vanity numbers can not be reserved, they come from BST Local Carrier Svc Ctr (LCSC).
III.A.8.	When purchasing switching capabilities, Sprint requires the ability to order all features on that switch (e.g., calling block of 900, 976, or 976-like calls by line or trunk on an individual case basis) and ILEC shall provide high usage reports to Sprint as needed, so that Sprint may provide any regulatory-required or currently available to ILEC high usage reports to its end-users. Examples of high usage reports include those used with toll-cap service and fraud detection where customer service is suspended when usage reaches a certain level.	A	"When purchasing switching capabilities, Sprint requires the ability to order all features on that switch, e.g., calling block of 900, 976, or 976-like calls by line or trunk on an individual case basis. ILEC will make available to Sprint, if available and/or required end-user high usage reports so that Sprint may provide any regulatory-required end-user high usage reports. Examples of high usage reports include those used with toll-cap service and fraud detection where customer service is suspended when usage reaches a certain level."
III.A.9.	Sprint and the ILEC will adopt an industry standard service order/disconnect order format.	A	Use LSR until industry standard available.
III.A.10.*	When necessary and available, Sprint requires the "real time" ability to schedule installation appointments with the customer on-line and access to the ILEC's schedule availability.	S	BellSouth is developing an electronic interface that is scheduled to be available the first or second quarter of 1997. BellSouth intends to provide Sprint's customers the same average intervals as BellSouth provides it's own customers.
III.A.11.*	ILEC should provide "real-time" response for: firm order confirmation, due date availability/scheduling, dispatch required or not, identity of line option availability by LSO (such as Digital Copper, Copper Analog, ISDN, etc.), order completion with all service order and time and cost related fees, rejections/errors on service order data element(s), jeopardy against the due date, missed appointments, additional order charges (construction charges), order status, validation of street	S	BellSouth intends to have an interactive electronic interface available the first or second quarter of 1997. Access will be via dial-up, LAN-to-LAN, or through the Internet. It is not possible to determine if this interface will meet the criteria "parity" standard. BellSouth has indicated that it cannot agree to real time order

LEGEND

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
	address detail, and electronic notification of the local line options that were provisioned, at the time of order completion, by the ILEC for all Sprint local customers. This applies to all types of service orders and all elements.		response to rejections/errors, jeopardy on due date, missed appointment or additional order charges.
III.A.12.*	At all times, the ILEC will direct customer to Sprint for inquiries or actions concerning their Sprint service. ILEC should either migrate from N11 dialing to its business office and repair centers to seven digit numbers or 800 numbers so that Sprint customers have dialing parity to similar centers or ILEC should make N11 dialing available so that Sprint customers are directed to Sprint.	D	BellSouth uses 611 for repair and feels it is not practical to modify the current process to accommodate Sprint. If a Sprint customer calls BellSouth, BellSouth will direct them to Sprint.
III.B.1.	PROVISIONING & INSTALLATION The ILEC will provide all test and turn-up procedures in support of the unbundled elements/combinations/services ordered by Sprint.	A	
III.B.2.*	Within 48 hours of any disconnect, the ILEC will notify Sprint of the disconnect of any Sprint unbundled element/combination/service.	D	BellSouth will use a mechanized letter to notify Sprint of disconnects. Demonstrated success is required to determine if this process will meet Sprint's expectations. BST to provide intervals for different disconnect reasons.
III.B.3.	All notices, invoices, and documentation provided on behalf of Sprint to the customer at the customer's premises by the ILEC's field personnel shall either be branded Sprint or non-branded. ILEC shall not market its services during such calls thereby misusing CPNI from Sprint. Sprint will provide or pay for notices used in its behalf.	A	Generic card will be used at no charge to Sprint. BST does not want to use a Sprint card due to administrative and operational challenges. Technicians and trucks will be clearly labeled BellSouth. BST agrees that technicians will not use contact as a sales/marketing effort.
III.B.4.	ILEC shall provide the ability for Sprint to mechanize test or will test all elements/combinations.	Open	Sprint initiated mechanized line testing is not provided. A trouble report initiates the test. Sprint will have access to the results of the test through the electronic interface being proposed by BellSouth. In addition, "other" status information is available and Sprint will be able to request line tests. It is not possible to determine if this meets Sprint's requirement until acceptable response times are demonstrated. Pre-screen scripts for troubleshooting being developed.
III.B.5.	ILEC will provide a system to mark Sprint emergency and trunking circuits and elements.	A	Marked in database
III.C.1.	TROUBLE RESOLUTION, MAINTENANCE, CUSTOMER CARE	A	Same center as BST end users

LEGEND

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
	ILEC must work toward dedicated service centers available 7 days a week, 24 hours a day, and in the interim must handle Sprint calls as well as other customer calls in a non-discriminatory manner.		
III.C.2.*	ILEC and Sprint shall develop a process for the management of misdirected service calls, to be used to refer/transfer calls from customers to Sprint for action. N11 dialing to ILEC repair centers should be discontinued, or N11 call routing to the appropriate carrier should be available.	D	BellSouth will provide an explanation of their process for handling these calls.
III.C.3.a.*	Sprint must have read and write access to the ILEC's maintenance and trouble report systems including the following systems and/or functionality: Trouble reporting/dispatch capability - access must be real time	Open	Interactive interfaces are under development and will be available during the first quarter of 1997. It is not possible to determine if these interfaces will meet Sprint's requirements until they are operational and fully tested. Action: 9/12/96, BST to provide a more complete description of the processes used for maintenance situations.
III.C.3.b.*	Repair status/confirmations; maintenance/trouble report systems	Open	Interactive interfaces are under development and will be available during the first quarter of 1997. It is not possible to determine if these interfaces will meet Sprint's requirements until they are operational and fully tested.
III.C.3.c.	Planned/unplanned outage reports	A	
III.C.3.d.*	Mechanized line testing	Open	Interactive interfaces are under development and will be available during the first quarter of 1997. It is not possible to determine if these interfaces will meet Sprint's requirements until they are operational and fully tested. BST will not enable Sprint to conduct MLT. Tests initiated based on trouble report coding. See III.B.4 regarding MLT verification codes.
III.C.4.	Each carrier has the duty to alert the other(s) to any network events that can result or have resulted in service interruption, blocked calls, changes in network performance, on a real time basis.	A	Agree in principal. Should identify specific events in SLA.
III.C.5.	ILEC and Sprint shall develop an escalation process to assist in problem resolution.	A	
III.C.6.	Each carrier must work cooperatively to plan and implement coordinated repair procedures for local interconnection trunks and facilities to ensure trouble	A	

LEGEND

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
	reports are resolved in a timely and appropriate manner.		
III.C.7.	Cooperative practices and processes for law enforcement and annoyance call handling must be specified. Sprint should not be charged for compliance with court ordered trap and trace, subpoenas and court ordered wire tap orders on ILEC resold lines.	A	Operational detail to be worked out between parties.
III.C.8.	The ILEC shall provide progress status reports so that Sprint will be able to provide end-user customers with information and an Estimated Time To Repair ("ETTR"). The ILEC will close all trouble reports with Sprint. Sprint will close all trouble reports with the end-user.	A	BST has procedures in place and training completed.
III.C.9.	A non-branded, customer-not-at-home card shall be left at the customers premises when a Sprint customer is not at home for an appointment. Sprint will provide or pay for cards used in its behalf.	A	
III.C.10.	The ILEC will ensure that all applicable alarm systems that support Sprint customers are operational and the support databases are accurate so that equipment that is in alarm will be properly identified. The ILEC will respond to Sprint customer alarms consistent with how and when they respond to alarms for their own customers.	A	Generic cards provided at no charge to Sprint.
III.C.11.	Sprint shall receive prior notification of any scheduled maintenance activity performed by the local supplier that may be service affecting to Sprint local customers (e.g., cable throws, power tests, etc.).	A	
III.D.1.	BILLING ILEC and Sprint agree to conform to MECAB and MECOD guidelines. They will exchange Billing Account Reference and Bill Account Cross Reference information and will coordinate Initial Billing Company/Subsequent Billing Company billing cycles.	A	
III.D.2.*	Meet point billing arrangements should be made available to Sprint as a CLEC on the same terms and conditions as made available to other independent LECs engaged in meet point billing arrangements with the ILEC.	D	BellSouth doesn't want to provide meet point arrangements for CLECs. BellSouth is planning to treat CLECs and connecting companies the same and will re-negotiate connecting company agreements.
III.D.3.	There should be no discrete development charges imposed on Sprint for the establishment of meet point billing arrangements.	A	
III.D.4.	Sprint and the ILEC should implement industry standard CARE records for correct provisioning and billing to IXCs.	A	Initial change on service order subsequent PIC changes via CARE
III.D.5.	Where the ILEC provides transit functions, the ILEC will prepare and transmit Inward Terminating call records for the appropriate IXC to Sprint.	A	
III.D.6.	The ILEC and Sprint will exchange the appropriate records to bill access charges to the IXC.	A	
III.D.7.	The ILEC must agree to capture inward terminating call records and send them to Sprint in an agreed upon	A	

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
	emergency ILEC network requirement.		
III.E.7.	ILEC should adhere to competitive intervals for installation of POIs. The objective in no case should be longer than 30 calendar days, absent extenuating circumstances.	A	"Installation intervals will be negotiated by the Sprint and BST account team with a target of 30 calendar days."
III.E.8.	Sprint and ILEC must agree to a process to expedite network augmentations and other orders.	A	
III.E.9.*	Sprint and ILEC must agree upon a mechanism whereby ILEC will improve performance when it is in breach of commission imposed or agreed upon quality-of-service standards. ILEC shall indemnify Sprint for any forfeitures or civil penalties or other regulator-imposed fines caused by ILEC failure to meet commission imposed service standards or agreed to service standards.	D	BellSouth would like to see indemnity language in the general portion of the contract.
III.E.10.*	Sprint must be at parity with the ILEC (or its affiliates or third parties) in provision of unbundled elements. This must at a minimum include: a. Switch features at parity b. Treatment during overflow/congestion conditions at parity c. Equipment/interface protection at parity d. Power redundancy at parity e. Sufficient spare facilities to ensure provisioning, repair, performance, and availability at parity f. Standard interfaces g. Real time access to integrated test functionality	Open	It can't be determined if real time access to integrated test functionality is available until it is demonstrated. BellSouth has suggested "at parity" be removed from each item and change item a. to read "features, capabilities and/or functionality."
III.E.11.	Sprint and ILEC will mutually develop operating statistical process measurements that will be monitored monthly to ensure that a specific quality of service is maintained.	D	BST will not agree to include quality measures in agreement and will only agree to utilize measures required by PSC.
III.F.1.	INFORMATION Completion confirmation must be provided to ensure that all necessary translation work is completed on newly installed facilities or augments.	Open	Bundled trunks are confirmed. Unbundled trunks or ports and resale is not confirmed. Confirmation not confirmed on translations nor is it confirmed on resale (switched in-place) unless it is discont.
III.F.2.	ILEC and Sprint will periodically exchange technical descriptions and forecasts of their interconnection and traffic requirements in sufficient detail to assure traffic completion to and from all customers within the appropriate calling areas.	A	
III.F.3.*	ILEC must provide and update an electronic copy of their switch Network ID Database including a complete list of features/functions by switch, NPA/NXXs, rate centers, etc.	S	BellSouth will provide an electronic interface to its PSIMS database first quarter of 1997. This interface is to provide the information requested by Sprint. The exception is the availability of rate center information. This interface is to be available end of first quarter 1997. Complete agreement can not be reached until the actual functionality is demonstrated.

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
III.F.4.*	The ILEC must provide a list/description of all services and features with availability down to street address detail, including: Type of Class 5 Switch by CLLI, line features availability by LSO, and service and capacity availability by LSO. Sprint further requires a complete layout of the data elements that will be required to provision all such services and features.	D	BellSouth will provide an electronic interface to its PSIMS database first quarter of 1997. Feature availability at street address level is not possible through a mechanized process.
III.F.5.	The ILEC must provide detailed description of the criteria and process used for handling facility and power outages on an agreed upon severity and priority basis.	A	see III.E.6 BST will not discriminate in getting Sprint customers or End Office back in service and will do so in proper priority.
III.F.6.	The ILEC must provide an initial electronic copy of the Service Address Guide ("SAG"), or its equivalent, on a going forward basis. Updates are expected as changes are made to the SAG.	A	Available from Regional Street Address Guide (RSAG) BST will not provide a hard copy
III.F.7.*	Parity with the ILEC regarding knowledge of any engineering changes associated with the incumbent's network elements and deployment of new technologies is required. Sprint shall receive notice of the availability of new features (e.g. both ILEC and Sprint should be notified that a given ILEC switch is now capable of offering a given feature or service or that a hybrid fiber/coaxial network is replacing copper loops in a given area) at the same time so that ILEC and Sprint marketing personnel have parity in network information availability.	D	BellSouth is concerned about modifying or developing a process to notify Sprint of changes in the same time frame as BellSouth notifies its internal recipients. BellSouth has proposed two potential modifications to the current term sheet language. The first would in effect only require BellSouth to notify Sprint of changes affecting Sprint's network. The second would be to eliminate the issue of parity between notification of Sprint and BellSouth marketing personnel of network information availability. Neither proposal is acceptable to Sprint.
III.F.8.	ILEC shall provide Sprint with a list of emergency numbers (e.g. same digit PSAP numbers, police, fire, etc.).	A	BST will provide initial paper copy of emergency numbers. Operator service provider will provide on an ongoing basis.
IV.A.1.*	ACCESS TO NETWORK ELEMENTS INITIAL UNBUNDLED ELEMENTS Sprint expects that the unbundled elements initially available will conform to the minimum standards contained in FCC Rule 51.305 and subject to the provisions of CC Docket No. 96-98 First Report and Order ("First R&O") released August 8, 1996. LOCAL LOOPS including two-wire and four-wire analog and digital loops and cross-connects to either other unbundled elements or Sprint facilities.	Open	BellSouth has offered unbundled elements that are consistent with those BellSouth has agreed to with other parties. Although extensive, the elements are not consistent with the FCC order. Furthermore, without being provided the methodology and cost studies as to how the rates were developed, Sprint must disagree in principle to BellSouth's proposal.
IV.A.2.*	NETWORK INTERFACE DEVICE.	Open	see IV.A.1
IV.A.3.*	LOCAL SWITCHING including all features and functions as described in the First R&O at ¶¶ 412 & 418. a. Line-side switching includes connection to an MDF where cross-connect to a loop may be	Open	see IV.A.1

LEGEND

A = Agree
D = Disagree
S = Similar

Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
	obtained and a switch card with connection to the card. b. Trunk-side switching includes connection to trunk cross-connect and trunk card with features and functions.		
IV.A.4.*	TANDEM SWITCHING including all features and functions (e.g. recording and customized routing including those features and functions identified in the First R&O).	Open	see IV.A.1
IV.A.5.*	INTEROFFICE TRANSMISSION FACILITIES, both dedicated and shared between, ILEC offices and the offices of others. a. DS1, DS3 and Optical capabilities shall be provided where available. b. Digital Cross-Connect usage in the same manner such as is provided to IXC.	Open	see IV.A.1
IV.A.6*	SIGNALING AND CALL-RELATED DATABASES. a. SS7 signaling links and STP access must be provided. b. SS7 functionality for signaling within the ILEC network and to any network with which the ILEC is connected must be provided. c. All call-related databases must be unbundled and available for query by Sprint including LIDB, Toll Free Calling and Number Portability through physical access at the ILEC STP related to the database. d. All AIN databases must be unbundled and available for access by Sprint through either purchase of the ILEC local switching element or through SS7 connection with the switch of Sprint. e. All Service Management Systems should be available to Sprint so that Sprint may create, modify and update information in call-related databases in the same manner as ILEC.	Open	see IV.A.1
IV.A.7.*	OPERATOR SERVICES shall be available on both a wholesale basis and an unbundled basis to Sprint. Sprint shall be the brand on Sprint calls when technically feasible. Custom routing shall be provided when technically feasible. Sprint rates shall be quoted when technically feasible.	Open	see IV.A.1
IV.A.8.*	DIRECTORY ASSISTANCE shall be available on both a wholesale basis and an unbundled basis to Sprint. Sprint shall be the brand on Sprint calls when technically feasible. Sprint data shall be included in the ILEC database. The ILEC database shall be available to Sprint. Custom routing shall be provided when technically feasible.	Open	see IV.A.1
IV.A.9.*	OPERATIONS SUPPORT SYSTEMS including all systems used in pre-ordering, ordering, provisioning, maintenance and repair, billing, telephone number	Open	see IV.A.1

LEGEND

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D = Disagree
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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
	assignment, service interval information, and maintenance history, including any gateway system, shall be available on an unbundled basis by January 1, 1997.		
IV.B.*	COMPENSATION All unbundled network elements including their functionality shall be priced at TELRIC plus reasonable allocation of forward-looking joint and common costs as outlined in FCC Rule 51.505.	D	BellSouth has offered rates consistent with what they've offered other parties. Sprint does not feel these rates are consistent with the TELRIC methodology.
V.A.1.*	ACCESS TO POLES, DUCTS, CONDUITS, RIGHT-OF-WAY ACCESS Where facilities are available, ILEC must provide any telecommunications carrier requesting access with equal and non-discriminatory competitively neutral access to, by way of example and not limitation, any pole, pole attachment, duct, conduit, and ROW on terms and conditions equal to that obtained by the ILEC. Other users of these facilities cannot interfere with the availability or use of these facilities by Sprint.	D	BellSouth will only agree if requested pole, pole attachment, duct, conduit, and right-of-way are not required in its five (5) year forecast. This is inconsistent with the Act. Therefore, Sprint can not agree.
V.A.2.	ILEC shall allow Sprint the same access to the network interface device as it allows to end-users.	Open	
V.A.3.*	Any ILEC having poles and/or ducts on, over or under public or private property, to the extent allowed by law, must permit the use of such facilities by any other telecommunications carrier on an equal and non-discriminatory basis.	D	BellSouth will only agree if requested facilities are not in its five (5) year forecast.
V.A.4.	Any authorization to attach to poles, over/under requirements, or modifications to the conduit system or other pathways to allow access to and egress from the system shall not be unreasonably restricted, withheld, or delayed.	Open	"Upon permit approval by BellSouth, Sprint may, at its option, make pole attachments or conduit modifications, and use Sprint or Sprint designated personnel to make attachments or modifications to BellSouth poles or conduit; over/under will only be permitted to Sprint owned facilities. Conduit system modifications are only permitted at manhole wall locations. Permit approval, for attachments or modifications, will be completed within a reasonable time frame."
V.A.5.	ILEC should agree to take no action to intervene against, or attempt to delay, the granting of permits to Sprint for use of public ROWs or public access with property owners.	A	BellSouth will not interfere with Sprint's use of public ROW. Where BellSouth currently has been granted use of such ROW, such access shall not include mandatory conveyance of interests in real estate involving third parties. BellSouth shall not prevent or delay any third party grant of an easement or similar interest to Sprint provided such grant is without prejudice to the full exercise of rights previously

LEGEND

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
			conveyed to BellSouth and does not otherwise impair the provisioning of BellSouth's own services.
V.B.1.*	COMPENSATION Fees related to engineering surveys for potential right-of-way use shall be based, on TELRIC plus a reasonable allocation of joint and common costs be consistent with the provisions in the Act.	D	BellSouth believes Sprint should be responsible for any expense incurred by occupancy of Sprint without regard to TELRIC plus a reasonable allocation of joint and common costs.
V.C.1.	INFORMATION ILEC should provide routine notification of changes to poles, conduits, ROW, etc., related to Sprint's network utilizing these facilities.	A	BellSouth will cooperate with the intent of the Telecommunications Act of 1996.
V.C.2.	ILEC must provide access, as needed, to current pole-line prints, conduit prints, and make available maps of conduit and manhole locations, and allow manhole/conduit break-outs, and audits to confirm usability.	A	"BellSouth shall provide Sprint with structure occupancy information regarding conduits, poles, and other rights-of-way requested by Sprint within a reasonable time frame. BellSouth shall allow designated Sprint personnel or agents acting on behalf of Sprint, to examine engineering records or drawings pertaining to such requests that BellSouth determines would be reasonably required to complete the job."
V.C.3.*	ILEC must provide information on the location of, and the availability to access conduit, poles, etc., to any telecommunications carrier requesting such information, within 10 working days after the request.	D	BellSouth suggests a twenty (20) day interval versus Sprint's ten (10) day. In addition, field surveys will be conducted at Sprint's expense without reference to TELRIC plus a reasonable allocation of joint and common costs to be consistent with the Act.
VI.A.1.	ACCESS TO 911, DA, OPERATOR SERVICES 911 GENERAL REQUIREMENTS. ILEC must provide interconnection to 911 selective routing switch to route calls from Sprint network to correct Public Safety Answering Point ("PSAP").	A	"ILEC must provide interconnection to appropriate 911 selective routing switch to route calls from Sprint network to correct Public Safety Answering Point (PSAP)."
VI.A.2.	ILEC will provide identification of default arrangements.	S	"CLEC will negotiate with customer (county) and provide to ILEC identification of any default arrangements."
VI.A.3.	ILEC will maintain and ultimately provide an automated interface to Automatic Location Identification ("ALI") database.	Open	BST has a mechanized update process. This is not on-line.
VI.A.4.	ILEC must identify any special routing arrangements to complete overflow.	Open	
VI.A.5.	Ultimately, ILEC must identify any requirements for emergency backup number in case of massive trunk failures.	Open	

LEGEND

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D = Disagree
S = Similar

Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
VI.A.6.	ILEC must provide sufficient planning information regarding anticipated move to the use of SS7 signaling within the next 12 months.	A	BST has no plans at this time, but will provide notification if they do.
VI.A.7.	ILEC must identify any special default ESN requirements.	Open	
VI.A.8.	ILEC must adopt NENA standards for street addressing and abbreviations.	A	BST does not comply with NENA std/guideline, but is similar.
VI.A.9.	ILEC must adopt use of a carrier code (NENA standard 5-character field) on all ALI records received from CLCs; carrier code will be useful when remote call forwarding is used as an interim "solution" to local number portability, and will be even more important when a true local number portability solution has been implemented.	A	BS supports the 5 character field.
VI.B.	QUALITY OF SERVICE ALI database must be updated with Sprint data in a time interval that is no longer than what is experienced by the ILEC customer's data.	A	BST completes updates in batch mode.
VI.C.1.	INFORMATION Where permitted by law, ILEC will make available to Sprint the mechanized Master Street Address Guide ("MSAG") and routine updates.	Open	"Where permitted by law, BST will make available to Sprint the MSAG via electronic basis, i.e., Network Data Mover, updates as often as BST receives updates." BST will provide MSAG via mag tape or paper and new MSAG each quarter.
VI.C.2.	ILEC will provide mapping of NXXs to Selective Routers and PSAPs.	A	"ILEC will provide a list of 911 tandems and CLLI codes for NXXs provided by Sprint to be used in routing 911 calls."
VI.C.3.	ILEC must provide reports to identify the locations of E911 tandems with CLLI codes.	A	see VI.C.2
VI.C.4.	ILEC must provide reporting to identify rate center to wire center to Central Office relationships; which 911 tandems serve which NXXs, primarily or exclusively.	A	see VI.C.2
VI.C.5.	ILEC must provide access to NXX overlay maps and detailed NXX boundaries, as well as network maps to identify diversity routing for purposes of 911 service provisioning. Sprint shall not use information provided under this section for other purposes.	A	In 911 guide.
VI.C.6.	ILEC must provide reports to identify which databases cover which states or areas of the state.	A	BST ALI database covers all nine states.
VI.C.7.	Sprint requires and ILEC shall provide a point-of-contact for each database administrator.	A	BST has a single point of contact.
VI.C.8.	ILEC must identify any special operator-assisted calling requirements to support 911.	A	BST has 7 digit numbers available to operators in the event someone calls the operator and wants 911.
VI.D.1.	BUSINESS PROCESSES ILEC must establish an automated Access Service Request ("ASR") process for 911 trunk provisioning.	A	Same process as with access, which is automated.
VI.D.2.	ILEC must provide emergency restoral of all trunk or network outages on the same terms/conditions it provides	A	

LEGEND

A = Agree
D = Disagree
S = Similar

Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
	itself.		
VI.D.3.	ILEC must provide notification of any pending tandem moves, NPA splits, or scheduled maintenance outages in advance, providing enough time for Sprint to react.	A	
VI.D.4.	ILEC and Sprint shall negotiate a mutual aid agreement to assist with disaster recovery planning.	A	"BST will provide existing disaster recovery procedures. BST and Sprint mutually agree to assist with disaster recovery planning and to implement any new disaster recovery procedures." Sprint agrees to new language
VI.D.5.	Ultimately, ILEC must provide automated interface and access to the ALI database to enable Sprint to maintain and update records on a timely basis.	S	"ILEC will provide a mechanized interface, such as NDM, allowing Sprint to transmit daily update records to the 911 database as defined in the OLEC guide. ILEC will provide same day processing if Sprint meets BST's daily cut-off time."
VI.D.6.	ILEC must implement a process to identify and correct errors to the ALI database to ensure that the accuracy of data entered by ILEC for Sprint is no less accurate than its own data. Sprint is responsible for record data provided to ILEC for entry or entered by Sprint.	Open	"BST will identify all errors within a record in the first reject."
VI.D.7.	ILEC must identify process for handling of "reverse ALI."	Open	Reverse ALI is not allowed under current BellSouth tariffs. "If offered or allowed ILEC must identify process for handling of "reverse ALI."
VI.D.8.	ILEC must establish process for the management of NPA splits as well as NXX splits.	A	
VI.D.9.	ILEC must indemnify Sprint for ILEC-caused errors in the maintenance, updating and processing of customer information to the ALI database.	Open	
VII.A.1.	DIRECTORY ASSISTANCE GENERAL REQUIREMENTS ILEC shall make Sprint's data available to anyone calling the ILEC's Directory Assistance ("DA"), and the ILEC's data available to anyone calling Sprint's DA.	A	
VII.A.2.	ILEC should store proprietary customer information provided by Sprint in their DA database; such information should be able to be identified by source provider in order to provide the necessary protection of Sprint or Sprint customer proprietary or protected information.	A	BST can't identify Sprint's end users once they're in DA database.
VII.A.3.	Sprint may limit the ILEC's use of Sprint's data to directory assistance or, pursuant to written agreement, grant greater flexibility in the use of the data after receipt of proper compensation.	A	BST will only use data for DA service including DADAS. Sprint data can be excluded from DADAS. BST is pursuing a way to exclude from DADAS. Possibly with dedicated

LEGEND

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
VII.A.4.	ILEC must allow wholesale resale of DA service.	A	NPA/NXX. BST will provide at rates consistent with approved wholesale rate. Connecting LECs are charged differently.
VII.A.5.	ILEC shall provide data and processed directory assistance feeds in accordance with agreed upon industry format.	Open	
VII.A.6.	Sprint should be able to buy unbundled directory database and sub-databases and utilize them in the provision of its own DA service.	A	BST provides database - DADAS Can be purchased at a NXX level.
VII.A.7.	ILEC shall make available to Sprint all service enhancements on a non-discriminatory basis.	A	
VII.A.8.*	ILEC Sprint branded DA should be available to Sprint for resale. Sprint will pay any additional trunking costs necessary to obtain this service. If ILEC cannot satisfy all demand for Sprint branded DA service, ILEC must save capacity to provide an unbranded option for multiple CLEC's.	D	BellSouth will provide unbranded DA, but can't economically rebrand service. BellSouth has not purchased the necessary equipment. BellSouth feels that because it does not brand its own DA service, it should not be required to rebrand the service as Sprint.
VII.A.9.*	When technically feasible and requested by Sprint, ILEC should route Sprint customer DA calls to Sprint DA centers.	D	BellSouth does not feel it is technically feasible to route CLEC customer DA calls to the CLEC.
VII.B.*	COMPENSATION ILEC must place Sprint customer listings in its DA database. ILEC shall make its unbundled DA database available to Sprint. Prices should be, reasonable, and non-discriminatory at TELRIC plus reasonable forward-looking allocation of joint and common costs.	S	BellSouth's DA database services are available at tariffed rates. BellSouth is not in a position to offer the service at rates other than the tariffed rates offered other parties. No charge to put Sprint customer listings in database.
VII.C.1.	QUALITY OF SERVICE End-to-End interval for updating the database with Sprint customer data must be the same as provided for the ILEC's end-users.	A	BST will provide the same level of service to Sprint that it provides to its end users.
VII.C.2.	ILEC shall provide an automated capability (e.g. tape transfer or other data feed) to update ILEC database for updating and inquiries.	A	This is done through an LSR service order
VII.C.3.	ILEC and Sprint shall agree on speed-to-answer standards.	A	Service standards will parallel BST. BST answer time objective is 6.0 seconds.
VII.D.1.	BUSINESS PROCESSES The ILEC DA database must be updated and maintained with Sprint data for customers who: Disconnect Change carrier Install "Change" orders Are Non-Published Are Non-Listed Are Non-Published/Non-Listed	A	Sprint must notify BST through LSR.

LEGEND

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D = Disagree
S = Similar

Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
VII.D.2.	Sprint bills its own end-users.	A	
VII.D.3.	Sprint shall be billed in an agreeable format but prefers a CABS format.	A	BST will bill Sprint for DA service in CABS format
VII.D.4.	ILEC and Sprint shall develop intercompany procedures to correct errors when they are identified in the database.	A	This will be handled with an LSR.
VIII.A.1.	OPERATOR SERVICES GENERAL REQUIREMENTS ILEC and Sprint shall jointly develop a process to conduct Busy Line Verification ("BLV") and Emergency Interrupt ("EI") when Sprint provides its own operator services.	A	If operator service provided by BST, BLV part of service over trunk provided by Sprint If operator service not provided by BST, must have tariffed inward operator services using routing from LERG.
VIII.A.2.*	ILEC shall allow resale of Operator Services. Until such time that ILEC may route Operator Traffic to the Operator Service provider of Sprint's choice, ILEC resold Operator Service shall be branded Sprint and ILEC operators shall, where technically or operationally feasible and requested by Sprint, quote Sprint's rates for both Card and Operator Services functions and shall provide service that is at least at parity for services delivered to ILEC end-users. To the extent that separate trunk groups are needed to provide this functionality, Sprint agrees to pay the costs of necessary trunking. If the ILEC cannot meet all of the Sprint demand for branded operator services, the ILEC must save capacity to provide an unbranded option for all other CLEC's.	D	BellSouth will not unbrand or rebrand resold operator services. It's technically possible, but not economically feasible.
VIII.A.3.*	ILEC shall provide operator service deliverables to include the following: a. Local call completion - 0+ and 0-, billed to Calling Cards, collect and third Party. b. Billable - Time and Charges, Etc.	D	BellSouth can not quote time and charges.
IX.A.1.	WHITE/YELLOW PAGE DIRECTORY LISTING GENERAL REQUIREMENTS (NOTE: IN THIS SECTION ILEC MEANS ILEC AND/OR ITS DIRECTORY PUBLISHING AFFILIATE). A separate directory publishing agreement may be required with ILEC's directory publisher which ILEC will assist Sprint in obtaining under the general terms which follow.	A	
IX.A.2.	ILEC shall include Sprint specific information in the information pages of the directories.	A	Free listing for "Establishing Service", "Billing", and "Repair." The free listing contains the very basic contact information. Additional pages are available for a fee. Example: Two pages in the Atlanta directory is \$69K for one year. Volume pricing is available.
IX.A.3.	ILEC shall publish Sprint subscriber listings in ILEC directories (main listing in White and Yellow pages).	A	One free listing per account. White or yellow page as appropriate.
IX.A.4.	ILEC shall distribute white and yellow pages to Sprint subscribers on a non-discriminatory basis.	A	1-3 directories per residential account. 1-5 directories per business account.

LEGEND

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
			Beyond five is negotiated between BAPCO and customer.
IX.A.5.	ILEC should provide non-discriminatory List Rentals to Sprint.	A	BAPCO does not rent lists. List rentals, if desired, would be obtained from BST.
IX.A.6.	ILEC shall contact Sprint business customers and offer them directory advertising.	A	BAPCO sells white and yellow page advertising to business customers.
IX.B.1.	TYPES OF DIRECTORY LISTINGS Primary White Page Listings	A	
IX.B.2.	Primary Yellow Page Listing	A	Sprint to provide heading. BAPCO will provide list of headings via paper or diskette on a quarterly basis.
IX.B.3.	Additional White Page Listings	A	
IX.B.4.	Additional Yellow Page Listing	A	
IX.B.5.	Non-Pub/Non-List	A	Sprint to provide proper instruction code.
IX.B.6.	Foreign Listings	A	
IX.C.1.	ORDER PROCESSING Order processing procedures must be established to update directory database on a defined, regular basis with Sprint customer information.	A	
IX.C.2.	When available, an industry standard electronic format must be adopted for exchange of Sprint customer data.	A	LSR processing through BST's LCSC feeds white and yellow page listings.
IX.D.1.	PROVISIONING/DISTRIBUTION Initial and secondary distribution arrangements must be available. Sprint distribution by ILEC shall be at parity with ILEC distribution	A	
IX.D.2.	Intercompany procedures need to be established to prevent errors, and to correct them when they do occur.	A	BAPCO is working on operational procedures.
IX.D.3.	ILEC and Publisher shall protect Non-Pub/Non-List information and not disclose it to others or use it for marketing purposes.	A	
IX.E.1.	BILLING At ILEC's option, the Yellow Pages advertising bill will be rendered separately to Sprint customers by Publisher or shall be rendered by Sprint as agent of Publisher. A Sprint customer's yellow pages bill may not be combined with an ILEC bill or be billed by the ILEC in a manner that allows the ILEC to utilize this billing media for local customer win back messages.	A	All Yellow Page advertising sold to Sprint customers is billed by BAPCO, not BST.
IX.E.2.	At ILEC's option, the Directory Publisher shall invoice Sprint subscriber directly for white page advertising, white page bolding, white page color or shall utilize Sprint as agent for billing these services.	A	Designer Listings, i.e. bold, italic, extra line, etc. are sold by BST. Sprint can sell any of these services that are tariffed by BST and pay the wholesale rate. BAPCO will not provide Sprint the Designer Listing services directly.
IX.F.1.	COMPENSATION Distribution to Sprint Customers and end-user charges for directories should be made on the same terms and conditions as the ILEC uses for its own customers.	A	

LEGEND

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D = Disagree
S = Similar

Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
IX.F.2.	Sprint should be treated in a non-discriminatory manner (e.g. if ILEC receives payment for its listings Sprint should receive payment for its listings, if ILEC pays for white pages publication Sprint should pay for its share of white pages publication, if ILEC receives a share of white pages or yellow pages revenue including list rentals Sprint should likewise share in revenues). In the alternative, at the option of ILEC, Sprint is willing to forego payment for listings and a share of white and yellow pages revenues if Sprint receives a no charge information page in the directories, no charge publication of all appropriate accounts in the directories, and free directory distribution to Sprint customers. Additional information pages should be available for a reasonable, cost-based charge.	A	Free listing for "Establishing Service", "Billing", and "Repair." BellSouth is listed first and CLECs are listed in alphabetical order after BellSouth. Additional guide pages are available for purchase
IX.F.3.	Any additional charges that are made to Sprint customers should be on the same basis as the ILEC charges its own customers.	A	
IX.G.1.	INFORMATION Publishing cycles and deadlines need to be provided to Sprint to ensure timely delivery of Sprint information.	A	
IX.G.2.	Sprint shall provide its customer service location information if directory publisher is to deliver books. This data shall be used by ILEC/Publisher to deliver books or sell yellow pages advertising only and not for other purposes.	A	BAPCO will not provide information to a third party. However, BAPCO will use the information to identify potential yellow page advertisers.
IX.G.3.	ILEC shall provide a description of calling areas covered by each directory. This means that ILEC shall provide a list of all exchanges appearing in the directory and the local and EAS calling scope of the area covered by a directory or combination of directories as well as a list of all directories necessary for coverage of the local calling and EAS area.	A	
X.A.1.	ACCESS TO TELEPHONE NUMBERS GENERAL REQUIREMENTS Administration and assignment of numbers should be moved to a neutral third party. In the interim, while ILECs are still administering numbering, the following should apply: The ILEC must assign NXXs to Sprint on a non-discriminatory basis and on the same basis as to itself.	A	
X.A.2.	No restrictions should exist on ability to assign NXX per rate center.	A	
X.A.3.	ILEC testing and loading of Sprint's NXXs should be the same as its own.	A	
X.A.4.	ILEC cannot discriminate in the allocation of numbers and types of NXXs assigned to new entrants.	A	
X.B.	COMPENSATION The ILEC must assign NXXs to new entrants without the imposition of charges that are not imposed upon itself.	A	

LEGEND

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D = Disagree
S = Similar

Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
X.C.	QUALITY OF SERVICE ILECs must load NXXs according to industry guidelines, including the terminating LATA in which the NXX/rate center is located.	A	
X.D.1.	INFORMATION Until such time that number administration is moved to an independent third party, ILEC must provide to Sprint routine reporting on NXX availability, fill rates, and new assignments.	A	
X.D.2.	The ILECs must describe the details and requirements on handling NPA-NXX splits.	A	
XI.A.	INTERIM LOCAL NUMBER PORTABILITY VIA RCF, DID OR OTHER ARRANGEMENTS GENERAL REQUIREMENTS ILEC shall immediately implement interim number portability solutions to permit end-users to change to Sprint without changing their telephone numbers. Such interim solutions include Remote Call Forwarding ("RCF") and flexible Direct Inward Dialing ("DID"). Sprint preferred interim solution is RCF.	A	
XI.B.1.*	COMPENSATION Sprint and ILEC will establish reasonable cost recovery for RCF/DID. Existing retail call forwarding rates are not considered reasonable for this purpose. Sprint proposes that interim number portability be priced at TELRIC cost less a 55% discount which recognizes that interim number portability solutions degrade network performance to Sprint customers. Should a lower interim number portability price be offered by ILEC to others or ordered by a regulatory body, Sprint may adopt the lower price.	D	BellSouth is not in a position to offer rates other than those BellSouth has offered to other parties. The methodology used to develop the rates was not provided. Therefore, Sprint must disagree in principle.
XI.B.2.	For Sprint facilities-based services and services built with cost-based, unbundled elements, Sprint is entitled to both originating and terminating access charges associated with calls terminating to ported numbers assigned to Sprint subscribers. ILEC retains access charges when Sprint service is provided by a rebranded wholesale ILEC service. In addition, pursuant to 47 CFR § 51.515 where ILEC switching is used prior to June 30, 1997, CCL and 75% of TIC charge will be paid by Sprint to ILEC.	A	"Access charges associated with resold services or unbundled local switching elements will be assessed Pursuant to 51-515 or final order."
XI.C.	INFORMATION The data required for interim local number portability and for billing access when interim local number portability is used must be provided to Sprint at no additional cost above that already paid for interim local number portability.	A	
XII.A.1.	ACCESS TO SUCH SERVICES OR INFORMATION NECESSARY TO ALLOW REQUESTING CARRIER TO IMPLEMENT DIALING PARITY GENERAL REQUIREMENTS Upon the earlier of a valid local commission order to	A	"ILEC will implement dialing parity as required by final order of the state PSC or the FCC as appropriate." BST putting in two PIC where possible

LEGEND

A = Agree
D = Disagree
S = Similar

Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
	implement intraLATA presubscription, three years from the date the Telecommunications Act of 1996 was effective or when the ILEC (or its affiliate) is allowed into in region (e.g. states served by the ILEC) interLATA service, the full two-PIC option must be available for intraLATA and interLATA dialing parity.		
XII.A.2.*	Any end-user should be able to access Sprint for services using the same dialing protocol that the end-user would use to access the same service on the ILEC network, (e.g., intraLATA toll, operator assisted, directory assistance, and N11).	D	BellSouth does not agree that it is technically feasible to provide dialing parity for all services identified, N11, DA or operator.
XII.A.3.	ILEC must provide routine reporting on local dialing plans by switching type and end office.	A	"ILEC must provide necessary reports on dialing plans by switch type and end office when necessary for the provisioning of services by Sprint to its end users. These reports will be provided in a reasonable timeframe so that Sprint is able to prepare for product or service changes."
XIII.A.1.*	RECIPROCAL COMPENSATION ARRANGEMENTS LOCAL SERVICE/MUTUAL TRAFFIC EXCHANGE ILEC has the duty to provide reciprocal compensation arrangements for the transport and termination of telecommunications with Sprint. In order to implement this requirement in the most efficient manner, the specifically recognized option of "Mutual Traffic Exchange" (a/k/a "bill and keep") may be utilized where traffic is presumed to be in balance either because it has been measured and no significant balance difference exist or because measurement has not yet been accomplished. Otherwise, default proxies contained in the 96-98 Order shall be used until TELRIC cost studies have been performed and the results implemented in permanent rates.	D	BellSouth does not agree with "bill and keep."
XIII.A.2.	ILEC and Sprint will each be responsible for originating/terminating traffic to/from the meet point with the other carrier.	A	
XIII.B.1.*	COST BASIS Pursuant to 47 C.F.R. §51.705(a) an ILEC's rates for transport and termination of local telecommunications traffic shall be established, at the election of the state commission, on the basis of: a. the forward-looking economic costs of such offerings using a cost study pursuant to 47 C.F.R. §§ 51.505 and 51.511; or b. default proxies, as provided in 47 C.F.R. § 51.707; or c. a "bill-and-keep" arrangement, as provided in 47 C.F.R. § 51.713.	D	BellSouth has offered rates consistent with what BellSouth has offered other parties. These rates are based on access rates, not proxy rates as stated in the FCC order. In addition BellSouth wishes to utilize a 5% cap, whereby neither party is required to compensate the other for more than 105% of the total billed local interconnection minutes of use of the party with the lower total billed local interconnection minutes of use.
XIII.B.2.*	Pursuant to 47 C.F.R. § 51.715, in a state in which the	D	BellSouth has offered rates consistent

LEGEND

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
	state commission has neither established transport and termination rates based on forward-looking economic cost studies nor established transport and termination rates consistent with the default price ranges described in 47 C.F.R. §51.707, the ILEC shall set interim transport and termination rates within the proxy ranges for switching and transport as described in 47 C.F.R. § 51.707(b)(2).		with rates BellSouth has offered other parties. These rates are based on existing access rates and are therefore not consistent with the TELRIC methodology.
XIV.A.1.*	RESALE GENERAL REQUIREMENTS All regulated telecommunications services offered to end-users of the ILEC must be available for resale by Sprint. This includes volume discounted products, grandfathered products, individual case basis products, operators services, directory assistance, vertical services and promotions.	D	BellSouth has identified, at a minimum, the following services that are not available to Sprint at a wholesale rate: Grandfathered services; promotional and trial retail service offerings; lifeline and linkup services; contract service arrangements; installment billing options; 911 and E911 services; interconnection services for mobile service providers, and legislatively or administratively mandated specialized discounts (e.g. education institutions discount).
XIV.A.2.*	Every retail service rate, including promotions of over 90-days, discounts plans, and option plans must have a corresponding wholesale rate. Non-recurring charges associated with resold accounts shall also have an appropriate wholesale discount. New services shall have a wholesale rate established at the same time the new service becomes available.	Open	
XIV.A.3.	No conditions may be placed on the resale of any retail service except for the single provision within the Act which allows a state commission to restrict resale between certain categories of subscribers and payphone providers as Order by the FCC. Sec. 251(c)(4)(B), FCC Rule 51.613.	A	
XIV.A.4.	For wholesale services, Sprint requires that the existing databases and signaling supporting the retail service continue to be provided as part of the wholesale service.	A	
XIV.A.5.*	If the ILEC continues to sell a product to any end-user under grandfathered arrangements, the ILEC must make that product available for resale by Sprint to that end-user. If a service withdrawn from certain customers remains available to other customers, that service must be made available for resale to those customers that could still purchase the service at retail.	D	BellSouth does not agree to offer grandfathered services for resale.
XIV.A.6.	ILEC must provide a minimum notice period for changes/discontinuation of services so that Sprint has an opportunity to make the necessary modifications to its ordering, billing, and customer service systems, and so that it can provide sufficient customer notification regarding any changes.	A	
XIV.A.7.	Sprint's local customers must be able to retain their	A	BST qualification: number won't be

LEGEND

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
	existing ILEC provided telephone number without loss of feature capability and ancillary services such as, but not exclusively: DA, 911/E911 capability. Both Sprint and the ILEC will work cooperatively on exceptions.		moved if customer is in treatment (past due balance).
XIV.A.8.	When ILEC provides short installation intervals to its end-users, ILEC shall match those installation intervals for Sprint customers (e.g. facilities are already connected at the premises and all that is required is a computer entry activating service, such as "warm line" activation).	A	BST will provide Sprint the same interval they provide an end user
XIV.B.1.	COMPENSATION The wholesale price for each retail service must be determined based on the FCC approved methodology where costs the ILEC will avoid will be removed when the service is resold. FCC Rule 51.607 and 51.609.	A	
XIV.B.2.	Any PIC administration change charge must be at TELRIC plus a reasonable allocation of forward-looking joint and common costs.	S	BellSouth does not agree to reference TELRIC.
XIV.B.3.*	ILECs must either adopt interim wholesale rates within the 96-98 Order's proxy range or produce cost studies within the specified time frame contemplated for negotiations as part of good faith negotiations.	S	BellSouth has made no pricing commitments to Sprint other than what BellSouth has reached agreement on with other parties. There is no evidence to support compliance with the referenced FCC approved methodology.
XIV.C.	INFORMATION The ILEC must provide information concerning the agreements they have made with other Sprints and with its own affiliates.	A	
XIV.D.1.	ORDERING ILEC must provide the ability for Sprint to order local and long distance toll service on unified order.	A	
XIV.D.2.	Sprint shall adopt a reasonable account verification method consistent with the FCC's PIC verification guidelines. ILEC shall honor Sprint service order requests without receiving a separate signed LOA from the end-user in order to process a Sprint order.	A	Blanket LOA required. Change to read "ILEC shall not require individually signed LOA prior to processing an Sprint order. However, a blanket LOA is required."
XIV.D.3.*	ILEC shall provide confirmation of the installation/change activity to Sprint via an initial Firm Order Confirmation ("FOC") and positive completion of order activity. Sprint requires an "As Is" process when customers are migrating from the ILEC to Sprint at the same location. On migration type orders the FOC should contain all services/features currently being provided by the ILEC and those services/features being migrated to Sprint. On new installation/change orders the FOC should verify all services/features ordered by Sprint. A positive completion delineating all the services installed and those not installed should be sent to Sprint upon actual completion within 24 hours of Order completion. This will ensure proper billing to end-user customers for services provided.	Open	It has not been determined specifically what will be provided on the FOC and the timeliness of the FOC.

LEGEND

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
XIV.D.4.*	Once Sprint has obtained a customer, the ILEC shall provide in pre-ordering and ordering phases of processing the Sprint order, the ILEC regulated local features/products/services/elements/combinations that were previously provisioned by the ILEC for all affected Sprint local customers. This applies to all types of local service orders and all elements. Sprint requires that the ILEC provide any customer status which qualifies the customer for a special service (e.g. DA exempt, lifeline, etc.)	D	BellSouth will not provide CSR information in the "pre-ordering" data. CSR information is considered CPNI and should not be provided until after an order has been placed.
XIV.D.5.	Access to CRIS and routine reconciliation between CRIS records and Sprint customer records should be established.	Open	BST will not provide access to CRIS. An option would be to compare mag tapes to daily feed.
XIV.D.6.	Sprint, as the local service provider, and its customer are assigned any telephone line number switched by the ILEC switch. Therefore, Sprint must have access to the Telephone Line Number ("TLN") and Line Information Data Base ("LIDB").	Open	BST to investigate if they will enable or allow Sprint to look at LIDB.
XIV.E.1.	BILLING When ILEC local service is rebranded (as opposed to service provided via unbundled elements) the ILEC is the appropriate recipient of all access charges, and should be responsible for directly billing the IXC for the access related to interexchange calls generated by rebranded customers.	A	
XIV.E.2.	ILEC must return EMI records to IXCs with the Sprint disconnect rejection code along with the Operating Company Number ("OCN") of the associated ANI. The OCN must be provided so that the IXC will know which local ILEC provides service for the WTN.	A	BST will return record to IXC with new OCN and disconnect date. This is temporary (1-2 yrs). Future state will be to have OCN information in LIDB so IXC can access OCN info directly. ILEC will end up far removed from end user OCN as users churn.
XIV.E.3.	Monthly invoices must be presented in a an agreed upon format. Sprint prefers Carrier Access Billing Systems ("CABS") format in order to facilitate standard industry auditing practices. Other requirements include:	A	BST uses CRIS for resale billing and CABS for facilities based billing.
XIV.E.3.a	Where available, daily receipt of local usage at the call detail level in standard EMR/EMI industry format must be provided to enable Sprint to match these records with appropriate accounts by billing cycle in parity with the ILEC.	A	BST will provide daily records
XIV.E.3.b	Access to Bellcore CMDS in and out-collect process for inter-region alternately billed messages via a CMDS sponsor.	A	
XIV.E.3.c.	Access to in and out-collect process for intra-region alternately billed messages via the appropriate Bellcore Client Company.	A	
XIV.E.3.d	Long term neutral third party in and out-collect process	Open	

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Sprint Term Sheet Matrix (Contd.)

T.S. REF.	SPRINT POSITION	STATUS	BELLSOUTH/JOINT POSITION
	for inter and intra-region alternately billed message.		
XIV.E.3.e.	Provision to IXC of billing information for casual usage.	A	Same as XIV.E.1
XIV.E.3.f.	Information on customer's selection of billing method, special language billing, etc.	D	Subset of XIV.D.4
XIV.F.	<p>PIC ADMINISTRATION</p> <p>IXC PIC. When Sprint rebrands ILEC local service (becomes the end-user's local service provider), the ILEC shall process all PIC changes provided by Sprint on behalf of the IXCs. If PIC changes are received directly by the ILEC from the IXC, the ILEC shall reject the PIC change back to the IXC with the OCN of Sprint in the appropriate field of the industry standard CARE record.</p> <p>Sprint to CLEC Change. When a CLEC other than Sprint or the ILEC sells local service to an existing Sprint local customer and an order is submitted to the ILEC for migrating the service, the ILEC will shall inform Sprint of the disconnect in a manner similar to the existing CARE process for notifying an IXC of a disconnect PIC change. This will ensure accurate billing to the end-user customer.</p>	Open	

LEGEND

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**RESALE AND
INTERCONNECTION
AGREEMENT**

SEPTEMBER 17, 1996

**MASTER NETWORK
INTERCONNECTION AND RESALE AGREEMENT**

This Agreement is between _____ ("Carrier") and _____ ("Company") hereinafter collectively, "the Parties", entered into this _____ day of _____, 1996, for the State of _____.

WHEREAS, Carrier desires to provide competitive local exchange service to residential and business end-users, and the Parties wish to establish terms for interconnection for purposes of exchanging local, intraLATA interexchange and interLATA interexchange traffic in accordance with the Telecommunications Act of 1996 ("Act") as well as terms for resale of Company's services;

THEREFORE, the Parties hereby agree as follows:

I. DEFINITIONS

Definitions of the terms used in this Agreement shall have the meanings set forth below.

1. **Access Service Request ("ASR")** - means an industry standard form used by the Parties to add, establish, change or disconnect trunks for the purposes of Interconnection.
2. **Act** - means the Telecommunications Act of 1996, Public Law 104-104 of the 104th United States Congress effective February 8, 1996.
3. **Affiliate** - means any person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this Paragraph, the term "own" means to own an equity interest (or the equivalent thereof) of more than ten percent (10%). "Person" shall mean any individual, partnership, corporation, company, limited liability company, association, or any other legal entity authorized to transact business in any State.
4. **Bell Communications Research ("Bellcore")** - means an organization owned jointly by the Bell regional holding companies or their successors, that conducts research and/or development projects for its owners, including development of new telecommunications services. Bellcore also provides certain centralized technical and management services for the regional holding companies and also provides generic requirements for the telecommunications industry for products, services and technologies.
5. **Bill and Keep** - means a form of compensation for the termination of local traffic whereby LECs and CLECs terminate local exchange traffic originating from end-users served by the networks of other LECs or CLECs without explicit charging among or between said carriers for such traffic exchange.

6. **Central Office Switch, ("Central Office") ("CO")** - means a switching facility within the public switched telecommunications network, including but not limited to:

End Office Switches which are switches from which end-user Telephone Exchange Services are directly connected and offered.

Tandem Switches are switches which are used to connect and switch trunk circuits between and among Central Office Switches.

7. **Centralized Message Distribution System ("CMDS")** - means the billing record and clearing house transport system that the Regional Bell Operating Companies ("RBOCs") and other incumbent LECs use to efficiently exchange out collects and in collects as well as Carrier Access Billing System ("CABS") records.
8. **Commercial Mobile Radio Services ("CMRS")** - means a radio communication service between mobile stations or receivers and land stations, or by mobile stations communicating among themselves that is provided for profit and that makes interconnected service available to the public or to such classes of eligible users as to be effectively available to a substantial portion of the public.
9. **Commission** - means any state administrative agency to which the United States Congress or any state legislative body has delegated any authority to supervise or regulate the operations of Local Exchange Carriers pursuant to the Act or state constitution or statute such as a Public Utilities Commission or Public Service Commission..
10. **Competitive Local Exchange Carrier ("CLEC")** - means any company or person authorized to provide local exchange services in competition with an ILEC.
11. **Control Office** - is an exchange carrier center or office designated as its company's single point of contact for the provisioning and maintenance of its portion of interconnection arrangements.
12. **Customer Proprietary Network Information ("CPNI")** - shall have the meaning set forth in 47 USC §222 (b)(1) and FCC regulations.
13. **FCC** - means Federal Communications Commission.
14. **Incumbent Local Exchange Carrier ("ILEC")** - is any local exchange carrier that was as of February 8, 1996, deemed to be a member of the Exchange Carrier Association as set forth in 47 C.F.R. §69.601(b) of the FCC's regulations.
15. **Integrated Services Digital Network ("ISDN")** - means a switched network service providing end-to-end digital connectivity for the simultaneous transmission of voice and data.

16. **Interconnection** - means the connection of separate pieces of equipment, transmission facilities, etc., within, between or among networks for the transmission and routing of exchange service and exchange access. The architecture of interconnection may include collocation and/or mid-span meet arrangements.
17. **Interexchange Carrier ("IXC")** - means a telecommunications service provider offering interexchange telecommunications services (e.g., inter- and/or intraLATA toll).
18. **Meet-Point Billing** - means an arrangement whereby two local service providers (including an ILEC and a CLEC) jointly provide exchange access to an IXC for purposes of originating or terminating toll services and each such provider receives its share of the tariffed charges.
19. **Most Favored Nations ("MFN")** - means the ability of Carrier to replace any price, term and condition in this contract with the price, term and condition offered to any ILEC or CLEC by Company pursuant to the Act.
20. **Multiple Exchange Carrier Access Billing ("MECAB")** - means the document prepared by the Billing Committee under the auspices of the Ordering and Billing Forum ("OBF"), which functions under the auspices of the Carrier Liaison Committee of the Alliance for Telecommunications Industry Solutions ("ATIS") and is published by Bellcore as Special Report SR-BDS-000983, containing the recommended guidelines for the billing of exchange service access provided by two or more LECs and/or CLECs, or by one ILEC in two or more states within a single LATA.
21. **Multiple Exchange Carriers Ordering and Design Guidelines for Access Services - Industry Support Interface Multiple Exchange Carriers Ordering and Design Guidelines for Access Services - Industry Support Interface ("MECOD")** - means the document developed by the Ordering/Provisioning Committee under the auspices of the OBF, which functions under the auspices of the Carrier Liaison Committee of the ATIS and is published by Bellcore as Special Report SR STS-002643 to establish methods for processing orders for exchange service access which is to be provided by two or more ILECs and/or CLECs.
22. **Numbering Plan Area ("NPA")** - means an area code assigned pursuant to the North America Numbering Plan which is the three digit indicator defined by the "A", "B" and "C" digits of each 10-digit telephone number within the NANP containing 800 possible NXX Codes each. There are two general categories of NPA. "Geographic NPA" is associated with a defined geographic area, and all telephone numbers bearing such NPA are associated with services provided within that Geographic area. A "Non-Geographic NPA", also known as a "Service Access Code" ("SAC Code") means specialized telecommunications service which may be provided across multiple geographic NPA areas such as 500, Toll Free Service NPAs, 900 and 700.

23. **Parity** - means non-discrimination and equality in status, including but not limited to, electronic access, information availability, network operational characteristics, and response time and/or installation activity, between functions the Company performs for itself and functions it performs for/or makes available to Carrier.
24. **Physical Collocation** - shall have the meaning set forth 47 C.F.R. § 51.5.
25. **Rebranding** - occurs when Carrier purchases a wholesale service from Company when the Carrier brand is substituted for the Company brand.
26. **Telecommunications Services** - shall have the meaning set forth in 47 USC §153(6).
27. **Total Element Long Run Incremental Cost ("TELRIC")** - means the incremental costs of an entire product (e.g., all the costs directly caused by providing an interconnection service, a network element, or some other product. TELRIC includes service-specific fixed costs (e.g., costs that do not change with changes in output), volume sensitive costs (those that are caused by changing the volume of output) and a reasonable allocation of forward-looking joint and common costs. In more precise terms, TELRIC is the difference between (1) the total costs of a company that provides the service and a number of other services, and (2) the total cost of that same company if it provided all of its services in the same quantities, but not the service in question.
28. **Trunk-Side** - refers to a Central Office Switch connection that is capable of, and has been programmed to treat the circuit as, connecting to another switching entity or another central office switch. Trunk side connections offer those transmission and signaling features appropriate for the connection of switching entities, and cannot be used for the direct connection of ordinary telephone station sets.
29. **Undefined Terms** - The Parties acknowledge that terms may appear in this Agreement which are not defined and agree that any such terms shall be construed in accordance with their customary usage in the telecommunications industry as of the effective date of this Agreement. Virtual collocation does not include switching equipment.
30. **Virtual Collocation** - shall have the meaning as set forth in 47 C.F.R. § 51.5
31. **Wholesale Service** - means any regulated Telecommunication Services that Company provides at retail to subscribers who are not telecommunications carriers as set forth in 47 USC §251(c)(4).
32. **Wire Center** - means a building or space within a building which serves as an aggregation point on a network, where transmission facilities and circuits are connected or switched. Wire center can also denote a building in which one or more Central Offices, used for the provision of exchange services and access services, are located.

II. SCOPE OF THIS AGREEMENT

The services and facilities to be provided to Carrier by Company in satisfaction of this Agreement may be provided pursuant to Company tariffs and then current practices. Should there be a conflict between the terms of this Agreement and any such tariffs or practices, the terms of this Agreement shall control to the extent allowed by law or Commission Order until such time as Company may so modify its tariffs and practices to be in conformance with the terms of this Agreement. Company and Carrier shall use their best efforts to obtain approval of this contract by any regulatory body having jurisdiction over this Agreement and to make any required tariff modifications.

III. RESALE OF LOCAL SERVICES

- A. Company shall not place conditions or restrictions on Carrier's resale of wholesale regulated Telecommunications Services, except for restrictions on the resale of residential service to other classifications (e.g., residential service to business customers). Every regulated retail service rate, including promotions over 90-days in length, discounts, and option plans will have a corresponding wholesale rate.
- B. Company will make wholesale telecommunications service offerings available for all new regulated services at the same time the retail service becomes available.
- C. Company will continue to provide existing databases and signaling support for wholesale services at no additional cost.
- D. Company will make any service grandfathered to an end-user or any Individual Case Basis ("ICB") service available to Carrier for resale to that same end-user at the same location(s).
- E. Company will provide at a minimum 30-days advance notice to Carrier of changes in or discontinuation of any product or service that is available for resale hereunder.
- F. Company will continue to provide Primary Interexchange Carrier ("PIC") processing for those end-users obtaining resold service from Carrier. Company will bill and Carrier will pay any PIC change charges.

- G. Company shall allow Carrier customers to retain their current telephone number.
- H. Company shall install Carrier customers as quickly as it installs its own end-users and shall provide parity in quick installation programs such as "warm line" programs.

I. Billing.

1. Company shall be responsible for directly billing the IXC for access related to interexchange calls generated by rebranded customers.
2. Company will be responsible for returning EMI records to IXCs with the Carrier disconnect rejection code along with the Operating Company Number ("OCN") of the associated Automatic Number Identification ("ANI").
3. Company will deliver a monthly statement for wholesale services based upon a mutually agreed upon schedule as follows:
 - a. Invoices will be provided in a standard carrier access billing format or other agreed upon format;
 - b. Where local usage charges apply, the local usage at the call detail level in standard EMR/EMI industry format will be exchanged daily or at other mutually agreed upon intervals;
 - c. Company will act as CMDS sponsor and provide access to Bellcore CMDS in and out collect process; *(applicable to BOC and GTE only)*
 - d. The Parties will work cooperatively in facilitating the billing of in and out collect and for inter and intra region alternately billed messages;
 - e. Company agrees to provide information on the end-user's selection of special features (e.g., billing method, special language); and
 - f. Company agrees to provide billing information for casual callers.

J. Compensation.

1. All Company retail Telecommunications Services, pursuant to 47 USC §251(c)(4) shall be available for resale at wholesale prices. Pricing shall be developed based on 47 USC §252(d)(3) where wholesale prices are retail prices less avoided costs, net of any additional costs imposed by wholesale operations. The wholesale rate shall be, until such time as avoided cost studies in compliance with the FCC's avoided cost methodology in FCC Rules 51.607 and 51.609 have been approved, an interim rate as approved by the appropriate state commission within the 17% - 25% discount range.

Upon the approval of a permanent rate by a state commission the permanent rate shall apply. If Company has available by contract or otherwise a lower rate, that rate shall be available to Sprint.

2. To the extent Carrier desires to order wholesale Telecommunications Services for resale from Company it is entitled to do so on a non-discriminatory basis under rates, terms, and conditions no less favorable than those currently extended, or which in the future may be extended, by Company to any other carrier offering local exchange and/or toll services, or equivalent elements to any other CLEC on a MFN basis. Company agrees to provide Carrier with information concerning the terms and conditions available to all such Parties upon request. If Company makes any non cost-based volume or term rate available to any other Carrier, such rate shall be available to Carrier without regard to volume, term or other conditions imposed by Company.

IV. PROVISIONING AND INSTALLATION - RESALE

A. Order Processing.

1. The Company will meet Carrier's ordering needs and, if necessary, establish a dedicated CLEC ordering center.
2. All ordering process and systems Company utilizes shall provide Carrier with parity treatment.
3. Electronic interfaces for the exchange of ordering information will be adopted and made available using any industry standard order formats and methods that are developed, (e.g. "EDI"). Electronic interfaces should be established to provide access to the Company systems as indicated on Exhibit 1. In the absence of industry standards, interim electronic access to Company systems shall be established as indicated on Exhibit 1.
4. Carrier and the Company will adopt an industry standard service order/disconnect order format.
5. Carrier and Company may order Primary Local Carrier ("PLC") and Primary Interexchange Carrier ("PIC") record changes using the same order process and on a unified order.
6. No Letter of Agency ("LOA") signed by the end-user will be required to process a PLC or PIC change ordered by Carrier or Company. Carrier and Company agree that PLC and PIC change orders will be supported with appropriate documentation and verification as required by FCC and Commission rules.
7. Each Party will provide the other, as agent of the end-user customer, at the time of the PLC order, current "As Is" pre-ordering/ordering information relative to the end-user

consisting of local features, products, services, elements, combinations, and any customer status qualifying the customer for a special service (e.g., DA exempt, lifeline, etc.) provided by the Party to that end-user.

8. As appropriate, the new PLC shall provide confirmation of installation change activity to the former PLC. Company shall provide Carrier read-only on-line access to Company's customer record information systems and the Parties will establish a mechanism for periodic reconciliation between their system(s) and Carrier's customer records database.
9. Until such time as numbering is administered by a third party, Company shall provide Carrier the ability to obtain telephone numbers on-line from the Company, and to assign these numbers with the Carrier customer on-line. This includes vanity numbers. Reservation and aging of numbers remain the responsibility of the Company. Until such time as Company establishes an on-line electronic interface with Carrier which facilitates real-time number assignment, company will provide blocks of numbers, where possible, sufficient to satisfy Carrier's projected numbering resource demand.
10. Company shall provide Carrier the ability to order all available features on its switches (e.g., call blocking of 900 and 976 calls by line or trunk). Additionally, Company shall provide high usage reports, as required by any Commission, so that Carrier may provide any regulatory required high usage reports to its end-users.
11. Company shall provide "real-time" electronic interfaces and response for: firm order confirmation, due date availability/scheduling, dispatch required or not, identify line option availability by switch office (such as Digital Copper, Copper Analog, ISDN, etc.), Order completion with all service order and time-and-cost-related fees, rejections/errors on service order data element(s), jeopardy against the due date, missed appointments, additional order charges (construction charges), order status, valid street address detail, and electronic notification of the local line options that were provisioned, at the time of order completion, by the Company for all Carrier local customers. This applies to all types of service orders and all elements.
12. Company shall provide Carrier the "real-time real" electronic ability to schedule installation appointments with the customer on-line and access to the Company's schedule availability.
13. The Company will direct customer to Carrier for requests changing their Carrier service.
14. The Company shall process all PIC changes provided by Carrier on behalf of IXC's. If PIC changes are received by Company directly from IXC's, Company shall reject the PIC change back to the IXC with the OCN of Carrier in the appropriate field of the industry standard CARE record.

15. Company shall cooperate with Carrier, before Carrier offers commercial service, in testing all electronic ordering, provisioning, maintenance, billing and other electronic interfaces and internal systems to insure accurate and timely installation and billing occurs. Company shall use its best efforts to provide adequate and timely testing and to cure any system defects discovered through such testing.
16. Company shall notify Carrier within one business day of any Primary Local User ("PLU") change in carrier when a carrier submits an order to Company that results in disconnection or reassignment of Company facilities or services (resale or unbundled elements) previously used by Carrier (i.e. disconnection of Carrier's service).

V. NETWORK INTERCONNECTION

- A. All interconnection arrangements offered by Company to Carrier shall provide Carrier with network parity. Carrier shall interconnect with Company's facilities as follows for the purpose of routing or terminating of traffic:
 1. In each Company local calling area in which Carrier chooses to offer local exchange service, Carrier may interconnect its network facilities at any one or more technically feasible point(s) of interface within Company's network including: (a) at Company access tandem(s); (b) end office switch(es); or (c) other wire centers (collectively referred to as "POI"). The POIs are the point(s) of physical interconnection as identified in Appendix 1 attached hereto and incorporated herein by reference. As Carrier initiates exchange service operations in additional Company areas, additional POIs in each local calling area will be established by Carrier and Appendix 1 will be amended and updated to reflect the additional POIs, as necessary.
 2. Interconnection to a Company end office(s) will provide Carrier access only to the NXX's served by that individual end office(s) to which Carrier interconnects.
 3. Interconnection to a Company tandem(s) will provide Carrier local access for local and toll service purposes to the Company end offices and NXX's which interconnect with that tandem(s) either directly or through other Company facilities for local and toll service purposes, and to other companies which are likewise connected to that tandem(s). Interconnection to a Company tandem for transit purposes will provide Carrier interexchange access to Company, Interexchange Carriers ("IXCs"), CLECs, ILECs, and CMRS providers which are connected to that tandem. Where a Tandem Switch also provides End-Office Switch functions, interconnection to a Company tandem serving that exchange will also provide Carrier access to Company's end offices with the same functionality described in (2) above.
 4. Where Carrier requires ancillary services (e.g., Directory Assistance, Operator Assistance, 911/E911), additional or special trunking will be provided as required for interconnection and routing to such ancillary services.

5. If requested by Carrier, Company will, subject to technical feasibility, establish additional POI arrangements including, but not limited to, any of the following interconnection methods:
 - a. a physical collocation facility maintained by Carrier, or by a third party with whom Carrier has contracted for such purposes, at a Company Wire Center, where such Wire Center has been designated as the POI; or
 - b. a physical collocation facility maintained by Company, or by a third party with whom Company has contracted for such purposes, at a Carrier Wire Center, where such Wire Center has been designated as the POI.
6. In support of any claim that a requested interconnection at a POI is technically infeasible, Company bears the burden of proof and in support of the same shall undertake and provide to Carrier:
 - a. a study and analysis to assess the technical feasibility of providing the requested interconnection; and
 - b. all other relevant information and documents that the Company relied upon in making its conclusion.
7. Upon reasonable notice to Company, Carrier shall be provided access to the proposed POI to properly evaluate the Company's denial of Carrier's request to interconnect. Where Carrier leases collocation space and/or equipment from Company for purposes of interconnection under this Agreement, Carrier shall have MFN rights to lease under non-discriminatory tariff or contract terms from Company equal to the most favorable terms, including rates that Company otherwise makes such facilities available (including to independent companies, its own affiliates, and/or most favored customers). Company agrees to provide floor space and such other space in its facilities reasonably necessary to accommodate Carrier's terminating, transmission, and concentrating equipment, subject to physical space limitations. Company generally agrees to provide new collocation arrangements no later than 90 days after Carrier's written request. Company shall use its best efforts to meet a 90 day Installation interval. A full explanation of any delays past the 90 day period shall be provided by Company.
8. Company shall interconnect with Carrier facilities at the POIs designated in Appendix 1 as modified and updated from time to time. Company shall interconnect with Carrier under prices, terms and conditions no less favorable, than those available on an element by element basis to other parties. Carrier may adopt any price, term or condition available to another Party on an MFN basis in place of any other price, term or condition otherwise applicable herein.

9. With the exception of those provisions which apply only to ILECs under the Act, the provisions of this Section V. A. shall apply to Company's interconnection to Carrier's network for the purpose of routing all the types of traffic.
- B. Where the Parties interconnect, for the purpose of exchanging traffic between networks, the following will apply:
 1. The Parties agree to establish trunk groups from the interconnecting facilities such that trunking is available to any switching center designated by either Party, including end offices, tandems, 911 routing switches, and directory assistance/operator service switches. At Carrier's option, one-way or two-way trunking will be available.
 2. When traffic is not segregated according to traffic types, the Parties will provide percentage of jurisdictional use factors (e.g., CMRS, local, interstate access) or actual measurement of jurisdictional traffic.
 3. The Parties agree to offer and provide to each other B8ZS Extended Superframe Format ("ESF") facilities, where available, capable of voice and data traffic transmission.
 4. Where available, Company will provide and implement all defined and industry supported SS7 mandatory parameters as well as procedures in accordance with ANSI standards. To the extent Company provides ANSI optional parameters for its own use, Company shall provide the same to Carrier.
 5. In the event SS7 facilities are not available from Company, Carrier may, at its option, obtain multi-frequency signaling.
 6. Where available, Company agrees to provide CIP (carrier identification code within Carrier's SS7 call set-up signaling protocol) at no charge.
 7. Company shall support intercompany 64 KBPS clear channel where it provides such capability to its end-users.
 8. The Parties will cooperate in the exchange of TCAP messages to facilitate full interoperability of SS7-based features between their networks, including all CLASS features and functions, to the extent each Party offers such features and functions to its own end-users.

VI. PROVISIONING AND INSTALLATION - INTERCONNECTION

A. Order Processing.

1. The Company is responsible for ordering facilities to terminate traffic to Carrier.

2. When two-way trunking is employed, the Parties will select a mutually agreeable automated ordering process.
3. The parties shall establish appropriate ordering/provisioning codes for each identified service, unbundled element and unbundled element combination.
4. When combinations of unbundled elements are ordered and said elements are currently interconnected and functional, those elements will remain interconnected and functional without an interruption in service.
5. The Company will provide to Carrier copies of all applicable test and turn-up procedures Company normally follows in support of the unbundled elements/combinations/services ordered by Carrier.
6. Within 48 hours of any disconnect, the Company will notify Carrier of the disconnect of any Carrier unbundled element/combination/service.
7. All notices, invoices, and documentation provided on behalf of Carrier to the customer at the customer's premises by the Company's field personnel shall either be branded Carrier at Carrier's expense or non-branded. Company shall not market its services during such calls.
8. Company shall provide the ability for Carrier to mechanize test or, notwithstanding anything to the contrary in this agreement, will test all elements/combinations.
9. Company will provide a system to identify essential Carrier circuits, trunks and elements for expedited restoral purposes.

B. Billing.

1. Company and Carrier agree to conform to MECAB and MECOD guidelines. They will exchange Billing Account Reference and Bill Account Cross Reference information and will coordinate Initial Billing Company/Subsequent Billing Company billing cycles.
2. Exchange access meet point billing arrangements will be made available to Carrier as a CLEC. Where Company currently has meet point arrangements, they shall be made available on the same terms and conditions as made available by Company to other ILECs engaged in meet point billing arrangements with the Company.
3. No discrete development charges shall be imposed on Carrier for the establishment of standard meet point billing arrangements.
4. Carrier and the Company agree to implement industry standard CARE records for correct provisioning and billing to IXC.

A. General Requirements.

1. The Parties will work cooperatively to install and maintain a reliable network. The Parties will exchange appropriate information (e.g., maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the government, etc.) to achieve this desired reliability.
2. Each Party shall provide a 24 hour contact number for network traffic management issues to the other's surveillance management center. A fax number must also be provided to facilitate event notifications for planned mass calling events. The Parties shall agree upon appropriate network traffic management control capabilities.
3. Company agrees to work toward having service centers dedicated to CLECs available 7 days a week, 24 hours a day, and in the interim must handle Carrier calls as well as other customer calls in a non-discriminatory manner.
4. Voice response units, similar technologies, intercept solutions or live referrals should be used to refer/transfer calls from customers to the proper carrier for action. Neither Party

shall market to end-users during a call when that customer contacts the Party solely as a result of a misdirected call.

5. Carrier will be provided parity electronic read and write access to the Company's maintenance and trouble report systems including the following systems and/or functionality:
 - a. Trouble reporting/dispatch capability - access must be real-time;
 - b. Repair status/confirmations; maintenance/ trouble report systems;
 - c. Planned/Unplanned outage reports; and
 - d. Mechanized line testing - access must be "real-time".
6. Notice of Network Event. Each Party has the duty to alert the other to any network events that can result or have resulted in service interruption, blocked calls, or negative changes in network performance affecting more than one percent of either Party's circuits in any exchange on a real-time basis.
7. Notice of Network Change. The Parties agree to provide each other reasonable notice of changes including the information necessary for the transmission and routing of services using that local exchange carrier's facilities or networks, as well as other changes that would affect the interoperability of those facilities and networks. Correct LERG data is considered part of this requirement.
8. Company and Carrier shall develop a detailed escalation process to assist in problem resolution.
9. The Parties must work cooperatively to plan and implement coordinated repair procedures for local interconnection trunks and facilities to ensure trouble reports are resolved in a timely and appropriate manner.
10. The Company shall provide parity repair progress status reports so that Carrier will be able to provide its end-user customers with detailed information and an Estimated Time To Repair ("ETTR"). The Company will close all trouble reports with Carrier. Carrier will close all trouble reports with its end-user.
11. A non-branded, customer-not-at-home card shall be left by Company at the customer's premises when a Carrier customer is not at home for an appointment and Company performs repair or installation services on behalf of Carrier.
12. The Company will ensure that all applicable alarm systems that support Carrier customers are operational and the support databases are accurate. The Company will respond to Carrier customer alarms consistent with how and when they respond to alarms for their own customers.

13. Carrier shall receive prior notification of any scheduled maintenance activity performed by the Company that may be service affecting to Carrier local customers (e.g., cable throws, power tests, etc.).

B. Transfer of Service Announcements.

When an end-user who continues to be located within the local calling area changes from Company to Carrier, or from Carrier to Company, and does not retain its original telephone number, the Party formerly providing service to the end-user will provide a new number announcement on the inactive telephone number upon request, for a minimum period of 90 days (or some shorter reasonable period when numbers are in short supply), at no charge to the end-user or either Party unless Carrier or Company has a tariff on file to charge end-users. This announcement will provide details on the new number to be dialed to reach this customer.

C. Coordinated Repair Calls.

Carrier and Company will employ the following procedures for handling misdirected repair calls:

1. Carrier and Company will educate their respective customers as to the correct telephone numbers to call in order to access their respective repair bureaus.
2. To the extent the correct provider can be determined, misdirected repair calls will be referred to the proper provider of local exchange service in a courteous manner, at no charge, and the end-user will be provided the correct contact telephone number. In responding to repair calls, neither Party shall make disparaging remarks about the other, nor shall they use these repair calls as the basis for internal referrals or to solicit customers or to market services. Either Party may respond with accurate information in answering customer questions.
3. Carrier and Company will provide their respective repair contact numbers to one another on a reciprocal basis.
4. It is recognized by the Parties that repair calls placed via an N11 number available to only the Company is in violation of 47 USC §251(b)(3) dealing with dialing parity. Company, to the extent it receives repair or business office contact through N11 dialing will, at the time the next directory for the area is released, switch to a 7-digit or 10-digit number or immediately undertake efforts to route N11 calls by Carrier customer to Carrier repair and business offices on a non-discriminatory basis.

D. Restoration of Service in the Event of Outages.

Company restoration of service in the event of outages due to equipment failures, human error, fire, natural disaster, acts of God, or similar occurrences shall be performed in accordance with the following priorities. First, restoration priority shall be afforded to those network elements and services affecting its own end-users or identified Carrier end-users relative to national security or emergency preparedness capabilities and those affecting public safety, health, and welfare, as those elements and services are identified by the appropriate government agencies. Second, restoration priority shall be afforded between Company and Carrier in general. Third, should Company be providing or performing tandem switching functionality for Carrier, third level priority restoration should be afforded to any trunk. Lastly, all service shall be restored as expeditiously as practicable and in a non-discriminatory manner.

Carrier and Company will agree on a process for circuit and unbundled element provision and restoration whereby certain identified Carrier national security and emergency preparedness circuits will be afforded expedited restoral treatment and general trunking and interconnection should take priority over any other non-emergency Company network requirement.

E. Service Projections.

Carrier shall make available to Company periodic service projections, as reasonably requested, including busy hour usage for Company's access capacity. Company shall manage its network in order to accommodate the Carrier's projected traffic at the required grade of service. The Parties shall review engineering requirements on a semi-annual basis and establish forecasts for trunk and facilities utilization provided under this Agreement. Trunk growth will be implemented as dictated by engineering requirements.

F. Quality of Service.

1. Company shall provide Carrier parity in provisioning, repair and maintenance support 7 days a week, 24 hours a day.
2. Company shall provide Carrier with at least the same intervals and level of service provided by Company to its end-users or another party at any given time to ensure parity in treatment.
3. Company shall provide Carrier maintenance and repair services on wholesale and/or unbundled facilities in a manner that is timely, consistent and at parity with service provided to Company end-users and/or other carriers.
4. Interconnection quality of service should be no less than that provided by the Company for its own services.

5. A minimum blocking standard of one percent during the average busy hour shall be maintained on an average basis for all local interconnection facilities.
6. Company shall adhere to competitive intervals for installation of POIs, and the objective in no case should be longer than 30 calendar days, absent extenuating circumstances. In those instances where new collocation arrangements are required, a 90 day installation target applies.
7. Carrier and Company shall negotiate a process to expedite network augmentations and other orders when requested by Carrier.
8. Carrier and Company shall negotiate a mechanism whereby Company will improve performance when it is in breach of Commission imposed or agreed upon quality-of-service standards. Company shall indemnify Carrier for any forfeitures or civil penalties or other regulator-imposed fines caused by Company failure to meet Commission imposed service standards.
9. Carrier must be at parity with the Company (or its affiliates or third parties) in provision of unbundled elements. This must at a minimum include:
 - a. Switch features at parity;
 - b. Treatment during overflow/congestion conditions at parity;
 - c. Equipment/interface protection at parity;
 - d. Power redundancy at parity;
 - e. Sufficient spare facilities to ensure provisioning, repair, performance, and availability at parity; and
 - f. Standard interfaces at parity.
10. Carrier and Company will mutually develop operating statistical process measurements that will be monitored monthly to ensure that a negotiated service quality level is maintained.

G. Information.

1. Order confirmation must be provided within 24 hours of completion to ensure that all necessary translation work is completed on newly installed facilities or augments.
2. Company and Carrier shall agree upon and monitor operational statistical process measurements. Such statistics will be exchanged under an agreed upon schedule.
3. Company and Carrier will periodically exchange technical descriptions and forecasts of their interconnection and traffic requirements in sufficient detail to assure traffic completion to and from all customers within the appropriate calling areas.

4. Company shall provide and update an electronic copy of their switch Network ID Database with complete list of feature/functions by switch, NPA/NXXs, rate centers, etc.
5. Company shall provide a list/description of all services and features with availability down to street address detail, including: Type of Class 5 Switch by CLLI, line features availability by switch office, and service and capacity availability by switching office. Company shall further provide a complete layout of the data elements that will be required to provision all such services and features.
6. Company shall provide detailed descriptions of the criteria and process used for handling facility and power outages on an agreed upon severity and priority basis.
7. The Company shall provide an initial electronic copy and a hard copy of the Service Address Guide ("SAG"), or its equivalent. Updates are expected as changes are made to the SAG.
8. Company shall provide Carrier with engineering change notices it provides its own personnel associated with the Company's network elements and deployment of new technologies to the extent such will impact interoperability of Company's and Carrier's networks.
9. Company shall provide Carrier with its list of emergency numbers (e.g. same digit PSAP numbers, police, fire, etc.). Company will provide Carrier with the same list that Company uses. Company makes no warranties or guarantees with regard to the accuracy, completeness, or currency of said numbers.

VIII. UNBUNDLED NETWORK ELEMENTS

A. General Requirements.

Company will unbundle and separately price and offer the following eight network elements such that Carrier will be able to subscribe to and interconnect to whichever of these unbundled elements Carrier requires for the purpose of providing local telephone service to its end-users, and to combine the Company-provided elements with any facilities and services that Carrier may itself provide, in order to efficiently provide Telecommunications Services to its end-users, pursuant to the following terms:

1. Loops, e.g., two-wire or four-wire facilities from the Carrier's or end-user's premises to the host office in the same exchange, or to the remote switch if there is no host switch in such exchange including cross-connects to either other unbundled elements or Carrier's facilities;

2. Local Switching, e.g., the ability to switch calls from one line to another, or from a line to a trunk including all features and functions, connection to the MDF or trunk cross-connect, and switch card;
3. Tandem Switching, e.g., trunk-to-trunk connections including all features and functions such as recording and customized routing;
4. Interoffice Transmission Facilities, e.g., transmission of Carrier traffic on , either dedicated or common facilities, between Company and/or Carrier offices and/or a location designated by Carrier;
5. Signaling and Call-related Databases, e.g. SS7 signaling links and Signal Transfer Point ("STP") access, call related databases (such as, Line Information Database, Toll Free Calling Database and Number Portability Database), signaling systems, AIN database access through local switching purchase or SS7 interconnection and access to Service Management Systems;
6. Network Interface Device;
7. Operator Services, e.g. unbundled local operator service with custom routing to facilitate Carrier branding and price quotation where technically feasible;
8. Directory Assistance, e.g. local directory assistance services with custom routing to facilitate Carrier branding where technically feasible and unbundled sale of the database for inclusion in Carrier DA centers; and
9. Operations Support Systems, e.g. including seamless electronic interfaces with systems providing Company ordering and provisioning, trouble reporting and fault management, performance monitoring, network and traffic management, facility assignment and control functions. Such electronic interface shall provide information, operational and timeliness parity and be provided pursuant to industry standards within twelve months after such standards have been established and notwithstanding anything to contrary elsewhere in this agreement, via reasonable agreed upon interim measures before final industry standards have been implemented. Carrier recognizes Company's right to seek waivers of any FCC mandated electronic interface availability requirements and this agreement is expressly subject to any modification of the availability of electronic interfaces ordered by the FCC. However, if an electronic interface is made available by Company to any Carrier, Company shall make a similar appropriate interface available to Carrier.

Additionally, Company will, upon receipt of a bona fide written request, specifying a desired activation date, further unbundle the elements identified above into sub-elements as follows (for illustrative purposes only and not by way of limitation) in identified local exchange(s). Upon submission of a written request from Carrier for additional sub-element

unbundled network elements, Company shall have 45 days from the receipt of the written request to respond, in writing, whether it is technically feasible to provide such unbundled network element on the requested activation date and, if feasible, the price of such element. If Carrier fails to place an order, then Carrier shall pay the actual costs incurred by Company in responding to the request.

Company will upon receipt of the request, unbundle and separately price and offer requested elements such that Carrier will be able to lease whichever of these unbundled elements Carrier requires, and to combine the Company-provided elements with any facilities and services that Carrier may itself provide, in order to efficiently offer telecommunications services to end-users, pursuant to the following terms:

1. Interconnection, when requested, will be achieved at any technically feasible POI on Company's network, including via collocation arrangements.
2. Company shall ensure that unbundled elements, when combined together without the addition of any Carrier facilities, are capable of providing full local service and other functionality available to end-users through retail offerings, provided, however, that Carrier has ordered that appropriate unbundled elements for the provision of "full local service." Company will assist Carrier in identifying elements needed to provide any end-user service desired by Carrier.
3. Loop, switching, or transport when interconnected with Carrier facilities (whether purchased individually or in combinations) shall be delivered to the Carrier collocation arrangement or mid-span meet through appropriate connectors applicable to the unbundled service delivered, through other tariffed or contracted options, or through other technically feasible and economically comparable interconnection arrangements in accordance with agreements between Carrier and Company.
4. To the extent technically feasible, all unbundled element-based features, functions, service attributes, grades-of-service, installation, maintenance and repair intervals which Company provides for its retail service will apply to unbundled elements.
5. Subject to other contractual agreements, Company need not monitor the unbundled loop for maintenance purposes. Carrier may be required to provision a loop testing device either in its central office, Network Control Center, or in its collocation arrangement to test the unbundled loop. Company will perform repair and maintenance once trouble is identified by Carrier.
6. Company shall provide an electronic interface with Carrier for on-line electronic file transfers by which Carrier may place, verify, and receive confirmation on orders for unbundled elements, and issue and track trouble-ticket and repair requests associated with unbundled elements.

B. Compensation.

Permanent, unbundled network elements prices shall be provided at a rate to be computed based on TELRIC plus a reasonable allocation of joint and common costs of each such Element. Until permanent rates are developed, and always subject to MFN provisions appearing elsewhere in this Agreement, interim rates within the proxy ranges approved by the FCC or a state Commission or otherwise agreed to by the parties shall be implemented.

IX. SPECIAL SERVICE ARRANGEMENTS AND CONSTRUCTION

A. Special Service Arrangements.

Company shall provide special service arrangements to Carrier as reasonably requested pursuant to Company's unbundled element and interconnection obligations under the Act. For special service arrangements not readily available through Company, unbundled element pricing at TELRIC with a reasonable allocation of joint and common cost shall apply. This Company obligation includes the construction of a reasonable amount of additional facilities.

X. ACCESS TO TELEPHONE NUMBERS.

A. General Requirements.

1. To the extent Company serves as the Central Office Code Administrator, Company will work with Carrier in a neutral and non-discriminatory manner, consistent with regulatory requirements, in regard to Carrier's requests for assignment of Central Office code(s) (NXX) consistent with the Central office Code Assignment Guidelines, and any applicable Commission or FCC rules and/or orders.
2. It is the responsibility of each Party to program and update its own switches to recognize and route traffic to other Party's assigned NXX codes. Neither Party shall impose fees or charges on the other Party for required programming and switch updating activities.

B. Compensation.

To the extent that Company assigns NXXs, the Company will assign NXXs to Carrier at the same rates/charges it imposes upon itself.

C. Quality of Service.

Company will input Carrier's NXXs into its databases according to industry guidelines, including the terminating LATA in which the NXX/rate center is located.

D. Information.

1. Until such time that number administration is moved to an independent third party, Company will make available reporting on NXX availability, fill rates, and new assignments.
2. Company agrees to provide to Carrier information concerning NPA-NXX splits.

XI. LOCAL NUMBER PORTABILITY

A. General Requirement.

1. The Parties shall provide interim number portability arrangements to permit end-user customers to change providers without changing their current phone numbers, provided that such end-user remains located within the same Company or Carrier rate center. Such arrangements may include remote call forwarding or flexible DID.
2. Company will provide necessary data to Carrier to allow Carrier to recover appropriate terminating access charges, recognizing that both Carriers are involved in joint provision of access to IXC's associated with terminating traffic to ported numbers assigned to Carrier subscribers.
3. Company will provide interim number portability in an area until permanent number portability is implemented in that area.

B. Compensation.

1. For Interim Number Portability, Company shall be entitled to the TELRIC cost of providing this service less a 55% discount because of the degraded quality of service provided via interim number portability solutions.
2. For Permanent Number Portability, the parties will pay any costs as required by Commission Orders.

XII. ADDITIONAL SERVICES

A. 911/E911.

1. Description.
 - a. Carrier will interconnect trunk groups to the Company 911/E911 selective router(s)/911 tandem(s) which serve the area in which Carrier provides exchange services, for the provision of 911/E911 services and for access to all sub-tending Public Safety Answering Points ("PSAP"). Company will provide Carrier with

the appropriate Common Language Location Identifier ("CLLI") codes and specifications of the tandem service area.

- b. Where Company is the owner or operator of the 911/E911 database, Company will maintain, and the Parties will agree upon the time frame for automated input and daily updating of 911/E911 database information related to Carrier end-users. Company will work cooperatively with Carrier to ensure the accuracy of the data transfer by verifying it against the Master Street Address Guide ("MSAG"). Carrier shall use the NENA standards for street addressing and abbreviations, including a Carrier Code (NENA standard 5 - character field) on all ALI records sent to Company. Carrier is responsible for record data it provides to Company for entry in the database or, when available, for the information it enters into the database and agrees to indemnify and hold Company harmless from any and all claims or actions arising out of or relating to Carrier's negligence or intentional acts, errors or omissions in providing the record data to Company. Additionally, Company shall work with the appropriate governmental authorities to provide Carrier the ten-digit telephone number of each PSAP which sub-tends each Company selective router/911 tandem to which Carrier is interconnected. Company will input Carrier's data in an interval that is no less frequent than that used by Company for its end-user.
- c. Company will provide Carrier a default arrangement/disaster recovery plan including an emergency back-up number in case of massive trunk failures.
- d. Company will use its best efforts to facilitate the prompt, robust, reliable, and efficient interconnection of Carrier systems to the 911/E911 platforms, with standards of provisioning, service, and performance that are non-discriminatory and are at least equal to those employed by Company for itself, its affiliates and/or subsidiaries, and other carriers providing switched local exchange services.

2. Operator Reference Database ("ORDB").

If available, Company will work cooperatively with Carrier to assist Carrier in obtaining from the appropriate 911 government agencies monthly updates to the ORDB. If available, this will enable Carrier to promptly respond to emergency agencies (e.g., fire, police, emergency medical technicians, etc.), as a backup to 911, during a catastrophic situation.

B. White/Yellow Page Directory Listings and Distribution.

1. General Requirements.

The directory listings and distribution terms and rates specified in this section shall apply to listings of Carrier customer numbers falling within NXX codes directly assigned to

Carrier, to listings of Carrier customer telephone numbers which are obtained by Carrier (or its customers) pursuant to Local Telephone Number Portability Arrangements, and to listings of customers served through resale of Company Services. Company shall publish Carrier listings in those Company directories covering the geographic scope of Carriers local service areas. The terms of this section may require a subsequent additional agreement with Company's Directory Publishing Company which Company will assist Carrier in obtaining under the terms outlined below.

- a. Company will include Carrier's customer telephone numbers plus Carrier's customer service and repair contact information, in a style and format (e.g., type, size, location in book, etc.) similar to how Company provides its own such information, in all its "White Pages" and "Yellow Pages" directory listings and directory assistance databases associated with the areas in which Carrier provides services to such customers, and will distribute printed White and Yellow Pages directories to Carrier's end-user customers, in the same manner it provides those functions for its own customers or at the option of Carrier, to Carrier for distribution to its end-users. Either Party may withhold provision of non-published telephone numbers of its end-users to the other Party.
- b. At Carrier's request, Carrier's critical contact information shall appear on a Carrier Information Page appearing in the "Informational Pages" section of Company's telephone directory listing Carrier critical end-user contact information regarding emergency services, billing and service information, repair services, and other pertinent telephone numbers relative to Carrier. Carrier's information shall conform to all applicable regulatory requirements. Carrier will not incur any additional charges for inclusion of this information. Additional Information pages will be made available at the same price as Company is charged by its directory publisher or at TELRIC plus a reasonable allocation of joint and common costs, whichever is lower.
- c. Carrier will provide Company with its directory listings and daily updates to those listings in an industry-accepted format and via an agreed upon medium.
- d. Carrier and Company will accord Carrier's directory listing information the same level of confidentiality which Company accords its own directory listing information, and Company shall ensure that access to Carrier's customer proprietary confidential directory information will be limited solely to those Company employees who are directly involved in the preparation of listings.
- e. Company and Carrier will work cooperatively to address any payments for sales of any bulk directory lists to third parties, where such lists include Carrier customer listings. Unless required by law, Company will not provide/sell Carrier's listings to any third parties without Carrier's prior written approval.

- f. Company shall provide parity directory distribution, directory database maintenance, and directory listings for Carrier's and its customers under the same terms that Company provides these same services for its end-users.
- g. The Company's Yellow Pages directory Publisher shall be entitled to the revenues from the sale of Yellow Pages advertising. The Yellow Pages directory Publisher shall treat Carrier's customers in the same fashion and using the same publishing standards and policies and on a nondiscriminatory basis with Company's customers.

2. Compensation.

Carrier and Company shall be treated in a non discriminatory manner concerning white and yellow pages directory expense responsibility, based on proportionate listing allocation of said expense, and in the same manner white and yellow pages additional listings, bolding, color, in-column advertising and display advertising profits or revenues shared with the Company by the directory publisher shall be shared with Carrier. However, Company (or its directory publisher) may elect to forego expense and revenue/profit sharing with Carrier and instead, at no charge to Carrier, publish Carrier's customer's directory listings, publish a Carrier Information Page in the white pages directory, provide initial directory distribution to Carrier's customers and maintain any required directory listing publication databases.

3. Billing.

- a. The Yellow Pages advertising billed to Carrier end-users will be rendered separately to Carrier customers by publisher, or at the option of Company, billed by Carrier to its end-users. On Carrier billed accounts, the name of Company as the Directory Services Provider will appear. Carrier shall not increase the billing to end-users and does not become a resale or sales agent of Company's directory by virtue of this provision.
- b. The directory publisher shall invoice Carrier's customer directly for white pages advertising, color or white page bolding, or at the option of Company, as outlined in (a) above, Carrier may invoice its end-users for directory charges.

4. Information.

- a. Company shall provide to Carrier's publishing cycles and deadlines to ensure timely receipt and publication of Carrier's customer information.
- b. Company shall identify the calling area covered by each directory and provide such information to Carrier in a timely manner.

5. Quality of Service.

- a. The end-to-end interval for updating the database with Carrier customer data must be the same as provided for the Company's end-users.
- b. Company will provide an automated capability (e.g., tape transfer or other data feed) to update the Company directory database.

C. Directory Assistance

1. General Requirements.

- a. Where Company is a directory assistance service provider, at Carrier's request, subject to any existing system capacity restraints which Company shall work to overcome, Company will provide to Carrier for resale, Carrier branded directory assistance service which is comparable in every other way to the directory assistance service Company makes available to its own end-users.
- b. When available, at Carrier's request, Company will:
 - i. provide to Carrier operators or to a Carrier-designated operator bureau on-line access to Company's directory assistance database, where such access is identical to the type of access Company's own directory assistance operators utilize in order to provide assistance services to Company end-users; and/or
 - ii. allow Carrier or a Carrier-designated operator bureau to license Company's directory assistance database for use in providing competitive directory assistance services.
- c. Company will make Carrier's data available to anyone calling the Company's DA and will update its database with Carrier's data in parity with updates from its own data.
- d. Company may store proprietary customer information provided by Carrier in its Directory Assistance database; such information should be able to be identified by source provider in order to provide the necessary protection of Carrier's or Carrier customer's proprietary or protected information.
- e. Carrier may limit the Company's use of Carrier's data to directory assistance or, pursuant to written agreement, grant greater flexibility in the use of the data subject to proper compensation.

- f. If Directory Assistance is a separate retail service provided by Company, Company must allow wholesale resale of Company DA service.
- g. To the extent Company provides directory assistance service, Carrier will provide its listings to Company via data and processed directory assistance feeds in accordance with an agreed upon industry format. Company shall include Carrier listings in its directory assistance database.
- h. Carrier has the right to license Company unbundled directory databases and sub databases and utilize them in the provision of its own DA service. To the extent that Carrier includes Company listings in its own directory assistance database, Carrier shall make Company's data available to anyone calling Carrier's DA.
- i. Company will make available to Carrier all service enhancements on a non-discriminatory basis.
- j. When technically feasible and requested by Carrier, Company will route Carrier customer DA calls to Carrier DA centers.

2. Business Processes.

- a. The Company will update and maintain the DA database with Carrier data, utilizing the same procedures it uses for its own customers, for those Carrier customers who:

- Disconnect
- Change Carrier
- Install
- "Change" orders
- Are Non-Published
- Are Non-Listed
- Are Non-Published/Non-Listed

- b. Each Carrier shall bill its own end-users.
- c. Carrier will be billed in an agreed upon standard format.
- d. Company and Carrier will develop intercompany procedures to correct errors when they are identified in the database.

3. Compensation.

- a. When Carrier is rebranding the local service of Company, directory assistance that is provided without separate charge to end-users will be provided to Carrier end-users as part of the basic wholesale local service, subject to any additional actual expense to brand the service with Carrier's brand. Where DA is separately charged as a retail service by Company, Carrier shall pay for DA service at wholesale avoided cost.
- b. Company shall place Carrier end-users listings in its directory assistance database for no charge.
- c. Company shall make its unbundled directory assistance database available to Carrier. Prices shall be set at TELRIC plus a reasonable allocation of joint and common costs.
- d. Any additional actual trunking costs necessary to provide a Carrier branded resold directory assistance service or routing to Carrier's own directory assistance service location shall be paid by Carrier.

D. Operator Services.

1. General Requirements.

- a. Where Company (or a Company Affiliate on behalf of Company) provides operator services, at Carrier's request (subject to any existing system capacity restraints which Company shall work to overcome). Company will provide to Carrier, Carrier branded operator service which is comparable in every other way to operator services Company makes available to its own end-users.
- b. At Carrier's request, subject to any existing system capacity restraints which Company shall work to overcome, Company will route Operator Service traffic of Carrier's customers to the Carrier's Operator Service Center.
- c. Company shall provide operator service features to include the following: (i) local call completion 0- and 0+, billed to calling cards, billed collect, and billed to third party, and (ii) billable time and charges, etc.

2. Compensation.

- a. Company shall provide operator services for resale at wholesale prices, or at Carrier's option as an unbundled element at TELRIC with a reasonable allocation of joint and common costs.

- b. When Carrier requests Carrier branded Company operator services for resale or as an unbundled element, any actual additional trunking costs associated with Carrier branding shall be paid by Carrier. Where technically feasible, Company shall also, at the request of Carrier, route Carrier operator service traffic to Carrier operator service centers.
- c. The Parties shall jointly establish a procedure whereby they will coordinate Busy Line Verification ("BLV") and Busy Line Verification and Interrupt ("BLVI") services on calls between their respective end-users. BLV and BLVI inquiries between operator bureaus shall be routed over the appropriate trunk groups. Carrier and Company will reciprocally provide adequate connectivity to facilitate this capability. In addition, upon request of Carrier, Company will make available to Carrier for purchase under contract BLV and BLVI services at wholesale or unbundled element rates.

XIII. RECIPROCAL TRAFFIC EXCHANGE

A. Scope.

Reciprocal traffic exchange is the exchange of terminating or transit traffic between Carrier and Company for termination to end-users.

This Agreement establishes the terms and conditions pursuant to which Carrier may interconnect its network facilities to those of the Company for termination of Carrier's traffic (or other traffic routed through Carrier) on Company's network and for termination of Company's traffic on Carrier's network.

B. Types of Traffic and Services

The types of traffic to be exchanged under this Agreement include:

1. Local traffic. This is traffic that is originated by an end-user of one carrier and terminates to an end-user of the another carrier as defined in accordance with Company's then current local serving areas (or the MTA for CMRS traffic) including any traffic for which there is no additional charge for termination.
2. IntraLATA toll traffic, as defined in accordance with Company's then current intraLATA toll serving areas (which will be considered local traffic for CMRS intra MTA usage).
3. Switched access traffic as specifically defined in Company's state and interstate switched access tariffs, and generally identified as that traffic that originates at one of the Party's end-users and is delivered to an IXC point of presence, or comes from an IXC point of presence and terminates at one of the Party's end-users, whether or not the traffic transits the other Party's network.

4. Transit traffic. This is any traffic (e.g., EAS/Local, intraLATA toll, switched access and CMRS) which originates from one provider's network, "transits" another provider's network substantially unchanged, and terminates to yet another provider's network.
5. Ancillary traffic. This includes all traffic destined for ancillary services, or that may have special billing requirements, including, but not limited to the following:
 - a. Directory Assistance;
 - b. 911/E911;
 - c. Operator call termination (busy line interrupt and verify);
 - d. LIDB; and
 - e. Information services requiring special billing. (e.g., 900 and 950)
6. To the extent network and contractual arrangements exist throughout the term of this Agreement, Company will provide intermediary tandem switching and transport services for Carrier's connection of its end-user to a local end-user of: (a) other CLECs; (b) another incumbent local exchange telecommunications Carrier other than Company; (c) IXC's, and (d) CMRS carriers.
7. Company agrees not to impose restrictions on traffic types delivered to/from the Point of Interconnection ("POIs") but reserves the right to require development and reporting of a jurisdictional usage factor indicating local/EAS, intrastate toll (access/toll), interstate access usage and CMRS, if applicable or Carrier's actual usage reporting. Company and Carrier reserve the right to measure and audit all traffic to ensure that proper rates are being applied. Carrier agrees to provide the necessary traffic data or permit Company recording equipment to be installed for sampling purposes in conjunction with such audit. Company may contract directly with CMRS carriers using Carrier's network for transit functions, and in such case, Company shall directly bill termination charges to the CMRS carrier.

C. **Compensation.**

1. **Local Traffic.**

- a. Termination. Interim reciprocal, compensation arrangements within the proxy range established by the FCC shall be implemented. If usage is presumed to be balanced either because of actual experience or because measurement cannot be performed at this time, bill-and-keep may be used by the parties. When a TELRIC compensation rate is developed and approved, it shall replace any interim rate. If Company offers to any Party a rate under this section that is lower than the proxy rate or the TELRIC rate, Carrier may replace its current rate with that lower rate.
- b. Transport. Permanent charges for transport between Company tandems and/or end offices shall be based upon TELRIC plus a reasonable allocation of joint and

common costs. Until such time as a permanent rate is developed and approved, Company shall implement an interim proxy rate that reflects the Company's interstate dedicated transport price. Transport shall be a separately chargeable element.

- c. Tandem Charge. Tandem switching shall be a separately chargeable element based upon TELRIC plus a reasonable allocation of joint and common costs. Until such time as a permanent rate is developed and approved, Company shall charge \$0.0015 per minute for tandem switching.
2. IntraLATA toll traffic, switched access, and special access traffic, if separately chargeable, shall be charged the appropriate rate out of the terminating Carrier's tariff or via other appropriate meet point access arrangements.
 3. Transit traffic shall be compensated based on charges associated with the functionality provided, e.g., tandem switching and transport.
 4. Unless otherwise stated in this Agreement, ancillary service traffic will be exchanged and billed in accordance with whether the traffic is Local/EAS, intraLATA toll, Switched Access, or CMRS, if applicable. All tandem traffic is subject to a separate charge for the tandem service.

XIV. ACCESS TO POLES, DUCTS, CONDUITS, AND RIGHTS-OF-WAY

A. Access to Facility

1. The Parties agree to provide to the other nondiscriminatory access to any pole, duct, conduit, or right of way owned or controlled by Company or Carrier, where available. Such access will be provided subject to any terms and conditions by which Company or Carrier is bound including but not limited to local, state or national safety and/or construction standards
2. Any Company or Carrier authorization required to attach to poles, overloading requirements or modifications to the conduit system or other pathways to allow egress and ingress to the system shall not be unreasonably withheld, delayed, or restricted.
3. Each Party agrees to obtain the requisite permits and take no action to intervene against, or attempt to delay the granting of permits to the other for use of public right of way or access to private property with property owners. Each Party agrees to indemnify and hold harmless the other from any claims or actions on account of or relating to the Party's failure to obtain the requisite permits. Each Party agrees to provide, within ten (10) business days after receipt of a request from the other Party, information relative to the location and access to such facilities in a given local area. If a Party requests access to any pole, duct, conduit, or right of way owned or controlled by the other Party, but fails

to take such access, then the requesting party shall pay the actual costs the other Party incurred in responding to said request.

4. When establishing service to end users, both Carrier and Company agree not to damage the property of the other or take any action that would subject the network or facilities of the other party to dangerous electrical currents or other hazards.

B. Compensation.

Access to Company's and Carrier's poles, ducts, conduits, and rights of way, will be provided on a non-discriminatory, competitively neutral basis. Rearrangement costs will be pro-rated on a cost basis among all new users of the facility. Should new facilities be required, the costs shall be pro-rated among all users of the new facility. Existing facilities shall be provided on a pro rata, cost allocated basis. Cost allocations shall be performed in compliance with the FCC Rules.

XV. ADDITIONAL RESPONSIBILITIES OF THE PARTIES

A. Cooperation on Fraud.

The Parties agree that they shall cooperate with one another to investigate, minimize and take corrective action in cases of fraud. The Parties' fraud minimization procedures are to be cost effective and implemented so as not to unduly burden or harm one Party as compared to the other.

At a minimum, such cooperation shall include, when allowed by law or regulation, providing to the other Party, upon request, information concerning any end-user who terminate services to that Party without paying all outstanding charges, when such end-user seeks service from the other Party. Where required, it shall be the responsibility of the Party seeking such information to secure the end-user's permission to obtain such information.

To the extent either Party is liable to any toll provider for fraud and to the extent the other Party could have reasonably prevented such fraud, the Party failing to exercise reasonable care will indemnify the other Party for any fraud due to compromise of its facilities or systems that could have been reasonably prevented.

B. Audit.

The Parties agree to exchange such reports and/or data as required to facilitate the proper billing of traffic. Upon thirty (30) days written notice, any Party may request an audit of the usage reports and any such audit shall be accomplished during normal business hours at the office designated by the Party being audited. Audit requests shall not be submitted more frequently than one (1) time per calendar year. A request for an audit must be

received within one (1) year of receipt of the jurisdictional usage factor and usage reports from the audited party.

XVI. OPTION TO ELECT OTHER TERMS

If, at any time while this Agreement is in effect, Company provides arrangements similar to those described herein to a third party on terms different from those available under this Agreement then Carrier may opt to adopt any individual rates, terms, and conditions offered to the third party in place of specific rates, terms, or conditions otherwise applicable under this Agreement for its own arrangements with Company regardless of volume discounts, other quantity terms, or other restrictions or provisions contained in the Agreement or tariff available to such third party.

In addition, if Company entered in an agreement (the "Other Agreement") approved by the Commission pursuant to Section 251 and/or Section 252 of the Act, and/or is subject to Order of the Commission, which provides for the provision of an interconnection, service, or unbundled element to another authorized Carrier, Company shall make available to Carrier such interconnection, service or unbundled element on an individual element-by-element or service-by-service basis without regard to other restrictions in said agreement upon the best individual terms and conditions as those provided in the Other Agreement.

This right is referred to generally as Most Favored Nation ("MFN") or Most Favored Customer ("MFC") elsewhere in this agreement.

Notwithstanding the above provision, this agreement is subject to such changes or modifications with respect to the rates, terms or conditions contained herein as may be ordered or directed by the State Commission or the FCC in the exercise of their respective jurisdictions (whether said changes or modifications result from a rulemaking proceeding, a generic investigation or an arbitration proceeding which applies to the Company or in which the State Commission makes a generic determination) to the extent that said changes apply to all similar Company agreements. This agreement shall be modified, however, only to the extent necessary to apply said changes where Company specific data has been made available to the Parties and considered by the State Commission. Any rates, terms or conditions thus developed shall be substituted in place of those previously in effect and shall be deemed to have been effective under this Agreement as of the effective date of the order by the State Commission or the FCC, whether such action was commenced before or after the effective date of this Agreement. If any such modification renders the Agreement inoperable or creates any ambiguity or requirement for further amendment to the Agreement, the Parties will negotiate in good faith to agree upon any necessary amendments to the Agreement.

XVII. PROPRIETARY INFORMATION

- A. During the term of this Agreement, it may be necessary for the Parties to provide each other with certain information ("Information") considered to be private or proprietary.

The recipient shall protect such Information from distribution, disclosure or dissemination to anyone except its employees or contractors with a need to know such Information in conjunction herewith, except as otherwise authorized in writing. All such Information shall be in writing or other tangible form and clearly marked with a confidential or proprietary legend. Information conveyed orally shall be designated as proprietary or confidential at the time of such oral conveyance and shall be reduced to writing within 30 days.

- B. The Parties will not have an obligation to protect any portion of Information which: (a) is made publicly available lawfully by a non-Party to this Agreement; (b) is lawfully obtained from any source other than the providing Party; (c) is previously known without an obligation to keep it confidential; (d) is released by the providing Party in writing; or (e) commencing two (2) years after the termination date of this Agreement if such Information is not a trade secret under applicable law.
- C. Each Party will make copies of the Information only as necessary for its use under the terms hereof, and each such copy will be marked with the same proprietary notices as appearing on the originals. Each Party agrees to use the Information solely in support of this Agreement and for no other purpose.
- D. All records and data received from Carrier or generated by Company as part of its requirements hereunder, including but not limited to data or records which are received or generated and stored by Company pursuant to this Agreement, shall be proprietary to Carrier and subject to the obligations specified in this Section.
- E. The Parties acknowledge that Information is unique and valuable, and that disclosure in breach of this Agreement will result in irreparable injury to owner for which monetary damages alone would not be an adequate remedy. Therefore, the Parties agree that in the event of a breach or threatened breach of confidentiality, notwithstanding Section XXI, the owner shall be entitled to specific performance and injunctive or other equitable relief as a remedy for any such breach or anticipated breach without the necessity of posting a bond. Any such relief shall be in addition to and not in lieu of any appropriate relief in the way of monetary damages.

XVIII. TERM AND TERMINATION

This Agreement shall be deemed effective as of _____, 1996. Except as provided herein, Company and Carrier agree to provide service to each other on the terms defined in this Agreement for a term of two years, and thereafter the Agreement shall continue in force and effect unless and until terminated as provided herein. Either party may terminate this Agreement by providing written notice of termination to the other party, such written notice to be provided at least 180 days in advance of the date of termination. In the event of such termination

as described herein, for service arrangements made available under this Agreement and existing at the time of termination, those arrangements shall continue without interruption under either (1) a new agreement executed by the Parties, (2) standard interconnection terms and conditions approved and made generally effective by the Commission or FCC, or (3) rates, terms and conditions available to other CLECs including continuation of MFN rights to available terms and conditions.

Either Party may terminate this Agreement in whole or in part in the event of a default by the other, provided that the non-defaulting Party so advises the defaulting Party in writing of the event of the alleged default and the defaulting Party does not remedy the alleged default within 60 days after written notice thereof. Default is defined to include:

- a. Either Party's insolvency or initiation of bankruptcy or receivership proceedings by or against the Party; or
- b. Either Party's material breach of any of the terms or conditions hereof, including the failure to make any undisputed payment when due.

Termination of this Agreement for any cause shall not release either Party from any liability which at the time of termination has already accrued to the other Party or which thereafter may accrue in respect to any act or omission prior to termination or from any obligation which is expressly stated herein to survive termination.

XIX. LAW ENFORCEMENT AND CIVIL PROCESS

A. Intercept devices.

Local and federal law enforcement agencies periodically request information or assistance from local telephone service providers. When either Party receives a request associated with a customer of the other Party, it shall refer such request to the Party that serves such customer, unless the request directs the receiving Party to attach a pen register, trap-and-trace or form of intercept on the Party's facilities, in which case that Party shall comply with any valid request. The intercept will be done at no charge to Carrier when the request is in the form of a court order.

B. Subpoenas.

If a Party receives a subpoena for information concerning an end-user the Party knows to be an end-user of the other Party, it shall refer the subpoena back to the requesting Party with an indication that the other Party is the responsible company, unless the subpoena requests records for a period of time during which the Party was the end-users service provider, in which case the Party will respond to any valid request.

C. Hostage or Barricaded Persons Emergencies.

If a Party receives a request from a law enforcement agency for temporary number change, temporary disconnect or one-way denial of outbound calls for an end-user of the other Party by the receiving Party's switch, that Party will comply with any valid emergency request. However, neither Party shall be held liable for any claims or damages arising from compliance with such requests on behalf of the other Party's end-user and the Party serving such end-user agrees to indemnify and hold the other Party harmless against any and all such claims.

XX. FORCE MAJEURE

Neither Party will be liable or deemed to be in default for any delay or failure in performance under this Agreement for an interruption in service for which it had no control resulting directly or indirectly by reason of fire, flood, earthquake, or like acts of God, explosion, war, or other violence, or any requirement of a governmental agency, or cable cut by a third party, provided the Party so affected takes all reasonable steps to avoid or remove such cause of non-performance, provides immediate notice to the other Party setting forth the nature of such claimed event and the expected duration thereof, and resumes provision of service promptly whenever such causes are removed.

XXI. DISPUTE RESOLUTION

- A.** In the event of any disputes between Company and Carrier with respect to the terms and conditions of this Agreement, or any subject matter referred to in or governed by this Agreement, such disputes shall be settled as follows, except for disputes in which a Party seeks injunctive relief or must file suit in order to avoid expiration of the applicable statute of limitations.
- B. Escalation Procedures.** - All disputes between the Parties shall be escalated through normal business procedures to respective representatives from each Company at the vice-presidential level (or at such lower level as each Party's vice-president may delegate). Each Party has the right to request and, upon agreement of the other Party, to review any materials it deems pertinent to the dispute. The representatives shall consider any material submitted to it by either Party. Not to exceed 45 days from the date the dispute arises, each Party shall state in writing when it has received all materials it desires to review, and 15 days thereafter the representatives shall state in writing to the Parties the extent to which it has resolved the dispute. Both Parties agree to negotiate resolution of such problems in good faith.
- C. Mediation.**
- 1.** In the event that a claim, controversy or dispute between Company and Carrier is not resolved by use of the Escalation Procedures, either Party may request non-binding Mediation by issuing a Notice of Mediation to the designated representative of the other

Party. Both Parties agree to pursue a mediated resolution of the dispute in good faith. The Notice of Mediation shall be clearly marked as such and contain all information necessary to pursue resolution of the dispute. The originator of the Notice of Mediation shall arrange to have the Notice delivered within 24 hours of issuance.

2. Within 5 days of issuance of the Notice, the designated representative of the Parties shall agree upon an independent mediator. Said mediator shall be an individual who, unless the Parties otherwise mutually agree, has never been employed, directly or indirectly (e.g., an independent contractor or agent) by either of the Parties or their affiliates (except as a mediator). If the Parties cannot agree upon a mediator, then within the same 5 day period, each shall appoint an independent representative, one who has never been employed, directly or indirectly, by either of the Parties or their affiliates, and these two independent representatives, within 5 days of their appointment, shall appoint the mediator.
3. The mediator shall set the time for a meeting to be held with the designated representative of each company. The designated representative shall be a person empowered to resolve the dispute on behalf of his/her Company at the meeting and may be accompanied by a legal representative. A meeting shall take place within 30 days of the date of the appointment of the mediator and shall be held in a location agreed to by the Parties and the mediator. The mediator shall control the procedural aspects of the mediation, including the time and place of each session, the agenda for each meeting between the mediator and a Party or a joint meeting with both Parties. At any time following the initial joint meeting, either Party may withdraw from the mediation by written notice to the mediator and the other Party.
4. The mediator shall attempt to mediate the dispute and bring the Parties to a resolution of the issue. Failing this, the mediator, at the conclusion of the mediation process shall provide to the Parties within ten days his/her opinion of the appropriate resolution of the dispute. This opinion is not binding on either Party and may not be used by either Party in any future proceeding. The mediation process shall be treated as a compromise negotiation for purposes of the Federal Rules of Evidence and State Rules of Evidence. The mediator shall be disqualified as a witness, consultant or expert in any pending or future action relating to the subject matter of the mediation, including those between entities not Party to the mediation.
5. Within 14 days of receipt of the mediator's opinion, each Party's designated representatives shall meet one final time to resolve the dispute. If they are unable to resolve the dispute, both Parties are free to pursue their legal remedies.
6. The entire mediation process is confidential. The Parties and the Mediator shall not disclose to third Parties (i) Information disclosed by either Party during the mediation process, or (ii) information regarding the mediation process itself, including any settlement terms.

7. Costs of mediation shall be borne equally by the Parties, except that each Party shall be responsible for its own expenses. The mediator's compensation rate will be determined at or before his/her appointment. At the time of the mediator's appointment, the mediator shall be required to execute an agreement in a form mutually agreeable to the Parties.
- D. Company shall continue providing services to Carrier during the pendency of any dispute resolution procedure, and Carrier shall continue to perform its obligations (including making payments) in accordance with this Agreement.

XXII. GOVERNING LAW

The Parties agree that this Agreement shall be construed in accordance with and governed by the laws of the State where the interconnection service is provided.

XXIII. COMPLIANCE WITH LAWS

Both Parties agree to comply with all applicable federal, state, and local laws, including, but not limited to the Communications Act of 1934 as amended.

XXIV. NOTICE

All notices required or permitted to be given hereunder shall be in writing and shall be deemed to be effective as follows: (i) by hand on the date delivered; (ii) by certified mail, postage prepaid, return receipt requested, on the date the mail is delivered or its delivery attempted; (iii) by facsimile transmission, on the date received in legible form (it being agreed that the burden of proof of receipt is on the sender and will not be met by a transmission report generated by the senders facsimile machine, or if sent by electronic messaging system, on the date that electronic message is received. Notices shall be given as follows:

If to Company:

If to Carrier:

Either Party may change its address or the person to receive notices by a notice given to the other Party in the manner set forth above.

XXV. MISCELLANEOUS

- A. The Parties agree to use their respective diligent and good faith efforts to fulfill all of their obligations under this agreement. The Parties recognize, however, that to effectuate

all the purposes of the Agreement, it may be necessary either to enter into future agreements or to modify the Agreement, or both. In such event, the Parties agree to cooperate with each other in good faith.

- B. This Agreement may be modified by a written instrument only, executed by each Party hereto. However, adoption by Carrier of prices, terms and conditioning under its MFN right require only notice by Carrier to Company. Waiver of any of the obligations to be performed by the other or the breach thereof shall not be construed to be a waiver of any succeeding breach of performance obligation.
- C. The headings in this Agreement are inserted for convenience and identification only and are not intended to interpret, define, or limit the scope, extent or intent of this Agreement.
- D. This Agreement may be executed in one or more counterparts, all of which taken together will constitute one and the same instrument.
- E. The Parties agree that this Agreement is for the sole benefit of the Parties hereto and is not intended to confer any rights or benefits on any third party, including any customer of either Party, and there are no third party beneficiaries to this Agreement or any part or specific provision of this Agreement.

XXVI. LIMITATION OF LIABILITY

Except as otherwise set forth in this Agreement, neither Party shall be responsible to the other for any indirect, special, consequential or punitive damages, including (without limitation) damages for loss of anticipated profits or revenue or other economic loss in connection with or arising from anything said, omitted, or done hereunder (collectively "Consequential Damages"), whether arising in contract or tort, provided that the foregoing shall not limit a party's obligation under XXVII A. to indemnify, defend, and hold the other party harmless against amounts payable to third parties.

Notwithstanding the foregoing, in no event shall Company's liability to Carrier for a service outage exceed an amount equal to the proportionate charge for the service(s) or unbundled element(s) provided for the period during which the service was affected.

XXVII. INDEMNIFICATION

- A. Each Party agrees to indemnify and hold harmless the other Party from and against claims for damage to tangible personal or real property and/or personal injuries arising out of the negligence or willful act or omission of the indemnifying Party or its agents, servants, employees, contractors or representatives. To the extent not prohibited by law, each Party shall defend, indemnify, and hold the other Party harmless against any loss to a

third party arising out of the negligence or willful misconduct by such indemnifying Party, its agents, or contractors in connection with its provision of service or functions under this Agreement. In the case of any loss alleged or made by a Customer of either Party, the Party whose customer alleged such loss shall indemnify the other Party and hold it harmless against any or all of such loss alleged by each and every Customer. The indemnifying Party under this Section agrees to defend any suit brought against the other Party-either individually or jointly with the indemnifying Party-for any such loss, injury, liability, claim or demand. The indemnified Party agrees to notify the other Party promptly, in writing, of any written claims, lawsuits, or demands for which it is claimed that the indemnifying Party is responsible under this Section and to cooperate in every reasonable way to facilitate defense or settlement of claims. The indemnifying Party shall have complete control over defense of the case and over the terms of any proposed settlement or compromise thereof. The indemnifying Party shall not be liable under this Section for settlement by the indemnified Party or any claim, lawsuit, or demand, if the indemnifying Party has not approved the settlement in advance, unless the indemnifying Party has had the defense of the claim, lawsuit, or demand tendered to it in writing and has failed to assume such defense. In the event of such failure to assume defense, the indemnifying Party shall be liable for any reasonable settlement made by the indemnified Party without approval of the indemnifying Party.

- B. Each Party agrees to indemnify and hold harmless the other Party from all claims and damages arising from the Indemnifying Party's discontinuance of service to one of its end-users for nonpayment.
- C. When the lines or services of other companies and Carriers are used in establishing connections to and/or from points not reached by a Party's lines, neither Party shall be liable for any act or omission of the other companies or Carriers.
- D. In addition to its indemnity obligations hereunder, each Party shall provide, in its tariffs and contracts with its customers that relate to any Telecommunications Service or Network Element provided or contemplated under this Agreement, that in no case shall such Party or any of its agents, contractors or others retained by such parties be liable to any Customer or third party for (i) any loss relating to or arising out of this Agreement, whether in contract or tort, that exceeds the amount such Party would have charged the applicable Customer for the service(s) or function(s) that gave rise to such loss, and (ii) consequential damages (as defined in XXVI above).

XXVIII. ASSIGNMENT

- A. If any Affiliate of either Party succeeds to that portion of the business of such Party that is responsible for, or entitled to, any rights, obligations, duties, or other interests under this Agreement, such Affiliate may succeed to those rights, obligations, duties, and interest of such Party under this Agreement. In the event of any such succession

hereunder, the successor shall expressly undertake in writing to the other Party the performance and liability for those obligations and duties as to which it is succeeding a Party to this Agreement. Thereafter, the successor Party shall be deemed Carrier or Company and the original Party shall be relieved of such obligations and duties, except for matters arising out of events occurring prior to the date of such undertaking.

- B. Except as herein before provided, and except to an assignment confined solely to moneys due or to become due, any assignment of this Agreement or of the work to be performed, in whole or in part, or of any other interest of a Party hereunder, without the other Party's written consent, which consent shall not be unreasonably withheld or delayed, shall be void. It is expressly agreed that any assignment of moneys shall be void to the extent that it attempts to impose additional obligations other than the payment of such moneys on the other Party or the assignee additional to the payment of such moneys.

XXIX. SURVIVORSHIP

Sections IX, XXVI, and XXVII shall survive termination or expiration of this Agreement.

XXX. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Parties and supersedes all prior oral or written agreements, representations, statements, negotiations, understandings, and proposals with respect to the subject matter hereof.

IN WITNESS WHEREOF, the Parties hereto have cause this Agreement to be executed by their respective duly authorized representatives.

COMPANY

CARRIER

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

PCDOCS #: 11489



Jim Burt
Director - Local Market Development

8140 Ward Parkway
Kansas City, MO 64114
M/S: MOKCMP0209
TEL: (913) 624-6057
FAX: (913) 624-5901

August 13, 1996

Ms. Carol Jarman
BellSouth
Suite 440
Two Chase Corporate Drive
Birmingham, AL 35244

Dear Carol:

In an effort to further facilitate a negotiated agreement between Sprint and BellSouth under Section 251 of the Telecommunications Act of 1996, Sprint is requesting that BellSouth provide its proposed rates and the accompanying rate design for the following unbundled network elements as set forth and defined in the FCC's First Report and Order in CC Docket No. 96-98/95-85 (Released August 8, 1996) ("First Report and Order"):

- Local Loop
- Network Interface Device
- Switching Capability
 - Local Switching
 - Tandem Switching
- Interoffice Transmission Facilities
- Signaling Networks and Call-Related Databases
- Operations Support Systems
- Operator Services and Directory Assistance

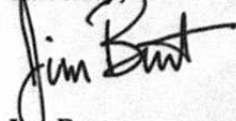
In addition to providing the rates and rate design for the above categories of unbundled network elements, Sprint is requesting that BellSouth also provide the underlying cost methodology as well as a demonstration that BellSouth has met the requirements of the newly adopted Subpart F of Part 51 of Title 47 of the Code of Federal Regulations (C.F.R.). Please include a thorough explanation of how common costs are directly attributed to the affected unbundled network elements, as well as an explanation of the cost of capital utilized along with the authority for use of that particular cost.

Sprint is also requesting that BellSouth provide its proposed rates and the accompanying rate structure for the transport and termination of local telecommunications traffic, as set forth in the First Report and Order. In providing its proposed rates and rate design for reciprocal compensation, Sprint is requesting that BellSouth again provide the underlying cost methodology (including common cost and cost of capital documentation) as well as documentation demonstrating that BellSouth has met the requirements set forth in the First Report and Order.

Finally, Sprint is requesting that BellSouth provide its avoided retail costs as set forth in Subpart G, Section 51.609, in what ever level of disaggregation it deems appropriate. In providing its proposed avoided retail costs and accompanying rate design, Sprint is requesting that BellSouth again provide sufficient documentation to demonstrate that BellSouth has met the avoided retail costing requirements set forth by the FCC in this regard.

Sprint is requesting that BellSouth provide this information no later than close of business August 20, 1996. Sprint believes that BellSouth's submission of this critical costing and rate information in the context of its current negotiations with Sprint is the most efficient way to determine the extent of agreement between our two companies at this critical stage of negotiations.

Sincerely,

A handwritten signature in dark ink, appearing to read "Jim Burt". The signature is stylized with a large, sweeping "J" and "B".

Jim Burt

PC: Jerry Hendrix, BellSouth

Copy - Dave Stahly

Date: August 16, 1996
To: Jim Burt
From: Jerry Hendrix
RE: Sprint's August 13, 1996 Requests

Attached are responses to the following requests:

- Please provide proposed rates and the accompanying rate design for the following unbundled network elements as set forth and defined in the FCC's First Report and Order in CC Docket No. 96-98/95-85 (Released August 8, 1996) ("First Report and Order"):
 - ♦ Local Loop
 - ♦ Network Interface Device
 - ♦ Switching Capability
 - 1. Local Switching
 - 2. Tandem Switching
 - ♦ Interoffice Transmission Facilities
 - ♦ Signaling Networks and Call-Related Databases
 - ♦ Operations Support Systems
 - ♦ Operator Services and Directory Assistance
- Please provide proposed rates and the accompanying rate structure for the transport and termination of local telecommunications traffic, as set forth in the First Report and Order.

I am not clear on your request for Network Interface Device (NID) proposed rates and/or rate designs. Please clarify what it is you are looking for.

As for Operations Support Systems we do not have proposed rates and/or rate designs. We will need to discuss this further as we continue with the SME calls.

Jim, we are continuing to address your other requests and will target to meet the August 20 date.

Attachments

cc: Carol Jarman
Mary Jo Peed

ATTACHMENT A
EXAMPLE OF "5% CAP"

Case 1:

BellSouth terminates 10,000 min. to ALEC X ALEC X bills BellSouth for 10,000 min.

ALEC X terminates 15,000 min. to BellSouth BellSouth bills ALEC X for 10,500 min.
(10,000 + 5%)

Case 2:

BellSouth terminates 15,000 min. to ALEC X ALEC X bills BellSouth for 10,500 min.
(10,000 + 5%)

ALEC X terminates 10,000 min. to BellSouth BellSouth bills ALEC X for 10,000 min.

Case 3:

BellSouth terminates zero min. to ALEC X ALEC X bills BellSouth zero

ALEC X terminates 10,000 min. to BellSouth BellSouth bills ALEC X zero

Case 4:

BellSouth terminates 10,000 min. to ALEC X ALEC X bills BellSouth zero

ALEC X terminates zero min. to BellSouth BellSouth bills ALEC X zero

Case 5:

BellSouth terminates 10,000 min. to ALEC X ALEC X bills BellSouth for 10,000 min.

ALEC X terminates 10,200 min. to BellSouth BellSouth bills ALEC X for 10,200 min.
(difference is less than cap)

Case 6:

BellSouth terminates 10,200 min. to ALEC
X

ALEC X bills BellSouth for 10,200 min.
(difference is less than cap)

ALEC X terminates 10,000 min. to
BellSouth

BellSouth bills ALEC X for 10,000 min.

Case 7:

BellSouth and ALEC X both terminate
10,000 min.
to each other

ALEC X and BellSouth both bill each other
10,000 min.

Attachment B-1
Local Interconnection Service

Service: Local Interconnection*

Description: Provides for the use of BellSouth Switching and transport facilities and common subscriber plant for connecting calls between an ALEC's Point of Interface (POI) and a BellSouth end user.

It can also be used to connect calls between an ALEC and an Interexchange Carrier (IC), and Independent Exchange Telephone Company (ICO), or a Mobile Service Service Provider (MSP), or between two ALECs.

It is furnished on a per-trunk basis. Trunks are differentiated by traffic type and directionality. There are two major traffic types: (1) Local and (2) intermediary. Local represents traffic from the ALEC's POI to a BellSouth tandem or end office and intermediary represents traffic originated or terminated by an ALEC which is interconnected with an IC, ICO, MSP or another ALEC.

Rates and charges will be applied as indicated below.

State(s):		Alabama						Florida					
RATE ELEMENTS		Per MOU	Applied Per	Monthly Recur.	Applied Per	Non-Recur.	Applied Per	Per MOU	Applied Per	Monthly Recur.	Applied Per	Non-Recur.	Applied Per
DS1 Local Channel		-	-	\$133.81	LC	\$866.97	LC - First	-	-	\$133.81	LC	\$866.97	LC - First
DS1 Dedicated Transport		-	-	\$23.50 per mile	-	\$486.83	LC - Add'l	-	-	\$16.75 per mile	-	\$486.83	LC - Add'l
DS1 Common Transport		\$0.00004	per mile	-	-	-	-	\$0.00004	per mile	-	-	-	-
Local Switching LS2 (FGD)		\$0.00036	fac. term.	-	-	-	-	\$0.00036	fac. term.	-	-	-	-
Tandem Switching		\$0.00074	access mou	-	-	-	-	\$0.00074	access mou	-	-	-	-
Information Surcharge		\$0.03218	100 mou	-	-	-	-	\$0.00050	access mou	-	-	-	-
Tandem Intermediary Charge**		\$0.002	access mou	-	-	-	-	\$0.002	access mou	-	-	-	-
Composite Rate-DS1 Dedicated		\$0.00978	-	-	-	-	-	\$0.01028	-	-	-	-	-
Composite Rate-DS1 Tandem Sw.		\$0.00991	-	-	-	-	-	\$0.01056	-	-	-	-	-

State(s):		Georgia						Kentucky					
RATE ELEMENTS		Per MOU	Applied Per	Monthly Recur.	Applied Per	Non-Recur.	Applied Per	Per MOU	Applied Per	Monthly Recur.	Applied Per	Non-Recur.	Applied Per
DS1 Local Channel		-	-	\$133.81	LC	\$866.97	LC - First	-	-	\$133.81	LC	\$866.97	LC - First
DS1 Dedicated Transport		-	-	\$23.50 per mile	-	\$486.83	LC - Add'l	-	-	\$23.50 per mile	-	\$486.83	LC - Add'l
DS1 Common Transport		\$0.00004	per mile	-	-	-	-	\$0.00004	per mile	-	-	-	-
Local Switching LS2 (FGD)		\$0.00036	fac. term.	-	-	-	-	\$0.00036	fac. term.	-	-	-	-
Tandem Switching		\$0.00074	access mou	-	-	-	-	\$0.00074	access mou	-	-	-	-
Information Surcharge		-	-	-	-	-	-	\$0.03218	Prem/100 mou	-	-	-	-
Tandem Intermediary Charge**		\$0.002	access mou	-	-	-	-	\$0.01448	Trans/100 mou	-	-	-	-
Composite Rate-DS1 Dedicated		\$0.00978	-	-	-	-	-	\$0.00978	-	-	-	-	-
Composite Rate-DS1 Tandem Sw.		\$0.00991	-	-	-	-	-	\$0.00991	-	-	-	-	-

*Rates are displayed at the DS1-1.544 Mbps. level. For rates and charges applicable to other arrangement levels, refer to Section E6 of BellSouth Telecommunication's, Inc.'s Intrastate Access Tariff

**The Tandem Intermediary Charge applies only to Intermediary Traffic.

-DS1 Local Channel: denotes a DS1 dedicated transport facility between the ALEC's serving wire center and the ALEC's POI, also called an Entrance Facility. This element will apply when associated with services ordered by an ALEC which utilizes a BellSouth facilities. This element is not required when an ALEC is collocated.

-DS1 Dedicated Transport: provides transmission and facility termination. The facility termination applies for each DS1 Interoffice Channel terminated. Can be used from the ALEC's serving wire center to the end users end office or from the ALEC's serving wire center to the tandem.

-Common Transport: Composed of Common Transport facilities as determined by BellSouth and permits the transmission of calls terminated by BellSouth.

-Access Tandem Switching: provides function of switching traffic from or to the Access Tandem from or to the end office switch(es). The Access Tandem Switching charge is assessed on all terminating minutes of use switched at the access tandem.

-Compensation Credit (CAP): BellSouth and the ALECs will not be required to compensate each other for more than 100% of the total billed local interconnection minutes of use of the party with the lower total billed local interconnection minutes of use in the same month.

Attachment B-1
Local Interconnection Service

Service: Local Interconnection* (Cont'd)

State(s):	Louisiana						Mississippi					
RATE ELEMENTS	Per MOU	Applied Per	Monthly Recur.	Applied Per	Non-Recur.	Applied Per	Per MOU	Applied Per	Monthly Recur.	Applied Per	Non-Recur.	Applied Per
DS1 Local Channel	-	-	\$133.81	LC	\$866.97	LC - First	-	-	\$133.81	LC	\$866.97	LC - First
DS1 Dedicated Transport	-	-	\$16.75 per mile	-	\$486.83	LC - Add'l	-	-	\$23.50 per mile	-	\$486.83	LC - Add'l
			\$59.75 fac.term.	-	\$100.49	fac. term.			\$90.00 fac.term.	-	\$100.49	fac. term.
DS1 Common Transport	\$0.00004 per mile	-	-	-	-	-	\$0.00004 per mile	-	-	-	-	-
	\$0.00036 fac. term.	-	-	-	-	-	\$0.00036 fac. term.	-	-	-	-	-
Local Switching LS2 (FGD)	\$0.00869 access mou	-	-	-	-	-	\$0.00787 access mou	-	-	-	-	-
Tandem Switching	\$0.00050 access mou	-	-	-	-	-	\$0.00074 access mou	-	-	-	-	-
Information Surcharge	-	-	-	-	-	-	-	-	-	-	-	-
Tandem Intermediary Charge**	\$0.002 access mou	-	-	-	-	-	\$0.002 access mou	-	-	-	-	-
Composite Rate-DS1 Dedicated	\$0.01021						\$0.00978					
Composite Rate-DS1 Tandem Sw.	\$0.01049						\$0.00991					

State(s):	N.Carolina						S.Carolina					
RATE ELEMENTS	Per MOU	Applied Per	Monthly Recur.	Applied Per	Non-Recur.	Applied Per	Per MOU	Applied Per	Monthly Recur.	Applied Per	Non-Recur.	Applied Per
DS1 Local Channel	--	--	\$133.81	LC	\$866.97	LC - First	--	--	\$133.81	LC	\$866.97	LC - First
DS1 Dedicated Transport	--	--	\$23.50 per mile \$90.00 fac.term.	--	\$486.83	LC - Add'l	--	--	\$23.50 per mile \$90.00 fac.term.	--	\$486.83	LC - Add'l
DS1 Common Transport	\$0.00004 per mile \$0.00036 fac. term.	--	--	--	--	--	\$0.00004 per mile \$0.00036 fac. term.	--	--	--	--	--
Local Switching LS2 (FGD)	\$0.01140 access mou	--	--	--	--	--	\$0.01095 access mou	--	--	--	--	--
Tandem Switching	\$0.00074 access mou	--	--	--	--	--	\$0.00074 access mou	--	--	--	--	--
Information Surcharge	--	--	--	--	--	--	\$0.03741 100 mou	--	--	--	--	--
Tandem Intermediary Charge**	\$0.002 access mou	--	--	--	--	--	\$0.002 access mou	--	--	--	--	--
Composite Rate-DS1 Dedicated	\$0.01331							\$0.01323				
Composite Rate-DS1 Tandem Sw.	\$0.01344							\$0.01336				

State(s):		Tennessee					
RATE ELEMENTS		Per MOU	Applied Per	Monthly Recur.	Applied Per	Non- Recur.	Applied Per
DS1 Local Channel		-	-	\$133.81	LC	\$866.97	LC - First
DS1 Dedicated Transport		-	-	\$23.50 \$90.00	per mile fac. term.	- \$100.49	LC - Add'l fac. term.
DS1 Common Transport		\$0.00004	per mile	-	-	-	-
		\$0.00036	fac. term.	-	-	-	-
Local Switching LS2 (FGD)		\$0.01750	access mou	-	-	-	-
Tandem Switching		\$0.00074	access mou	-	-	-	-
Information Surcharge		-	-	-	-	-	-
Tandem Intermediary Charge**		\$0.002	access mou	-	-	-	-
Composite Rate-DS1 Dedicated		\$0.01941					
Composite Rate-DS1 Tandem Sw.		\$0.01954					

*Rates are displayed at the DS1-1.544 Mbps. level. For rates and charges applicable to other arrangement levels, refer to Section E6 of BellSouth Telecommunication's, Inc.'s Intrastate Access Tariff

**The Tandem Intermediary Charge applies only to intermediary traffic.

-DS1 Local Channel: denotes a DS1 dedicated transport facility between the ALEC's serving wire center and the ALEC's POI, also called an Entrance Facility. This element will apply when associated with services ordered by an ALEC which utilizes a BellSouth facilities. This element is not required when an ALEC is collocated.

-DS1 Dedicated Transport: provides transmission and facility termination. The facility termination applies for each DS1 interoffice channel terminated. Can be used from the ALEC's serving wire center to the end users and office or from the ALEC's serving wire center to the tandem.

-Common Transport: Composed of Common Transport facilities as determined by BellSouth and permits the transmission of calls terminated by BellSouth.

-Access Tandem Switching: provides function of switching traffic from or to the Access Tandem from or to the end office switch(es). The Access Tandem Switching charge is assessed on all terminating minutes of use switched at the access tandem.

-Compensation Credit (CAP): BellSouth and the ALECs will not be required to compensate each other for more than 105% of the total billed local interconnection minutes of use of the party with the lower total billed local interconnection minutes of use in the same month.

Attachment B-2

Local Interconnection Service

Service: Toll Switched Access

Description: Provides the Switched Local Channel, Switched Transport, Access Tandem Switching, local end office switching and end user termination functions necessary to complete the transmission of ALEC intrastate and interstate calls from outside the BellSouth's basic local calling area.

Provided in the terminating direction only. Provides trunk side access to a BellSouth tandem/end office for the ALEC's use in terminating long distance communications from the ALEC to BellSouth end users.

Provided at BellSouth tandem/end office as trunk side terminating switching through the use of tandem/end office trunk equipment. The switch trunk equipment may be provided with wink start-pulsing signals and answer and disconnect supervisory signaling, or without signaling when out of band signaling is provided.

Provided with multifrequency address or out of band signaling. Ten digits of the called party number, as appropriate, will be provided by the ALEC's equipment to a BellSouth tandem/end office.

State(s): All

Rates, Terms and Conditions:

In all states, rates, terms and conditions will be applied as set forth in Section E6 of BellSouth Telecommunication's, Inc.'s Intrastate Access Service Tariffs and in Section 6 of the BellSouth Telecommunication's, Inc. Interstate Access Tariff, F.C.C. No. 1.

Attachment B-3

Local Interconnection Service

Service: Service Provider Number Portability-Remote

Description: Service Provider Number Portability (SPNP) is an interim service arrangement provided by BellSouth to ALECs whereby an end user, who switches subscription to local exchange service from BellSouth to an ALEC, is permitted to retain use of the existing BellSouth assigned telephone number provided that the end user remains at the same location.

SPNP-Remote is a telecommunications service whereby a call dialed to an SPNP-Remote equipped telephone number, assigned by BellSouth, is automatically forwarded to an ALEC assigned seven or ten digit telephone number within BellSouth's basic local calling area as defined in Section A3 of BellSouth's General Subscriber Service Tariff. The forwarded-to number is specified by the ALEC.

SPNP-Remote provides a single call path for the forwarding of no more than one simultaneous call to the ALEC specified forwarded-to number. Additional call paths for the forwarding of multiple simultaneous calls are available on a per path basis, and are in addition to the rate for SPNP-Remote service.

State(s):	Per Number Ported, Each	Additional Capacity for Simultaneous Call Forwarding, per Additional Path	Per Order, per end user location
	Monthly Rate	Monthly Rate	Nonrecurring Charge
Alabama	\$1.50	\$0.75	\$25.00
Florida	\$1.50 Business \$1.25 Residence	\$0.50 Business \$0.50 Residence	\$25.00 Business \$25.00 Residence
Georgia	\$1.75	\$0.75	\$25.00
Kentucky	\$1.50	\$0.75	\$25.00
Louisiana	\$1.50	\$0.75	\$25.00
Mississippi	\$1.75	\$0.75	\$25.00
N.Carolina	\$1.50	\$0.75	\$25.00
S.Carolina	\$1.50	\$0.75	\$25.00
Tennessee	\$1.75	\$0.75	\$25.00

Attachment B-4

Local Interconnection Service

Service: Service Provider Number Portability-Direct Inward Dialed (DID)*

Description: Service Provider Number Portability (SPNP) is an interim service arrangement provided by BellSouth to ALECs whereby an end user, who switches subscription to local exchange service from BellSouth to an ALEC is permitted to retain use of the existing BellSouth assigned telephone number provided that the end user remains at the same location.

SPNP-DID provides trunk side access to BellSouth end office switched for direct inward dialing to ALEC premises from the telecommunications network directly to lines associated with ALEC switching equipment.

SPNP-DID will be available on either a DSO, DS1 or DS3 basis.

SPNP-DID Trunk Termination will only be provided with SS7 Signaling at rates set forth in E6 of BellSouth Telecommunication's, Inc.'s Intrastate Access Tariffs.

Direct facilities are required from the BellSouth end office where a ported number resides to the ALEC end office serving the ALEC end user.

State(s):	Alabama				Florida			
RATE ELEMENTS	Monthly Recurring	Applied Per	Non-Recurring	Applied Per	Monthly Recurring	Applied Per	Non-Recurring	Applied Per
Per Number Ported - Business	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Number Ported - Residence	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Order	--	--	\$25.00	end user location	--	--	\$25.00	end user location
SPNP-DID Trunk Termination	\$13.00	trunk	\$160.00	trunk-init. \$80.00 trunk-sub.	\$15.00	trunk	\$170.00	trunk-init. \$86.00 trunk-sub.
DS1 Local Channel**	\$133.81	LC	\$866.97	LC - First \$486.83 LC - Add'l	\$133.81	LC	\$866.97	LC - First \$486.83 LC - Add'l
DS1 Dedicated Transport**	\$23.50 \$90.00	per mile fac. term.	-- \$100.49	-- fac. term.	\$16.75 \$59.75	per mile fac. term.	-- \$100.49	-- fac. term.

State(s):	Georgia				Kentucky			
RATE ELEMENTS	Monthly Recurring	Applied Per	Non-Recurring	Applied Per	Monthly Recurring	Applied Per	Non-Recurring	Applied Per
Per Number Ported - Business	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Number Ported - Residence	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Order	--	--	\$25.00	end user location	--	--	\$25.00	end user location
SPNP-DID Trunk Termination	\$14.00	trunk	\$165.00	trunk-init. \$83.00 trunk-sub.	\$13.00	trunk	\$150.00	trunk-init. \$80.00 trunk-sub.
DS1 Local Channel**	\$133.81	LC	\$866.97	LC - First \$486.83 LC - Add'l	\$133.81	LC	\$866.97	LC - First \$486.83 LC - Add'l
DS1 Dedicated Transport**	\$23.50 \$90.00	per mile fac. term.	-- \$100.49	-- fac. term.	\$23.50 \$90.00	per mile fac. term.	-- \$100.49	-- fac. term.

* Rates are displayed at the DS1-1.544 Mbps. level. For rates and charges applicable to other arrangement levels, refer to Section E6 of BellSouth's Intrastate Access Tariffs.

**May not be required if the ALEC is collocated at the ported number end office.

Attachment C-2

Unbundled Products and Services and New Services

Service: Access to Numbers

Description: For that period of time in which BellSouth serves as North American Numbering Plan administrator for the states in the BellSouth region, BellSouth will assist ALECs applying for NXX codes for their use in providing local exchange services.

State(s): All

Rates: No Charge

Attachment C-3

Unbundled Products and Services and New Services

Service: Access to 911 Service

Description: Provides a universal, easy-to-remember number which is recognized nationally as the appropriate number to call in an emergency.

Additionally, ALEC-1 must provide a minimum of two dedicated trunk groups originating from ALEC-1's serving wire center and terminating to the appropriate 911 tandem. These facilities, consisting of a Switched Local Channel from ALEC-1's point of interface to its serving wire center and Switched Dedicated Transport to the 911 tandem, may be purchased from BellSouth at the Switched Dedicated Transport rates set forth in Section E6 of BellSouth Telecommunication's Inc.'s Intrastate Access Service Tariffs.

State(s): All

Rates: Will be billed to appropriate municipality.

Attachment C-4

Unbundled Products and Services and New Services

Service: 800 Database

Description: Provides for utilization of the BellSouth 800 Service Control Points for obtaining 800 Service routing information.

800 Database service is provided using a common nationwide 800 Database. The BellSouth network components utilized in the provision of this service are the Service Switching Point (SSP), the Common Channel Signaling Seven Network, the Signal Transfer Point (STP), and the Service Control Point (SCP). Additionally, the Service Management System functions nationally as the central point for the administration of all 800 numbers and downloads 800 number information to BellSouth's SCPs.

ALEC's with STPs will be able to connect directly to BellSouth local or regional STP for obtaining 800 database routing information from BellSouth's SCP and will not be required to order FGD or TSBSA Technical Option 3 Service. For this connection the ALECs may utilize Signaling System Seven Terminations Interconnected in Birmingham, AL and Atlanta, GA with BellSouth's local or regional STP.

State(s): All

Rates, Terms and Conditions:

In all states, the 800 Database rates, terms and conditions will be applied as set forth in Sections E2, E5, E6 and E13 of BellSouth Telecommunication's, Inc.'s Intrastate Access Service Tariffs.

Attachment C-5

Unbundled Products and Services and New Services

Service: Line Information Database (LIDB)- Storage Agreement

Description: The LIDB Storage Agreement provides the terms and conditions for inclusion in BellSouth's LIDB of billing number information associated with BellSouth exchange lines used for Local Exchange Companies' resale of local exchange service or Service Provider Number Portability arrangements requested Local Exchange Companies' on behalf of the Local Exchange company's end user. BellSouth will store in it's database, the relevant billing number information and will provide responses to on-line, call-by-call queries to this information for purposes of Billed Number Screening, Calling Card Validation and Fraud Control.

Each time an ALECs data is used BellSouth will compensate that ALEC at a rate of 40% of BellSouth's LIDB Validation rate per query as displayed in Attachment C-6 following.

State(s): All

Rates: No Charge

**LINE INFORMATION DATA BASE (LIDB)
STORAGE AGREEMENT
FOR RESOLD LOCAL EXCHANGE LINES OR
SERVICE PROVIDER NUMBER PORTABILITY ARRANGEMENTS**

This agreement, effective as of _____, 1996, is entered into by and between BellSouth Telecommunications, Inc. ("BST"), a Georgia corporation, and _____ ("Local Exchange Company").

WHEREAS, in consideration of the mutual covenants, agreements and obligations set forth below, the parties hereby agree as follows:

I. SCOPE

This Agreement sets forth the terms and conditions for inclusion in BST's Line Information Data Base (LIDB) of billing number information associated with BST exchange lines used for Local Exchange Company's resale of local exchange service or Service Provider Number Portability (SPNP) arrangements requested by Local Exchange Company on behalf of Local Exchange Company's end user. BST will store in its data base the relevant billing number information, and BST will provide responses to on-line, call-by-call queries to this information for purposes specified below.

LIDB is accessed for:

- Billed Number Screening
- Calling Card Validation for Calling Cards issued by BellSouth
- Fraud Control

II. DEFINITIONS

- 2.01. **Billing number** - a number used by BST for the purpose of identifying an account liable for charges. This number may be a line or a special billing number.
- 2.02. **Line number** - a ten digit number assigned by BST that identifies a telephone line associated with a resold local exchange service, or with a SPNP arrangement.
- 2.03. **Special billing number** - a ten digit number that identifies a billing account established by BST in connection with a resold local exchange service or with a SPNP arrangement.
- 2.04. **Calling Card number** - a billing number plus PIN number assigned by BST.
- 2.05. **PIN number** - a four digit security code assigned by BST which is added to a billing number to compose a fourteen digit calling card number.
- 2.06. **Toll billing exception indicator** - associated with a billing number to indicate that it is considered invalid for billing of collect calls or third number calls or both, by the Local Exchange Company.
- 2.07. **Billed Number Screening** - refers to the activity of determining whether a toll billing exception indicator is present for a particular billing number.
- 2.08. **Calling Card Validation** - refers to the activity of determining whether a particular calling card number exists as stated or otherwise provided by a caller.
- 2.09. **Billing number information** - information about billing number or Calling Card number as assigned by BST and toll billing exception indicator provided to BST by the Local Exchange Company.

III. RESPONSIBILITIES OF PARTIES

3.01. BST will include billing number information associated with resold exchange lines or SPNP arrangements in its LIDB. The Local Exchange Company will request any toll billing exceptions via the Local Service Request (LSR) form used to order resold exchange lines, or the SPNP service request form used to order SPNP arrangements.

3.02. Under normal operating conditions, BST shall include the billing number information in its LIDB upon completion of the service order establishing either the resold local exchange service or the SPNP arrangement, provided that BST shall not be held responsible for any delay or failure in performance to the extent such delay or failure is caused by circumstances or conditions beyond BST's reasonable control. BST will store in its LIDB an unlimited volume of the working telephone numbers associated with either the resold local exchange lines or the SPNP arrangements. For resold local exchange lines or for SPNP arrangements, BST will issue line-based calling cards only in the name of Local Exchange Company. BST will not issue line-based calling cards in the name of Local Exchange Company's individual end users. In the event that Local Exchange Company wants to include calling card numbers assigned by the Local Exchange Company in the BST LIDB, a separate agreement is required.

3.03. BST will provide responses to on-line, call-by-call queries to the stored information for the specific purposes listed in the next paragraph.

3.04. BST is authorized to use the billing number information to perform the following functions for authorized users on an on-line basis: _____

(a) Validate a 14 digit Calling Card number where the first 10 digits are a line number or special billing number assigned by BST, and where the last four digits (PIN) are a security code assigned by BST.

(b) Determine whether the Local Exchange Company has identified the billing number as one which should not be billed for collect or third number calls, or both.

3.05. BST will provide seven days per week, 24-hours per day, fraud control and detection services. These services include, but are not limited to, such features as sorting Calling Card Fraud detection according to domestic or international calls in order to assist the pinpointing of possible theft or fraudulent use of Calling Card numbers; monitoring bill-to-third number and collect calls made to numbers in BST's LIDB, provided such information is included in the LIDB query, and establishing Account Specific Thresholds, at BST's sole discretion, when necessary. Local Exchange Company understands and agrees BST will administer all data stored in the LIDB, including the data provided by Local Exchange Company pursuant to this Agreement, in the same manner as BST's data for BST's end user customers. BST shall not be responsible to Local Exchange Company for any lost revenue which may result from BST's administration of the LIDB pursuant to its established practices and procedures as they exist and as they may be changed by BST in its sole discretion from time to time.

3.06. Local Exchange Company understands that BST currently has in effect numerous billing and collection agreements with various interexchange carriers and billing clearing houses. Local Exchange Company further understands that these billing and collection customers of BST query BST's LIDB to determine whether to accept various billing options from end users. Additionally, Local Exchange Company understands that presently BST has no method to

differentiate between BST's own billing and line data in the LIDB and such data which it includes in the LIDB on Local Exchange Company's behalf pursuant to this Agreement. Therefore, until such time as BST can and does implement in its LIDB and its supporting systems the means to differentiate Local Exchange Company's data from BST's data and the parties to this Agreement execute appropriate amendments hereto, the following terms and conditions shall apply:

- (a) The Local Exchange Company agrees that it will accept responsibility for telecommunications services billed by BST for its billing and collection customers for Local Exchange Customer's end user accounts which are resident in LIDB pursuant to this Agreement. Local Exchange Company authorizes BST to place such charges on Local Exchange Company's bill from BST and agrees that it shall pay all such charges. Charges for which Local Exchange Company hereby takes responsibility include, but are not limited to, collect and third number calls.
- (b) Charges for such services shall appear on a separate BST bill page identified with the name of the entity for which BST is billing the charge.
- (c) Local Exchange Company shall have the responsibility to render a billing statement to its end users for these charges, but Local Exchange Company's obligation to pay BST for the charges billed shall be independent of whether Local Exchange Company is able or not to collect from Local Exchange Company's end users.
- (d) BST shall not become involved in any disputes between Local Exchange Company and the entities for which BST performs billing and collection. BellSouth will not issue adjustments for charges billed on behalf of an entity to Local Exchange Company. It shall

be the responsibility of the Local Exchange Company and the other entity to negotiate and arrange for any appropriate adjustments.

IV. COMPLIANCE

Unless expressly authorized in writing by the Local Exchange Company, all billing number information provided pursuant to this Agreement shall be used for no purposes other than those set forth in this Agreement.

V. TERMS

This Agreement will be effective as of _____, 1996, and will continue in effect for one year, and thereafter may be continued until terminated by either party upon thirty (30) days written notice to the other party.

VI. FEES FOR SERVICE AND TAXES

6.01. The Local Exchange Company will not be charged a fee for storage services provided by BST to the Local Exchange Company, as described in Section I of this Agreement.

6.02. Sales, use and all other taxes (excluding taxes on BST's income) determine by BST or any taxing authority to be due to any federal, state or local taxing jurisdiction with respect to the provision of the service set forth herein will be paid by the Local Exchange Company. The Local Exchange Company shall have the right to have BST contest with the imposing jurisdiction, at the Local Exchange Company's expense, any such taxes that the Local Exchange Company deems are improperly levied.

VII. INDEMNIFICATION

To the extent not prohibited by law, each party will indemnify the other and hold the other harmless against any loss, cost, claim, injury, or liability relating to or arising out of

negligence or willful misconduct by the indemnifying party or its agents or contractors in connection with the indemnifying party's provision of services, provided, however, that any indemnity for any loss, cost, claim, injury or liability arising out of or relating to errors or omissions in the provision of services under this Agreement shall be limited as otherwise specified in this Agreement. The indemnifying party under this Section agrees to defend any suit brought against the other party for any such loss, cost, claim, injury or liability. The indemnified party agrees to notify the other party promptly, in writing, of any written claims, lawsuits, or demands for which the other party is responsible under this Section and to cooperate in every reasonable way to facilitate defense or settlement of claims. The indemnifying party shall not be liable under this Section for settlement by the indemnified party of any claim, lawsuit, or demand unless the defense of the claim, lawsuit, or demand has been tendered to it in writing and the indemnifying party has unreasonably failed to assume such defense.

VIII. LIMITATION OF LIABILITY

Neither party shall be liable to the other party for any lost profits or revenues or for any indirect, incidental or consequential damages incurred by the other party arising from this Agreement or the services performed or not performed hereunder, regardless of the cause of such loss or damage.

IX. MISCELLANEOUS

9.01. It is understood and agreed to by the parties that BST may provide similar services to other companies.

9.02. All terms, conditions and operations under this Agreement shall be performed in accordance with, and subject to, all applicable local, state or federal legal and regulatory tariffs, rulings, and other requirements of the federal courts, the U. S. Department of Justice and state and federal regulatory agencies. Nothing in this Agreement shall be construed to cause either party to violate any such legal or regulatory requirement and either party's obligation to perform shall be subject to all such requirements.

9.03. The Local Exchange Company agrees to submit to BST all advertising, sales promotion, press releases, and other publicity matters relating to this Agreement wherein BST's corporate or trade names, logos, trademarks or service marks or those of BST's affiliated companies are mentioned or language from which the connection of said names or trademarks therewith may be inferred or implied; and the Local Exchange Company further agrees not to publish or use advertising, sales promotions, press releases, or publicity matters without BST's prior written approval.

9.04. This Agreement constitutes the entire agreement between the Local Exchange Company and BST which supersedes all prior agreements or contracts, oral or written representations, statements, negotiations, understandings, proposals and undertakings with respect to the subject matter hereof.

9.05. Except as expressly provided in this Agreement, if any part of this Agreement is held or construed to be invalid or unenforceable, the validity of any other Section of this Agreement shall remain in full force and effect to the extent permissible or appropriate in furtherance of the intent of this Agreement.

9.06. Neither party shall be held liable for any delay or failure in performance of any part of this Agreement for any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, government regulations, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, strikes, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities, or acts or omissions of transportation common carriers.

9.07. This Agreement shall be deemed to be a contract made under the laws of the State of Georgia, and the construction, interpretation and performance of this Agreement and all transactions hereunder shall be governed by the domestic law of such State.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by
their fully authorized officers.

BELLSOUTH TELECOMMUNICATIONS, INC.

By: _____
Title: _____
Date: _____
Address: _____

THE LOCAL EXCHANGE COMPANY

By: _____
Title: _____
Date: _____
Address: _____

Attachment C-6

Unbundled Products and Services and New Services

Service: Line Information Database Access Service (LIDB) - Validation

Description: Provides a customer the ability to receive validation of billing information through query of data stored in BellSouth's LIDB data base. See below for additional information.

State(s): All

Rate Elements	Description	Monthly	Non-Recurring
LIDB Common Transport	Provides for transport of the customer's query from the LIDB Location (RSTP) to the data base (SCP). This charge will apply each time the customer requests and receives validation of a BellSouth calling card or requests and receives the status of a billed number associated with a LEC line stored in the BellSouth LIDB.	\$0.00030	—
LIDB Validation	Provides for query of data resident in BellSouth's LIDB. This rate will apply each time a customer requests and receives validation of LEC calling card or requests and receives the status of a billed number associated with a LEC line stored in BellSouth's LIDB. As set forth in Attachment C-5 (LIDB Storage Agreement), preceding, each time an ALEC data is used, BellSouth will compensate that ALEC at a rate of 40% of BellSouth's LIDB Validation rate per query.	\$0.03800	—
Originating Point Code Establishment or Change	Provides for the establishment or change of a customer requested Originating Point Code. This charge will apply each time the customer establishes or changes a point code destination identifying one of his locations or a location of one of his end users.	—	\$91.00
CCS7 Signaling Connections	Rates, terms and conditions for CCS7 Signaling Connections are as set forth in Section E6.8 of BellSouth Telecommunication's Inc.'s Intrastate Access Services Tariff.		

Attachment C-7

Unbundled Products and Services and New Services

Service: Signaling

Description: Provides for connection to and utilization of BellSouth's Signaling System 7 network for both call setup and non-call setup purposes.

State(s): All

Rate Elements	Monthly Rate	Recurring Rate	Non-Recurring	Applied Per
CCS7 Signaling Connection - Provides a two-way digital 56 Kbps dedicated facility connecting a customer's signaling point of interface in a LATA to a BellSouth STP. Each customer's connection requires either a pair or a quad of signaling connections.	\$155.00	-	\$510.00	56 Kbps facility
CCS7 Signaling Termination - Provides a customer dedicated point of interface at the BellSouth STP for each of the customer's SS7 connections.	\$355.00	-	-	STP Port
CCS7 Signaling Usage* - Refers to the messages traversing the BellSouth signaling network for call set-up and non call set-up purposes.	-	\$0.000023	-	Call Set Up Msg.
	-	\$0.000050	-	TCAP Msg.
CCS7 Signaling Usage Surrogate*	\$395.00	-	-	56 Kbps facility
*Where signaling usage measurement and billing capability exists, CCS7 Signaling Usage will be billed on a per message basis. Where measurement capability does not exist, CCS7 Signaling Usage Surrogate will be billed on a per 56 Kbps facility basis.				

Attachment C-8

Unbundled Products and Services and New Services

Service: Operator Call Processing Access Service

Description: Provides Operator and Automated call handling. This includes processing and verification of alternate billing information for collect, calling card, and billing to a third number. Operator Call Processing Access Service also provides customized call branding; dialing instructions; and other operator assistance the customer may desire.

Rate Elements	State(s)	Monthly Recurring	Applied Per
Operator Provided Call Handling	All	\$1.17	Per Work Minute
Call Completion Access Termination Charge This charge will be applicable per call attempt and is in addition to the Operator Provided Call Handling charge listed above.	Alabama	\$0.06	Per Call Attempt
	Florida	\$0.06	Per Call Attempt
	Georgia	\$0.06	Per Call Attempt
	Kentucky	\$0.06	Per Call Attempt
	Louisiana	\$0.06	Per Call Attempt
	Mississippi	\$0.06	Per Call Attempt
	N.Carolina	\$0.08	Per Call Attempt
	S.Carolina	\$0.08	Per Call Attempt
	Tennessee	\$0.12	Per Call Attempt
Fully Automated Call Handling	All	\$0.15	Per Attempt
Operator Services Transport Operator Services transport rates, terms and conditions are as set forth in E6 of BellSouth Telecommunication's, Inc.'s Intrastate Access Service Tariff.			

Attachment C-9

Unbundled Products and Services and New Services

Service: Directory Assistance Access Service (Number Services)

Description: See below

Rate Elements	Description	State(s)	Monthly Rate
Directory Assistance Call Completion Access Service	Optional service provided to an Access subscriber of BellSouth's DA Access Service. Given a listed telephone number at the request of an Access subscriber's end user, BellSouth will provide or attempt to provide from the DA Operator System, call completion to the number requested. All local and intralata call completion attempts are routed over an intertoll trunk facility directly to the terminating end office that serves the designated number. An Automatic Message Account (AMA) record that includes conversation time, originating, terminating, and billing number details is made for each call completion attempt. This record is in addition to the record made for the DA transaction.	All	\$0.25 (per call attempt)
Call Completion Access Termination Charge	This charge will be applicable per call attempt and is in addition to the DACC Access Service charge listed above.	Alabama Florida Georgia Kentucky Louisiana Mississippi N. Carolina S. Carolina Tennessee	\$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.06 \$0.12
Number Services Intercept Access Service	Number Services Intercept Access refers calls from disconnected numbers to the proper number or numbers. A separate dedicated intercept trunk facility to the Number Services switch for intercept calls is required. Standard trunk signaling is used to send the intercepted number to the Number Services switch and a database hook-up is performed to retrieve the referral number. The referral number is provided to the calling party by a mechanized audio announcement. The subscribing Access customer must provide the updates to the intercept database to support the service.	All	\$0.30 (per intercept query)
Directory Assistance Service Call	Rates, terms and conditions will be applied as set forth in E9.1.7 for Georgia and as set forth in E9.5.3 for AL, FL, KY, LA, MS, NC, SC, TN of BellSouth Telecommunication's Inc.'s Intrastate Access Service Tariff.		
Directory Transport	Rates, terms and conditions will be applied as set forth in E9.1.7 for Georgia and as set forth in E9.5.3 for AL, FL, KY, LA, MS, NC, SC, TN of BellSouth Telecommunication's Inc.'s Intrastate Access Service Tariff.		
Directory Assistance Interconnection	Rates, terms and conditions will be applied as set forth in E9.1.7 for Georgia and as set forth in E9.5.3 for AL, FL, KY, LA, MS, NC, SC, TN of BellSouth Telecommunication's Inc.'s Intrastate Access Service Tariff.		
Directory Assistance Database Service	Rates, terms and conditions will be applied as set forth in A38.1 of BellSouth Telecommunication's Inc.'s General Subscriber Service Tariff.		
Direct Access to DA Service	Rates, terms and conditions will be applied as set forth in Section 9.3 of BellSouth Telecommunication's, Inc.'s Interstate Access Service Tariff F.C.C. No.1.		

Attachment C-10

Unbundled Products and Services and New Services

Service: Busy Line Verification and Emergency Interrupt

Description: BellSouth will provide Inward Operator Service for Busy Line Verification and Verification and Emergency Interrupt.

State(s): All

Rates, Terms and Conditions: In all states, rates, terms and conditions will be applied as set forth in Section E18 of BellSouth Telecommunication's, Inc.'s Intrastate Access Service Tariff.

Attachment C-11

Unbundled Products and Services and New Services

Service: Centralized Message Distribution System - Hosting (CMDS-Hosting)

Description: CMDS-Hosting is the Bellcore administered national system used to exchange Exchange Message Record (EMR) formatted message data among host companies.

All intraLATA and local messages originated and billed in the BellSouth Region involving BellSouth CMDS hosted companies will be processed through the Non-Send Paid Report System described in Attachment C-12 following.

State(s): All

Rate Elements	Description	Monthly
Message Distribution	Message Distribution is routing determination and subsequent delivery of message data from one company to another. Also included is the interface function with CMDS, where appropriate. This charge is applied on a per message basis.	\$0.004
Data Transmission	This charge is applied on a per message basis.	\$0.001

Attachment C-12

Unbundled Products and Services and New Services

Service: Non-Sent Paid Report System (NSPRS)

Description: NSPRS includes: 1) a mechanized report system that provides to the BellSouth CMDS hosted companies within the BellSouth Region information regarding Non-Sent Paid message and revenue occurring on calls originated and billed within the BellSouth region; 2) distribution of Bellcore produced Credit Card and Third Number System (CATS) reports and administration of associated elements; 3) distribution of Bellcore produced non-conterminous CATS reports and administration of associated settlements.

State(s): All

Rate Elements	Billing and Collections Fee Retained by Billing Co.	Applied Per
NSPRS - intrastate FL and NC	\$0.066	message
NSPRS - intrastate all other BellSouth states	\$0.05	message
NSPRS - CATS	\$0.05	message
NSPRS - non-conterminous	\$0.16	message

Contract Provisions for RAO Hosting and NSPRS

SECTION 1. SCOPE OF AGREEMENT

- 1.01 This Agreement shall apply to the services of Revenue Accounting Office (RAO) Hosting and the Non-Sent Paid Report System (NSPRS) as provided by BellSouth to the ALEC. The terms and conditions for the provisions of these services are outlined in the Exhibits to this Agreement.

SECTION 2. DEFINITIONS

- 2.01 A. Centralized Message Distribution System is the BellCore administered national system, based in Kansas City, Missouri, used to exchange Exchange Message Record (EMR) formatted data among host companies.
- B. Compensation is the amount of money due from BellSouth to the ALEC or from the ALEC to BellSouth for services and/or facilities provided under this Agreement.
- C. Exchange Message Record is the nationally administered standard format for the exchange of data among Exchange Carriers within the telecommunications industry.
- D. Intercompany Settlements (ICS) is the revenue associated with charges billed by a company other than the company in whose service area such charges were incurred. ICS on a national level includes third number and credit card calls. ICS within the BellSouth region includes third number, credit card and collect calls.
- E. Message Distribution is routing determination and subsequent delivery of message data from one company to another. Also included is the interface function with CMDS, where appropriate.
- F. Non-Sent Paid Report System (NSPRS) is the system that calculates ICS amounts due from one company to another in the state of Florida.

- G. Revenue Accounting Office (RAO) Status Company** is a local exchange company/alternate local exchange company that has been assigned a unique RAO code. Message data exchanged among RAO status companies is grouped (i.e. packed) according to From/To/Bill RAO combinations.

SECTION 3. RESPONSIBILITIES OF THE PARTIES

- 3.01** RAO Hosting and NSPRS services provided to the ALEC by BellSouth will be in accordance with the methods and practices regularly adopted and applied by BellSouth to its own operations during the term of this Agreement, including such revisions as may be made from time to time by BellSouth.
- 3.02** The ALEC shall furnish all relevant information required by BellSouth for the provision of RAO Hosting and NSPRS.

SECTION 4. COMPENSATION ARRANGEMENTS

- 4.01** Applicable compensation amounts will be billed by BellSouth to the ALEC on a monthly basis in arrears. Amounts due from one party to the other (excluding adjustments) are payable within thirty (30) days of receipt of the billing statement.

SECTION 5. ASSOCIATED EXHIBITS

- 5.01** Listed below are the exhibits associated with this Agreement.

Exhibit A **Message Distribution Service (RAO Hosting)**

Exhibit B **Intercompany Settlements (NSPRS)**

- 5.02** From time to time by written agreement of the parties, new Exhibits may be substituted for the attached Exhibits, superseding and canceling the Exhibits then in effect.

SECTION 6. TERM OF AGREEMENT

6.01 This agreement is effective _____ and will continue in force until terminated, with or without cause, by thirty (30) days prior notice in writing from either party to the other. This Agreement may be amended from time to time upon written agreement of the parties.

Executed this _____ day of _____, 1996.

WITNESS:

THE ALEC

(title)

WITNESS:

BELLSOUTH TELECOMMUNICATIONS, INC

(title)

SECTION 1. SCOPE OF EXHIBIT

1.01 This exhibit specifies the terms and conditions, including compensation, under which BellSouth shall provide message distribution service to the ALEC. As described herein, message distribution service includes the following:

- 1) Message Forwarding to Intraregion LEC/ALEC - function of receiving an ALEC message and forwarding the message to another LEC/ALEC in the BellSouth region.**
- 2) Message Forwarding to CMDS - function of receiving an ALEC message and forwarding that message on to CMDS.**
- 3) Message Forwarding from CMDS - function of receiving a message from CMDS and forwarding that message to the ALEC.**

SECTION 2. RESPONSIBILITIES OF THE PARTIES

- 2.01** An ALEC that is CMDS hosted by BellSouth must have its own unique RAO code. Requests for establishment of RAO status where BellSouth is the selected CMDS interfacing host, require written notification from the ALEC to BellSouth at least six (6) weeks prior to the proposed effective date. The proposed effective date will be mutually agreed upon between the parties with consideration given to time necessary for the completion of required BellCore functions. BellSouth will request the assignment of an RAO code from its connecting contractor, currently BellCore, on behalf of the ALEC and will coordinate all associated conversion activities.
- 2.02** BellSouth will receive messages from the ALEC that are to be processed by BellSouth, another LEC/ALEC in the BellSouth region or a LEC outside the BellSouth region.
- 2.03** BellSouth will perform invoice sequence checking, standard EMR format editing, and balancing of message data with the EMR trailer record counts on all data received from the ALEC.
- 2.04** All data received from the ALEC that is to be processed or billed by another LEC/ALEC within the BellSouth region will be distributed to that LEC/ALEC in accordance with the agreement(s) which may be in effect between BellSouth and the involved LEC/ALEC.

- 2.05 All data received from the ALEC that is to be placed on the CMDS network for distribution outside the BellSouth region will be handled in accordance with the agreement(s) which may be in effect between BellSouth and its connecting contractor (currently, BellCore).
- 2.06 BellSouth will receive messages from the CMDS network that are destined to be processed by the ALEC and will forward them to the ALEC on a daily basis.
- 2.07 Transmission of message data between BellSouth and the ALEC will be via electronic data transmission.
- 2.08 All messages and related data exchanged between BellSouth and the ALEC will be formatted in accordance with accepted industry standards for EMR formatted records and packed between appropriate EMR header and trailer records, also in accordance with accepted industry standards.
- 2.09 The ALEC will ensure that the recorded message detail necessary to recreate files provided to BellSouth will be maintained for back-up purposes for a period of three (3) calendar months beyond the related message dates.
- 2.10 Should it become necessary for the ALEC to send data to BellSouth more than sixty (60) days past the message date(s), that ALEC will notify BellSouth in advance of the transmission of the data. If there will be impacts outside the BellSouth region, BellSouth will work with its connecting contractor and the ALEC to notify all affected parties.
- 2.11 In the event that data to be exchanged between the two parties should become lost or destroyed, both parties will work together to determine the source of the problem. Once the cause of the problem has been jointly determined and the responsible party (BellSouth or the ALEC) identified and agreed to, the company responsible for creating the data (BellSouth or the ALEC) will make every effort to have the affected data restored and retransmitted. If the data cannot be retrieved, the responsible party will be liable to the other party for any resulting lost revenue. Lost revenue may be a combination of revenues that could not be billed to the end users and associated access revenues. Both parties will work together to estimate the revenue amount based upon historical data through a method mutually agreed upon. The resulting estimated revenue loss will be paid by the responsible party to the other party within three (3) calendar months of the date of problem resolution, or as mutually agreed upon by the parties.

- 2.12 Should an error be detected by the EMR format edits performed by BellSouth on data received from the ALEC, the entire pack containing the affected data will not be processed by BellSouth. BellSouth will notify the ALEC of the error condition. The ALEC will correct the error(s) and will resend the entire pack to BellSouth for processing. In the event that an out-of-sequence condition occurs on subsequent packs, the ALEC will resend these packs to BellSouth after the pack containing the error has been successfully reprocessed by BellSouth.
- 2.13 In association with message distribution service, BellSouth will provide the ALEC with associated intercompany settlements reports (national and regional) as appropriate.
- 2.14 In no case shall either party be liable to the other for any direct or consequential damages incurred as a result of the obligations set out in this agreement.

SECTION 3. COMPENSATION

- 3.01 For message distribution service provided by BellSouth for the ALEC, BellSouth shall receive the following as compensation:

Rate Per Message	\$0.004
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- 3.02 For data transmission associated with message distribution service, BellSouth shall receive the following as compensation:

Rate Per Message	\$0.001
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- 3.03 Data circuits (private line or dial-up) will be required between BellSouth and the ALEC for the purpose of data transmission. Where a dedicated line is required, the ALEC will be responsible for ordering the circuit, overseeing its installation and coordinating the installation with BellSouth. The ALEC will also be responsible for any charges associated with this line. Equipment required on the BellSouth end to attach the line to the mainframe computer and to transmit successfully ongoing will be negotiated on a case by case basis. Where a dial-up facility is required, dial circuits will be installed in the BellSouth data center by BellSouth and the associated charges assessed to the ALEC. Additionally, all message toll charges associated with the use of the dial circuit by the ALEC will be the responsibility of the ALEC. Associated equipment on the BellSouth end, including a modem, will be negotiated on a case by case basis between the parties.
- 3.04 All equipment, including modems and software, that is required on the ALEC end for the purpose of data transmission will be the responsibility of the ALEC.

SECTION 1. SCOPE OF EXHIBIT

- 1.01 This Exhibit specifies the terms and conditions, including compensation, under which BellSouth and the ALEC will compensate each other for Intercompany Settlements (ICS) messages.

SECTION 2. RESPONSIBILITIES OF THE PARTIES

- 2.01 BellSouth will remit to the ALEC the revenue, less a billing charge, for IntraLATA ICS messages, Local ICS messages, and charges for other services when related messages and/or services are provided by the ALEC and billed to:
- 1) a BellSouth customer,
 - 2) another company within the BellSouth region (excluding Florida) associated with the exchange of message data with BellSouth (excluding CIID and 891 messages),
 - 3) another company within the conterminous United States that utilizes CMDS directly or indirectly and settles with BellSouth directly or indirectly through the Credit Card and Third Number Settlement System (CATS) administered by BellCore,
 - 4) another company utilizing the non-conterminous RAO codes associated with AT&T's Transport and Tracking Intercompany System settlements with BellSouth.
- 2.02 These other services include, but are not limited to:
- 1) Maritime Mobile Radiotelephone Services radio link charges as set forth in the FCC's Maritime Mobile Radiotelephone Services tariff.
 - 2) Aviation Radiotelephone Service radio link charges as set forth in the FCC's Aviation Radiotelephone Service tariff.
 - 3) Public Land Mobile Radiotelephone Transient-Unit Non-Toll Service charges as approved by the authorized state regulatory commission (or municipal regulatory authority).

- 4) **Non-Toll Service Charges** billed to a calling card or to a third number as filed with and approved by the authorized state regulatory commission (or municipal regulatory authority).
- 5) **Directory Assistance Call Charges** to a calling card or to a third number as approved by the authorized regulatory commission.

2.03 The ALEC will bill, collect and remit to BellSouth the charges for intraLATA and/or local ICS messages and other services as described above where such messages and/or services are provided by:

- 1) **BellSouth,**
- 2) **another company within the BellSouth region (excluding Florida) associated with the exchange of message data with BellSouth (excluding CIID and 891 messages),**
- 3) **another company within the conterminous United States that utilizes CMDS directly or indirectly and settles with BellSouth directly or indirectly through the Credit Card and Third Number Settlement System (CATS).**

2.04 For ICS revenues involving the ALEC and other non-BellSouth LECs/ALECs within the state, BellSouth will provide the ALEC with monthly reports summarizing the ICS revenues for messages that originated with the ALEC and were billed by each of the other Florida LECs/ALECs and those messages that originated with each of the other Florida LECs/ALECs and were billed by the ALEC.

SECTION 3. COMPENSATION

3.01 The following compensation shall be retained by the billing company for the billing of ICS messages and services:

	<u>Rate Per message</u>
1) Calls originated and billed in Florida or originated and billed in North Carolina	\$0.0666
Calls originated in any of the states within BellSouth region and billed in that same state	\$0.05
2) Calls originated in a state within BellSouth's region and billed in another state or originated in another state and billed in a state within BellSouth's region	\$0.05
3) Calls originated in a state within BellSouth's region and billed outside the conterminous United States	\$0.16

Attachment C-13

Unbundled Products and Services and New Services

Service: Virtual Collocation

Description: Virtual Expanded Interconnection Service (VEIS) provides for location interconnection in collocator-provided/BellSouth leased fiber optic facilities to BellSouth's switched and special access services, and local interconnection facilities.

State(s): All

Rates, Terms and Conditions: In all states, the rates, terms and conditions will be applied as set forth in Section 20 of BellSouth Telecommunication's Inc.'s Interstate Access Service Tariff, F.C.C. No. 1.

Service: Physical Collocation

Description: Per FCC - (10/19/92 FCC Order, para 39)
Physical Collocation is whereby "the interconnection party pays for LEC central office space in which to locate the equipment necessary to terminate its transmission links, and has physical access to the LEC central office to install, maintain, and repair this equipment."

State(s): All

Rates, Terms and Conditions: To be negotiated

Attachment C-14

Unbundled Products and Services and New Services

Service: Poles, Ducts, Conduits and Rights of Way

State(s): All

Rates, terms and conditions: This service will be provided via a Standard License Agreement.

Attachment C-15

Unbundled Products and Services and New Services

Service: Unbundled Exchange Access Loop

Description: Provides the connection from the serving central office to a subscriber's premises. It is engineered to meet the same parameters as a residence or business exchange access line.

Information relative to multiplexing of the Unbundled Exchange Access Loop is described in Attachment C-16 following.

State(s): Alabama Florida Georgia									
Rate Elements	Alabama			Florida			Georgia		
	Monthly	Nonrecurring Charges First	Charges Add'l	Monthly	Nonrecurring Charges First	Charges Add'l	Monthly	Nonrecurring Charges First	Charges Add'l
Unbundled Exchange Access Loop	\$25.00	\$68.00	\$24.00	\$21.15	\$71.00	\$25.00	\$25.00	\$71.00	\$25.00
Unbundled Exchange Access IOC									
- Fixed	\$30.00	\$97.00	N/A	\$28.50	\$87.00	N/A	\$32.00	\$105.00	N/A
- 1 - 8 Miles	\$2.05	N/A	N/A	\$1.85	N/A	N/A	\$2.05	N/A	N/A
- 9 - 25 Miles	\$2.00	N/A	N/A	\$1.80	N/A	N/A	\$2.00	N/A	N/A
- Over 25 Miles	\$1.95	N/A	N/A	\$1.55	N/A	N/A	\$1.95	N/A	N/A

State(s): Kentucky Louisiana Mississippi									
Rate Elements	Kentucky			Louisiana			Mississippi		
	Monthly	Nonrecurring Charges First	Charges Add'l	Monthly	Nonrecurring Charges First	Charges Add'l	Monthly	Nonrecurring Charges First	Charges Add'l
Unbundled Exchange Access Loop	\$25.00	\$68.00	\$24.00	\$18.50	\$73.00	\$26.00	\$25.00	\$69.00	\$24.00
Unbundled Exchange Access IOC									
- Fixed	\$30.00	\$93.00	N/A	\$30.00	\$100.00	N/A	\$30.00	\$96.00	N/A
- 1 - 8 Miles	\$2.05	N/A	N/A	\$2.05	N/A	N/A	\$2.05	N/A	N/A
- 9 - 25 Miles	\$2.00	N/A	N/A	\$2.00	N/A	N/A	\$2.00	N/A	N/A
- Over 25 Miles	\$1.95	N/A	N/A	\$1.95	N/A	N/A	\$1.95	N/A	N/A

State(s): N.Carolina S.Carolina Tennessee									
Rate Elements	N.Carolina			S.Carolina			Tennessee		
	Monthly	Nonrecurring Charges First	Charges Add'l	Monthly	Nonrecurring Charges First	Charges Add'l	Monthly	Nonrecurring Charges First	Charges Add'l
Unbundled Exchange Access Loop	\$30.03	\$70.00	\$25.00	\$25.00	\$69.00	\$23.00	\$25.00	\$69.00	\$23.00
Unbundled Exchange Access IOC									
- Fixed	\$11.85	\$71.87	N/A	\$50.00	\$97.00	N/A	\$30.00	\$96.00	N/A
- 1 - 8 Miles	\$2.15	N/A	N/A	\$2.05	N/A	N/A	\$2.05	N/A	N/A
- 9 - 25 Miles	\$2.15	N/A	N/A	\$2.00	N/A	N/A	\$2.00	N/A	N/A
- Over 25 Miles	\$2.15	N/A	N/A	\$1.95	N/A	N/A	\$1.95	N/A	N/A

Unbundled Products and Services and New Services

Service: Channelization System for Unbundled Exchange Access Loops

Description: This new rate element provides the multiplexing function for Unbundled Exchange Access Loops. It can convert up to 96 voice grade loops to DS1 level for connection with the ALEC's point of interface. The multiplexing can be done on a concentrated basis (delivers at 2 DS1 level to customer premise) or on a non-concentrated basis (delivers at 4 DS1 level to customer premise) at the option of the customer.

In addition to the following rates elements, 1.544 Mbps local channel and/or interoffice channel facilities may be required as set forth in E7 of BellSouth Telecommunication's, Inc.'s Intrastate Access Service Tariff for non-collocated ALECs.

State(s)	Alabama			Florida			Georgia		
Rate Elements	Monthly Rate	Nonrecurring First	Charge Add'l	Monthly Rate	Nonrecurring First	Charge Add'l	Monthly Rate	Nonrecurring First	Charge Add'l
Unbundled Loop Channelization System (DS1 to VG), Per System	\$575.00	\$525.00	N/A	\$555.00	\$490.00	N/A	\$555.00	\$490.00	N/A
Central Office Channel Interface (circuit specific plug-in equipment), 1 per circuit	\$1.70	\$8.00	\$8.00	\$1.70	\$7.00	\$7.00	\$1.70	\$7.00	\$7.00

State(s)	Kentucky			Louisiana			Mississippi		
Rate Elements	Monthly Rate	Nonrecurring First	Charge Add'l	Monthly Rate	Nonrecurring First	Charge Add'l	Monthly Rate	Nonrecurring First	Charge Add'l
Unbundled Loop Channelization System (DS1 to VG), Per System	\$540.00	\$495.00	N/A	\$530.00	\$510.00	N/A	\$560.00	\$450.00	N/A
Central Office Channel Interface (circuit specific plug-in equipment), 1 per circuit	\$1.60	\$8.00	\$8.00	\$1.60	\$8.00	\$8.00	\$1.70	\$6.00	\$6.00

State(s):	N.Carolina			S.Carolina			Tennessee		
Rate Elements	Monthly Rate	Nonrecurring First	Charge Add'l	Monthly Rate	Nonrecurring First	Charge Add'l	Monthly Rate	Nonrecurring First	Charge Add'l
Unbundled Loop Channelization System (DS1 to VG), Per System	\$545.00	\$475.00	N/A	\$520.00	\$480.00	N/A	\$530.00	\$520.00	N/A
Central Office Channel Interface (circuit specific plug-in equipment), 1 per circuit	\$1.65	\$7.00	\$7.00	\$1.60	\$6.00	\$6.00	\$1.60	\$8.00	\$8.00

Attachment C-17

Unbundled Products and Services and New Services

Service: Unbundled Exchange Ports

Description: An exchange port is the capability derived from the central office switch hardware and software required to permit end users to transmit or receive information over BellSouth's public switched network. It provides service enabling and network features and functionality such as translations, a telephone number, switching, announcements, supervision and touch-tone capability.

In addition, a BellSouth provided port with outgoing network access also provides access to other services such as operator services, long distance service, etc. It may also be combined with other services available in BellSouth's Intrastate Access Service Tariffs as technically feasible.

When an Unbundled Port is connected to BellSouth provided collocated loops, cross-connection rate elements are required as set forth in Section 20 of BellSouth Telecommunications's, Inc.'s Interstate Access Tariff, FCC No.1.

Alabama			Florida		Georgia	
Rate Elements	Rate	Per	Rate Elements	Rate	Rate Elements	Rate
Monthly (1)			Monthly		Monthly	
Residence Port	\$2.50		Residence Port	\$2.00	Residence Port	\$2.28
Business Port	\$7.00		Business Port	\$4.50	Business Port	\$4.60
PBX Trunk Port (2,3,4)	\$7.00		PBX Trunk Port	\$7.50	PBX Trunk Port	\$7.37
Rotary Service	\$2.00		Rotary Service	\$2.00	Rotary Service	\$2.77
Primary Rate ISDN NAS (5,6)	\$20.00					
Usage-Mileage Bands			Usage-(STS)		Usage-(STS)	
A (0 miles)	\$0.02	init.min.	- init. min.	\$0.0275	-setup per call	\$0.02
	\$0.01	Add'l min.	- add'l min.	\$0.0125	- per minute or fraction thereof	\$0.02
B (1-10 miles)	\$0.04	init.min.				
	\$0.02	Add'l min.				
C (11-16 miles)	\$0.06	init.min.				
	\$0.04	Add'l min.				
D (17-22 miles & existing LCA described in A3.6 greater than 22 mi.)	\$0.10	init.min.				
	\$0.07	Add'l min.				
E (23-30 miles)	\$0.10	init.min.				
	\$0.10	Add'l min.				
F (31-40 miles)	\$0.10	init.min.				
	\$0.10	Add'l min.				
G (Special Band) (7)	\$0.10	init.min.				
	\$0.10	Add'l min.				

NOTES:

- (1) Nonrecurring Charges, as displayed in Table I on Page 3, and Usage Charges, as displayed on this page, apply in addition to monthly rates.
- (2) Applies per outgoing, incoming or 2-way trunk port.
- (3) DID requires rates and charges as indicated in Table II on Page 3 in addition to the PBX Trunk Port rates.
- (4) IOD requires rates and charges as indicated in Table III on Page 3 in addition to the PBX Trunk Port rates.
- (5) Applies per outgoing, incoming or 2-way voice grade equivalent.
- (6) Primary rate ISDN requires a primary rate interface in addition to the primary rate ISDN NASes. Additional charges also apply per Primary Rate B-Channel, Call-by-Call Integrated Service Access Service Selection and Incoming Call Identification. See Table IV on Page 3 for rates and charges.
- (7) In addition to the local calling described in A3 of BellSouth's General Subscriber Service Tariff, if any wire center in an exchange is located within 40 miles of any wire center in the originating exchange, local calling will be provided from the entire originating exchange to the entire terminating exchange. The usage charges for Band G are applicable for distances greater than 40 miles.

Attachment C-17

Unbundled Products and Services and New Services

Service: Unbundled Exchange Ports (Cont'd)

Kentucky

Rate Elements	Rate	Per
Monthly		
Residence Port	\$3.50	
Business Port	\$10.00	
PBX Trunk Port	\$10.00	
Rotary Service	\$3.50	
Usage-Mileage Bands		
A (0 miles)	\$0.04 Init.Min.	
	\$0.02 Add'l min.	
B (1-10 miles)	\$0.04 Init.Min.	
	\$0.02 Add'l min.	
C (Greater than 10 miles Limited LCA)	\$0.08 Init.Min.	
	\$0.04 Add'l min.	
D (1-10 miles beyond Limited LCA)	\$0.04 Init.Min.	
	\$0.02 Add'l min.	
E (11-16 miles beyond Limited LCA)	\$0.08 Init.Min.	
	\$0.04 Add'l min.	
F (17-22 miles beyond Limited LCA)	\$0.09 Init.Min.	
	\$0.07 Add'l min.	
G (23-30 miles beyond Limited LCA)	\$0.09 Init.Min.	
	\$0.07 Add'l min.	
H (31-40 miles beyond Limited LCA)	\$0.09 Init.Min.	
	\$0.07 Add'l min.	
I (Greater than 40 miles beyond Limited LCA)	\$0.09 Init.Min.	
	\$0.07 Add'l min.	

Louisiana

Rate Elements	Rate	Per
Monthly		
Residence Port	\$2.50	
Business Port	\$7.00	
PBX Trunk Port	\$7.00	
Rotary Service	\$3.50	
Usage-Mileage Bands		
O (0 miles)	\$0.02 Init.Min.	
	\$0.01 Add'l min.	
A (1-10 miles)	\$0.04 Init.Min.	
	\$0.02 Add'l min.	
B (11-16 miles)	\$0.08 Init.Min.	
	\$0.04 Add'l min.	
C (17-22 miles)	\$0.10 Init.Min.	
	\$0.07 Add'l min.	
D (23 - 30 miles Basic LCA and Intra Parish Expanded LCA)	\$0.14 Init.Min.	
	\$0.10 Add'l min.	
E (Greater than 30 miles Basic LCA and Intra Parish Expanded LCA)	\$0.14 Init.Min.	
	\$0.14 Add'l min.	
F (23 - 30 miles Inter-Parish Expanded LCA)	\$0.14 Init.Min.	
	\$0.10 Add'l min.	
G (31 - 40 miles Inter-Parish Expanded LCA)	\$0.14 Init.Min.	
	\$0.14 Add'l min.	
H (Greater than 40 miles Inter-Parish)	\$0.14 Init.Min.	
	\$0.14 Add'l min.	

Mississippi

Rate Elements	Rates	Per
Monthly		
Residence Port	\$3.75	
Business Port	\$7.50	
PBX Trunk Port	\$7.50	
Rotary Service	\$3.75	
Usage - Mile Bands		
A (0 miles)	\$0.02 Init.Min.	
	\$0.01 Add'l min.	
B (1-10 miles)	\$0.04 Init.Min.	
	\$0.02 Add'l min.	
C (11-16 miles, existing LCA described in A3.6 greater than 16 miles, and calls to county seat greater than 16 miles)	\$0.08 Init.Min.	
	\$0.04 Add'l min.	
D (17-30 miles)	\$0.09 Init.Min.	
	\$0.07 Add'l min.	
E (31-55 miles Biloxi LATA)	\$0.09 Init.Min.	
	\$0.07 Add'l min.	
F (31-55 miles Jackson LATA)	\$0.12 Init.Min.	
	\$0.10 Add'l min.	
G (56-85 miles Biloxi LATA)	\$0.18 Init.Min.	
	\$0.14 Add'l min.	

N.Carolina

Rate Elements	Rates	Per
Monthly		
Residence Port	\$2.00	
Business Port	\$6.00	
PBX Trunk Port	\$6.00	
Rotary Service	\$1.50	
Usage - (STS)		
- Init.Min.	\$0.05	
- Add'l min.	\$0.02	

S.Carolina

Rate Elements	Rates
Monthly	
Residence Port	\$4.00
Business Port	\$10.50
PBX Trunk Port	\$10.50
Rotary Service	\$3.00
Usage - (STS)	
- Basic Svc Area	\$0.02
- Expanded Svc Area	\$0.12

Tennessee

Rate Elements	Rates	Per
Monthly		
Residence Port	\$4.00	
Business Port	\$10.00	
PBX Trunk Port	\$10.00	
Rotary Service	\$6.50	
Usage - Mile Bands		
A (0-16 miles)	\$0.02	mou
B (17-30 miles)	\$0.05	mou
C >30 miles	\$0.10	mou

Attachment C-17

Unbundled Products and Services and New Services

Service: Unbundled Exchange Ports (Cont'd)

State: Alabama

TABLE I - NONRECURRING CHARGES

Port Type	Rate	
	First	Additional
Residence	\$26.00	\$11.00
Business	\$48.00	\$11.00
PBX Trunk	\$48.00	\$11.00
Primary Rate ISDN NAS	\$48.00	\$11.00

PORT ANCILIARY SERVICES

TABLE II - DID

Rate Element	Nonrecurring Charge	Monthly Rate
Per Group of 20 Numbers	\$480.00	\$3.00
Per Trunk Port	\$50.00	\$20.00
Per Trunk w/MF or DTMF	\$0.00	\$7.50

TABLE III - IOD

Rate Element	Nonrecurring Charge	Monthly Rate
Per First 10 Trunk Ports	\$675.00	\$350.00
Trunk Ports 11 thru 50, ea.	\$68.00	\$34.00
Ea. Trunk Port after 50th	\$27.00	\$8.10

TABLE IV - PRIMARY RATE ISDN

Rate Element	Nonrecurring Charge	Mo.-to-Mo.	Monthly Rates		
			24-48 Mos.	49-72 Mos.	73-96 Mos.
Primary Rate Interface, ea.	\$325.00	\$390.00	\$290.00	\$280.00	\$270.00
Per B-Channel	\$8.00	\$7.00	\$5.00	\$5.00	\$5.00
Cal-by-Call, per Facility Group	\$93.00	\$15.00	\$10.00	\$10.00	\$10.00
ICI, per Incoming or 2-W Port, 1-8	\$0.00	\$25.00	\$25.00	\$25.00	\$25.00
ICI, per Incoming or 2-W Port, 9-16	\$0.00	\$20.00	\$20.00	\$20.00	\$20.00
ICI, per Incoming or 2-W Port, 16+	\$0.00	\$15.00	\$15.00	\$15.00	\$15.00

Attachment C-18

Unbundled Products and Services and New Services

Service: Local Calling Area Boundary Guide

Description: Provided to ALECs to assist in deployment of numbers on their network to conform with BellSouth existing local calling area geographics.

State: All

Rate(s): No Charge

ATTACHMENT "D"

APPLICABLE DISCOUNTS

The telecommunications services available for purchase by ALEC-1 for the purposes of resale to ALEC-1 end users shall be available at the following discount off of the retail rate.

		DISCOUNT	
STATE	RESIDENCE		BUSINESS
ALABAMA	10%		10%
FLORIDA	18%		12%
GEORGIA	11.6%		9.6%
KENTUCKY	10%		8%
LOUISIANA	11%		10%
MISSISSIPPI	9%		8%
NORTH CAROLINA	12%		9%
SOUTH CAROLINA	10%		9%
TENNESSEE	11%		9%

Discounts will not apply to: Unbundled port service; nonrecurring charges; federal or state subscriber line charges; inside wire maintenance plans; pass-through charges (e.g. N11 end user charges); and taxes

Attachment B-4

Local Interconnection Service

Service: Service Provider Number Portability-Direct Inward Dialed (DID)* (Cont'd)

State(s):	Louisiana				Mississippi			
RATE ELEMENTS	Monthly Recurring	Applied Per	Non- Recurring	Applied Per	Monthly Recurring	Applied Per	Non- Recurring	Applied Per
Per Number Ported - Business	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Number Ported - Residence	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Order	--	--	\$25.00	end user location	--	--	\$25.00	end user location
SPNP-DID Trunk Termination	\$13.00	trunk	\$170.00	trunk-init.	\$13.00	trunk	\$150.00	trunk-init.
			\$86.00	trunk-sub.			\$80.00	trunk-sub.
DS1 Local Channel**	\$133.81	LC	\$866.97	LC - First	\$133.81	LC	\$866.97	LC - First
	--	--	\$486.83	LC - Add'l	--	--	\$486.83	LC - Add'l
DS1 Dedicated Transport**	\$16.75	per mile	--	--	\$23.50	per mile	--	--
	\$59.75	fac. term.	\$100.49	fac. term.	\$90.00	fac. term.	\$100.49	fac. term.

State(s):	N.Carolina				S.Carolina			
RATE ELEMENTS	Monthly Recurring	Applied Per	Non- Recurring	Applied Per	Monthly Recurring	Applied Per	Non- Recurring	Applied Per
Per Number Ported - Business	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Number Ported - Residence	\$0.01	each	\$1.00	each	\$0.01	each	\$1.00	each
Per Order	-	-	\$25.00	end user location	-	-	\$25.00	end user location
SPNP-DID Trunk Termination	\$13.00	trunk	\$160.00	trunk-init.	\$13.00	trunk	\$164.00	trunk-init.
OS1 Local Channel**	\$133.81	LC	\$83.00	trunk-sub.	\$133.81	LC	\$81.00	trunk-sub.
OS1 Dedicated Transport**	\$23.50	per mile	\$486.83	LC - First	\$23.50	per mile	\$486.83	LC - First
	\$90.00	fac. term.	\$100.49	LC - Add'l	\$90.00	fac. term.	\$100.49	LC - Add'l
				fac. term.				fac. term.

State(s):		Tennessee		
RATE ELEMENTS	Monthly Recurring	Applied Per	Non- Recurring	Applied Per
Per Number Ported - Business	\$0.01	each	\$1.00	each
Per Number Ported - Residence	\$0.01	each	\$1.00	each
Per Order	--	--	\$25.00	end user location
SPNP-DID Trunk Termination	\$13.00	trunk	\$164.00	trunk-init.
DS1 Local Channel**	\$133.81	LC	\$83.00	trunk-sub.
DS1 Dedicated Transport**	\$23.50	per mile	\$486.83	LC - First
	\$90.00	fac. term.	\$100.49	LC - Add'l fac. term.

*Rates are displayed at the DS1-1.544 Mbps. level. For rates and charges applicable to other arrangement levels, refer to Section E6 of BellSouth Telecommunication's Inc.'s Intrastate Access Tariff.

**May not be required if the ALEC is collocated at the ported number end office.

Attachment C-1

Unbundled Products and Services and New Services

Service: Subscriber Listing Information

Description: Subscriber primary listing information provided at no charge and in an acceptable format will be published at no charge as standard directory listings in an alphabetical directory published by or for BellSouth at no charge to each ALEC end user customer.

State(s): All

Rates: (1) No charge for ALEC-1 customer primary listings.
(2) Additional listings and optional listings may be provided by BellSouth at rates set forth in BellSouth's intrastate General Subscriber Services Tariffs.

EXHIBIT _____

ALPHABETICAL DIRECTORY SIDE AGREEMENT

- I. CARRIER agrees to provide to BellSouth Advertising & Publishing Corporation ("BAPCO"), through BST, at CARRIER's expense and at no charge, listing information concerning its subscribers (designating any who do not desire published listings), consisting of: customer, name, address, telephone number and all other information reasonably requested by BAPCO for BAPCO's use in publishing directories of whatever type and format and for other derivative purposes. Such information shall be provided on a schedule and in a format reasonably acceptable to BAPCO. CARRIER shall advise BAPCO promptly regarding any directory-related inquiries, requests or complaints which it shall receive from CARRIER's subscribers and shall provide reasonable cooperation to BAPCO in response to or resolution of the same. CARRIER shall respond promptly regarding corrections or queries raised by BAPCO and to process listing changes requested by subscribers.
- II. BAPCO shall include one standard listing for each CARRIER subscriber per hunting group in BAPCO's appropriate local alphabetical directory as published periodically by BAPCO unless nonlisted or nonpublished status is designated by subscribers. BAPCO shall also include one standard listing for each CARRIER business subscriber per hunting group in an appropriate heading as selected by the subscriber in BAPCO's appropriate local classified directory as published periodically by BAPCO unless nonlisted or nonpublish status is designated by subscriber. Such listings shall be interfiled with the listings of other local exchange telephone company subscribers and otherwise published in the manner of such other listings according to BAPCO's generally applicable publishing policies and standards. BAPCO shall deliver such local alphabetical and classified directory to CARRIER's subscribers according to BAPCO's generally applicable policies and standards.
- III. BAPCO shall maintain full authority over its publishing schedules, policies, standards, and practices and over the scope and publishing schedules of its directories.
- IV. Each party agrees to defend, indemnify and hold harmless the other from all damages, claims, suits, losses or expenses, including without limitation costs and attorneys fees, to the extent of such party's relative fault, arising out of or resulting from any error, omission or act of such party hereunder. CARRIER agrees to limit its liability and that of BAPCO by contract with CARRIER's subscribers or by tariff to no more than the cost of service for any errors or

omissions in any listings published hereunder for CARRIER subscribers. Each party shall notify in writing the other promptly of any claimed error or omission affecting this paragraph and of any claim or suit arising hereunder or relating to this Agreement and shall provide reasonable and timely cooperation in its resolution of the same. Without waiver of any rights hereunder, the indemnified party may at its expense undertake its own defense in any such claim or suit.

- V. BAPCO's liability to CARRIER for any errors or omissions in directories or for any default otherwise arising hereunder shall be limited to One Dollar (\$1) for any error or omission in any subscriber listing in any directory published by BAPCO.
- VI. This Side Agreement shall be subject to the term and cancellation provisions of the agreement to which it is appended ("the Agreement"), except that BAPCO shall have the right to terminate this Side Agreement upon sixty days prior written notice given at any time following the initial term of the Agreement.
- VII. A separate Agreement may be entered into between BAPCO and CARRIER concerning Yellow Pages, or classified directories, directory delivery, CallGuide pages, and other directory related issues.

BAPCO:

BY: _____

NAME: _____

TITLE: _____

DATE: _____

CARRIER:

BY: _____

NAME: _____

TITLE: _____

DATE: _____

AGREEMENT

In consideration of the mutual promises contained herein, BellSouth Advertising & Publishing Corporation, a Georgia corporation ("BAPCO") and _____, a _____ corporation ("CARRIER") agree as follows:

1. **RECITALS.** BAPCO is the publisher of alphabetical and classified directories for certain communities in the southeastern region of the U.S (the "Directories"). CARRIER provides, or intends to provide, local exchange telephone service in communities in which BAPCO publishes Directories. BAPCO and CARRIER hereby establish the terms by which BAPCO will include listings of CARRIER subscribers in such Directories and by which BAPCO will provide such Directories to CARRIER subscribers.

2. **CARRIER OBLIGATIONS.** CARRIER agrees as follows:

(a) CARRIER shall provide to BAPCO, or its designee, at CARRIER's expense and at no charge, listing information concerning its subscribers (designating any who do not desire published listings), consisting of customer name, address, telephone number and all other information reasonably requested by BAPCO as set forth on Exhibit A for BAPCO's use in publishing Directories of whatever type and format and for other derivative purposes. Such subscriber listing information shall be provided in the format and on the schedule set forth in said Exhibit, or as otherwise mutually agreed between the parties from time to time.

(b) CARRIER shall also provide directory delivery information to BAPCO as set forth in Exhibit A for all subscribers.

(c) CARRIER shall advise BAPCO promptly of any directory-related inquiries, requests or complaints which it may receive from CARRIER subscribers and shall provide reasonable cooperation to BAPCO in response to or resolution of the same.

(d) CARRIER shall respond promptly regarding corrections or queries raised by BAPCO to process listing changes requested by subscribers.

3. **BAPCO OBLIGATIONS.** BAPCO agrees as follows:

(a) BAPCO shall include one standard listing for each CARRIER subscriber per hunting group in BAPCO's appropriate local alphabetical Directory as published periodically by BAPCO unless nonlisted or nonpublished status is designated by subscribers. Such listings shall be interfiled with the listings of other local exchange telephone company subscribers and otherwise published in the manner of such other listings according to BAPCO's generally applicable publishing policies and standards.

(b) BAPCO shall publish additional listings, foreign listings and other alphabetical Directory listings of CARRIER subscribers upon their request consistent with BAPCO's generally applicable policies in BAPCO's alphabetical Directories at BAPCO's prevailing rates, terms and conditions.

(c) BAPCO will distribute its regularly published alphabetical and classified Directories to local CARRIER subscribers in accordance with BAPCO's prevailing practices, including delivery following Directory publication and upon establishment of new CARRIER service, if a current Directory for that geographic area has not previously been provided. Such deliveries may include separate advertising materials accompanying the Directories.

(d) BAPCO will include CARRIER information in the customer guide pages of its alphabetical Directories for communities where CARRIER provides local exchange telephone service at the time of publication in accordance with BAPCO's prevailing standards for the same. CARRIER will provide information requested by BAPCO for such purpose on a timely basis.

(e) BAPCO shall make available at no charge to CARRIER or its subscribers one listing for CARRIER business customers per hunting group in one appropriate heading in BAPCO's appropriate local classified directory as published periodically by BAPCO. Such listings shall be published according to BAPCO's generally applicable publishing policies and standards.

(f) BAPCO agrees to solicit, accept and publish directory advertising from business subscribers for CARRIER in communities for which BAPCO publishes classified Directories in the same manner and upon substantially the same terms as it solicits, accepts and publishes advertising from advertisers who are not CARRIER subscribers.

4. **PUBLISHING POLICIES.** BAPCO shall maintain full authority over its publishing schedules, policies, standards, and practices and over the scope and publishing schedules of its Directories.

5. **LIABILITY AND INDEMNITY.**

(a) BAPCO's liability to CARRIER for any errors or omissions in directories or for any default otherwise arising hereunder shall be limited to One Dollar (\$1) for errors or omissions in any subscriber listing in any directory published by BAPCO.

(b) Each party agrees to defend, indemnify and hold harmless the other from all damages, claims, suits, losses or expenses, including without limitation costs and attorneys fees, to the extent of such party's relative fault, arising-out of or resulting from any error, omission or act of such party hereunder. CARRIER agrees to limit its liability and that of BAPCO by contract with CARRIER's subscribers or by tariff to no more than

the cost of service for any errors or omissions in any listings published hereunder for CARRIER subscribers. Each party shall notify in writing the other promptly of any claimed error or omission affecting this paragraph and of any claim or suit arising hereunder or relating to this Agreement and shall provide reasonable and timely cooperation in its resolution of the same. Without waiver of any rights hereunder, the indemnified party may at its expense undertake its own defense in any such claim or suit.

6. **TERM.** This Agreement shall be effective on the date of the last signature hereto for a term of two (2) years and shall relate to Directories published by BAPCO during such period. Thereafter, it shall continue in effect unless terminated by either party upon sixty days prior written notice.

7. **ASSIGNMENT.** This Agreement shall be binding upon any successors or assigns of the parties during its Term.

8. **RELATIONSHIP OF THE PARTIES.** This Agreement does not create any joint venture, partnership or employment relationship between the parties or their employees, and the relationship between the parties shall be that of an independent contractor. There shall be no intended third party beneficiaries to this Agreement.

9. **NONDISCLOSURE.**

(a) During the term of this Agreement it may be necessary for the parties to provide each other with certain information ("Information") considered to be private or proprietary. The recipient shall protect such Information from distribution, disclosure or dissemination to anyone except its employees or contractors with a need to know such Information in conjunction herewith, except as otherwise authorized in writing. All such Information shall be in writing or other tangible form and clearly marked with a confidential or proprietary legend. Information conveyed orally shall be designated as proprietary or confidential at the time or such oral conveyance and shall be reduced to writing within forty-five (45) days.

(b) The parties will not have an obligation to protect any portion of Information which: (1) is made publicly available lawfully by a nonparty to this Agreement; (2) is lawfully obtained from any source other than the providing party; (3) is previously known without an obligation to keep it confidential; (4) is released by the providing party in writing; or (5) commencing two (2) years after the termination date of this Agreement if such Information is not a trade secret under applicable law.

(c) Each party will make copies of the Information only as necessary for its use under the terms hereof, and each such copy will be marked with the same proprietary notices as appear on the originals. Each party agrees to use the Information solely in support of this Agreement and for no other purpose.

10. **FORCE MAJEURE.** Neither party shall be responsible to the other for any delay or failure to perform hereunder to the extent caused by fire, flood, explosion, war, strike,

riot, embargo, governmental requirements, civic or military authority, act of God, or other similar cause beyond its reasonable control. Each party shall use best efforts to notify the other promptly of any such delay or failure and shall provide reasonable cooperation to ameliorate the effects thereof.

11. PUBLICITY. Neither party shall disclose the terms of this Agreement nor use the trade names or trademarks of the other without the prior express written consent of the other.

12. REPRESENTATIVES AND NOTICES.

(a) Each party shall name one or more representatives for contacts between the parties which shall be authorized to act on its behalf. Such representatives may be changed from time to time upon written notice to the other party.

(b) Notices required by law or under this Agreement shall be given in writing by hand delivery, certified or registered mail, or by facsimile followed by certified or registered mail, addressed to the named representatives of the parties with copies to:

If to BAPCO:

Director-LEC/BST Interface
BellSouth Advertising & Publishing Corporation
Room 270
59 Executive Park South
Atlanta, GA 30329

With Copy to:

Associate General Counsel
BellSouth Advertising & Publishing Corporation
Room 430
59 Executive Park South
Atlanta, GA 30329

If to CARRIER:

13. MISCELLANEOUS. This Agreement represents the entire Agreement between the parties with respect to the subject matter hereof and supersedes any previous oral or

written communications, representations, understandings, or agreements with respect thereto. It may be executed in counterparts, each of which shall be deemed an original. All prior and contemporaneous written or oral agreements, representations, warranties, statements, negotiations, and /or understandings by and between the parties, whether express or implied, are superseded, and there are no representations or warranties, either oral or written, express or implied, not herein contained. This Agreement shall be governed by the laws of the state of Georgia.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives in one or more counterparts, each of which shall constitute an original, on the dates set forth below.

**BELLSOUTH ADVERTISING &
PUBLISHING CORPORATION**

By: _____

Title: _____

Date: _____

CARRIER:

By: _____

Title: _____

Date: _____

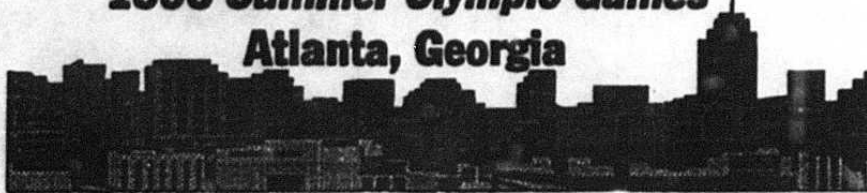
EXHIBIT A

- CARRIER Listing Information, Format, Schedule for Provision
- CARRIER Delivery Information, Format, Schedule for Provision

BellSouth

InterConnection Services Pricing
29th Floor SBC - Atlanta, GA 30375
Fax# (404) 529-7839

1996 Summer Olympic Games
Atlanta, Georgia



Page(s): 2 (excluding cover)

Date: 8/22/96

To: Jim Burt

Tele#: _____

From: Bernard Shell

Fax#: _____

Tele#: 404-529-0586

Message: Jim,

These are responses to your last
requests. Pls. call if you have
questions.

Bernard Shell

If any problems are incurred call: _____ Telephone#: _____

**Sprint Negotiations
Jim Burt 8/14/96 Data Requests
Cost Item #1**

- Request:** Provide the underlying cost methodology as well as a demonstration that BellSouth has met the requirements of the newly adopted Subpart F of Part 51 of Title 47 of the Code of Federal Regulations (C.F.R.). Please include a thorough explanation of how common costs are directly attributed to the affected unbundled network elements, as well as an explanation of the cost of capital utilized along with the authority for use of that particular cost.
- Response:** BellSouth is in the process of reviewing the recent FCC order to determine what changes will be required in its costing methodology. Our current estimate is that new studies will be complete within 2 - 6 months, depending on the particular element.

**Sprint Negotiations
Jim Burt 8/14/96 Data Requests
Cost Item #2**

Request: Provide BellSouth's avoided retail costs as set forth in Subpart G, Section 51.609, in what ever level of disaggregation BellSouth deems appropriate. In provided its proposed avoided retail costs and accompanying rate design, Sprint is requesting that BellSouth again provide sufficient documentation to demonstrate that BellSouth has met the avoided retail costing requirements set forth by the FCC in this regard.

Response: See response to Cost Item #1.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and exact copy of the within and foregoing Petition for Arbitration on behalf of Sprint Communications Company Limited Partnership via overnight express mail (Airborne) and properly addressed to the following:

Nancy H. Sims
BellSouth Telecommunications
150 S. Monroe Street
Suite 400
Tallahassee, FL 32301

This 19 day of September, 1996

Lorraine Kowalski
Lorraine Kowalski



3100 Cumberland Circle
Atlanta, GA 30339
Telephone: (404) 649-5145
Fax: (404) 649-5174
Mailstop: GAATLN0802

Benjamin W. Fincher
Attorney, State Regulatory

October 2, 1996

VIA AIRBORNE

Ms. Blanca S. Bayo
Director, Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 961150-TP Petition of Sprint Communications Company
Limited Partnership for Arbitration of Proposed Interconnection
Agreement with BellSouth Telecommunications, Inc. Pursuant to the
Telecommunications Act of 1996.

Dear Ms. Bayo:

Please find enclosed for filing, an original and fifteen (15) copies of the prefiled testimonies of Tony H. Key and David E. Stahly on behalf of Sprint Communications Company Limited Partnership in the above proceeding. We are also including a 3 1/2" diskette, in microsoft word format.

We are enclosing an extra copy of this transmittal letter. We ask that you please acknowledge receipt thereon and return to the undersigned in the enclosed, stamped and self-addressed envelope.

All parties of record have been served in accordance with the attached Certificate of Service.

Thank you for your assistance.

Sincerely,


Benjamin W. Fincher

ACK _____
AFA _____
APP _____ BWF/lk
CAF _____
CMU _____ cc: Everett Boyd
CTR _____ Parties of record
EAG _____
LEG _____
LIN _____ 5+ asp
OPC _____
RCH _____
SEC _____
WAS _____
QTH _____