

## FOURTH AMENDMENT TO ASSET PURCHASE AGREEMENT

THIS FOURTH AMENDMENT TO ASSET PURCHASE AGREEMENT ("Amended Agreement") is entered into as of July ~~24~~ 2006, by and among FAIRPOINT COMMUNICATIONS, INC., a corporation organized under the laws of the State of Delaware ("FRP"), FAIRPOINT COMMUNICATIONS MISSOURI, INC., a corporation organized under the laws of the State of Missouri ("FRP Missouri"), ST LONG DISTANCE, INC., a corporation organized under the laws of the State of Delaware ("ST"; together with FRP and FRP Missouri, the "Buyers"), LOCAL EXCHANGE COMPANY LLC, a limited liability company organized under the laws of the State of Maryland ("LEC"), CASS COUNTY TELEPHONE COMPANY LIMITED PARTNERSHIP, a limited partnership organized under the laws of the State of Maryland ("CassTel") and LEC LONG DISTANCE, INC. a corporation organized under the laws of the State of Missouri ("CassTel LD"; together with LEC and CassTel, the "Sellers").

WHEREAS, on December 14, 2005, FRP and Sellers entered into an Asset Purchase Agreement which was amended on June 29, 2006 on July 13, 2006 and on July 20, 2006 ("APA");

WHEREAS, on January 16, 2006, FRP assigned certain of its rights and obligations under the APA to FRP Missouri and ST;

WHEREAS, on May 30, 2006, the Public Service Commission of the State of Missouri ("Missouri Commission") issued an Order Approving Transfer of Assets, Granting Certificates of Service Authority, and Designating FairPoint Communications As An Eligible Telecommunications Carrier in Case No. TM-2006-0306, and, on June 16, 2006, the Corporation Commission of the State of Kansas ("Kansas Commission") issued an Order Approving Stipulation and Agreement and Canceling Certificate Effective Upon the Consummation of the Sale of Exchanges in Docket Nos. 06-CCOT-859-CCS and 06-CTOC-860-CCS (collectively, "Orders"); and

WHEREAS, among other things, the Orders authorized the Buyers and Sellers to do and perform such other acts as may be necessary, advisable and proper to fully effectuate the intent and purposes of the APA;

NOW, THEREFORE, in order to effectuate the intent and purposes of the APA, and in consideration of the mutual agreements set forth herein and other valuable consideration, receipt and legal adequacy whereof are hereby acknowledged, the Buyers and Sellers agree to amend the APA as follows:

1. A new Section 6.8 of the APA is added., as follows:

"6.8 USAC Escrow. In addition to and distinct from the Escrow Amount held pursuant to the Escrow Agreement and related terms described elsewhere in this Article VI, Two Million and No/100 Dollars (\$2,000,000.00) (the "USAC Escrow Amount") of the Purchase Price otherwise payable to Sellers for the Purchased Assets shall be maintained in a separate escrow account (the "USAC Escrow Account") in U. S. Bank Trust National Association which

shall pertain solely to a prospective disbursement to a federal government agency or body or to the United States Treasury in connection with or related to or arising from the possible eventual completion of an audit by the Universal Service Administrative Company ("USAC") referred to in footnote 19 of an Order of the Federal Communications Commission ("FCC") released in WC Docket No. 06-64 on July 20, 2006 (the "USAC Audit")." The USAC Escrow Amount shall be held pursuant to the terms and the provisions of an USAC Escrow Agreement to be executed at Closing substantially in the form attached hereto as Exhibit 6.8 (the "USAC Escrow Agreement").

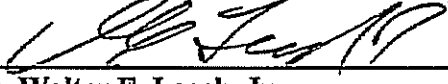
2. A new Exhibit 6.8, entitled "**USAC ESCROW AGREEMENT**" is added, which is attached hereto and made a part hereof.

3. Should the USAC Escrow Amount be insufficient to disburse in full any amount or amounts due to the FCC, USAC, the National Exchange Carrier Association, a federal government agency or to the United States Treasury in connection with or related to or arising from the USAC Audit, then the Escrow Amount shall be utilized for disbursement of any deficiency on a dollar for dollar basis without regard to the materiality of the amount and without the application of the Twenty-Five Thousand Dollar (\$25,000) threshold.

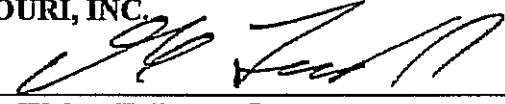
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IN WITNESS WHEREOF, the parties hereto have caused this Fourth Amendment to Asset Purchase Agreement to be executed as of the date first above written.

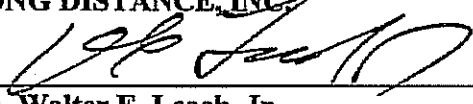
**FAIRPOINT COMMUNICATIONS, INC.**

By:   
Name: Walter E. Leach, Jr.  
Title: Executive Vice President,  
Corporate Development

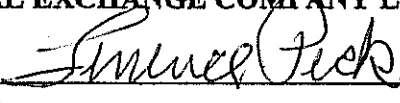
**FAIRPOINT COMMUNICATIONS  
MISSOURI, INC.**

By:   
Name: Walter E. Leach, Jr.  
Title: Executive Vice President,  
Corporate Development

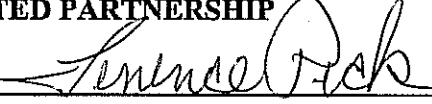
**ST LONG DISTANCE, INC.**

By:   
Name: Walter E. Leach, Jr.  
Title: Executive Vice President,  
Corporate Development

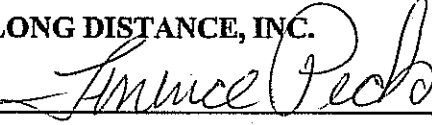
**LOCAL EXCHANGE COMPANY LLC**

By:   
Name: \_\_\_\_\_  
Title: MGR

**CASS COUNTY TELEPHONE COMPANY  
LIMITED PARTNERSHIP**

By:   
Name: \_\_\_\_\_  
Title: MGR

**LEC LONG DISTANCE, INC.**

By:   
Name: \_\_\_\_\_  
Title: MGR

## EXHIBIT 6.8

### USAC ESCROW AGREEMENT

THIS ESCROW AGREEMENT (the "USAC Escrow Agreement") is made as of the \_\_\_ day of July, 2006 among LOCAL EXCHANGE COMPANY LLC a Maryland limited liability company ("LEC"), CASS COUNTY TELEPHONE COMPANY LIMITED PARTNERSHIP a Maryland limited partnership ("CassTel"), and LEC LONG DISTANCE, INC. a Missouri corporation ("CassTel LD" and together with CassTel and LEC, "Sellers") and FAIRPOINT COMMUNICATIONS, INC. a Delaware corporation ("FairPoint") and U.S. BANK TRUST NATIONAL ASSOCIATION, a national banking association, as escrow agent (the "Escrow Agent").

#### STATEMENT OF PURPOSE

On or about December 14, 2005, the Sellers and FairPoint entered into an Asset Purchase Agreement (the "Agreement"), and pursuant to the provisions of Section 6.2 of the Agreement, the parties agreed that Five Million and No/100 Dollars (\$5,000,000.00) (the "Escrow Amount") of the Purchase Price would be deposited with the Escrow Agent (i) to provide for the reimbursement, if any, to FairPoint of the amount of any difference if the final Purchase Price Adjustment is less than the Purchase Price Adjustment Estimate, and (ii) to provide a source of funding and otherwise secure the agreement to indemnify FairPoint as set forth in Section VI of the Agreement, all in accordance with the terms of that Escrow Agreement.

The parties now desire to enter into this additional and separate USAC Escrow Agreement, which shall pertain solely to a prospective disbursement to the Federal Communications Commission ("FCC"), the Universal Service Administrative Company ("USAC"), the National Exchange Carrier Association ("NECA") or a federal government agency or to the United States Treasury in connection with the possible eventual completion of an audit by the USAC referred to in footnote 19 of an Order of the FCC released on July 20, 2006 (the "USAC Audit").<sup>1</sup> The parties hereby agree that Two Million and No/100 Dollars (\$2,000,000.00) (the "USAC Escrow Amount") of the Purchase Price will be deposited with the Escrow Agent in furtherance of this USAC Escrow Agreement.

Terms used herein and not defined herein shall be defined as provided in the Agreement.

The Escrow Agent has agreed to serve as escrow agent under this USAC Escrow Agreement and to accept delivery of the USAC Escrow Amount in accordance with the terms and conditions set out in this USAC Escrow Agreement.

#### AGREEMENT

In consideration of the premises, and the agreements set out below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties enter into the following USAC Escrow Agreement:

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<sup>1</sup> FCC Order in WC Docket No. 06-64, DA 06-1489, rel. July 20, 2006, at n.19.

1. Deposit with the Escrow Agent. At Closing, FairPoint shall deliver to the Escrow Agent the USAC Escrow Amount to be held, administered and distributed by the Escrow Agent pursuant to the terms of this USAC Escrow Agreement.

2. USAC Escrow Amount. Upon receipt of the USAC Escrow Amount, the Escrow Agent shall deposit the USAC Escrow Amount in an escrow account (the "USAC Escrow Account") and shall hold, administer, invest and distribute the USAC Escrow Amount in accordance with the terms of this USAC Escrow Agreement. All references in this USAC Escrow Agreement to the USAC Escrow Amount shall include any investment of such funds and all investment earnings thereon.

3. Purposes of USAC Escrow. The USAC Escrow Amount shall be used solely for the purpose set forth herein, to wit, the disbursement of funds to the FCC, NECA, USAC or to a federal government agency or to the United States Treasury necessitated by, related to, or arising from the completion of the USAC Audit. No portion of the USAC Escrow Amount shall constitute an asset of Sellers until the distribution thereof to Sellers in accordance with the terms of the Agreement and of this USAC Escrow Agreement.

4. Term. The term of this USAC Escrow Agreement ("USAC Escrow Period") shall be for a period of two years after the Closing Date, except that the USAC Escrow Period shall be automatically extended as necessary to provide for the disposition of a Claim received by the Escrow Agent during such period, in accordance with the procedures set forth in Section 5 hereof.

5. Disbursement of the USAC Escrow Amount.

(a) Upon its receipt of written notification from either party of a demand or request for payment by USAC, NECA or the FCC or any other appropriate agency upon the completion of the USAC Audit (a "Claim"), the Escrow Agent shall pay the required amount of the Claim in accordance with the instructions of NECA, USAC or the FCC or such agency. On the first anniversary of the Closing Date, if no notice of Claim has been received through that date by the Escrow Agent, the USAC Escrow Amount shall be reduced to One Million and No/100 Dollars (\$1,000,000) (the "Reduced USAC Escrow Amount") and the difference between the then existing USAC Escrow Amount and the Reduced USAC Escrow Amount shall be paid to the Sellers, irrespective of whether the USAC audit is complete. If a Claim is pending, then the difference between the then existing amount in the USAC Escrow Account and the sum of the Reduced USAC Escrow Amount and the amount of such Claim shall be paid to the Sellers and the remaining USAC Escrow Amount shall be held by the Escrow Agent until any Claims are resolved and paid in full, at which time the difference between the remaining USAC Escrow Amount and the Reduced USAC Escrow Amount shall be paid to the Sellers. The Reduced USAC Escrow Amount shall be held by the Escrow Agent until expiration of the USAC Escrow Period.

(b) The Escrow Agent shall distribute to the Sellers any portion of the USAC Escrow Amount or the Reduced USAC Escrow Amount, as applicable, remaining in the Escrow Agent's possession at the expiration of the Escrow Period after reservation for any and all still outstanding Claims or after payment and final resolution of all Claims as provided in the

preceding paragraph; provided, that if the USAC Audit is completed based upon USAC's determination but does not result in a Claim, the Escrow Agent shall distribute to the Sellers the full USAC Escrow Amount or Reduced Escrow Amount, as applicable, remaining in the Escrow Agent's possession upon completion of the USAC Audit. Upon such distribution, the USAC Escrow Period shall terminate and Escrow Agent shall have no further liability or accountability with respect to amounts so paid or distributed.

(c) Notwithstanding anything herein to the contrary, during the USAC Escrow Period, the Escrow Agent shall distribute so much of the USAC Escrow Amount or Reduced USAC Escrow Amount to the Sellers as provided in a written joint instruction received by the Escrow Agent from the Sellers and FairPoint and signed by all of them.

6. Release From Escrow. As and when all of the USAC Escrow Amount as provided hereunder is either distributed or deposited with the registry of the court in interpleader as provided hereunder, the Escrow Agent shall be released and discharged from any further obligation hereunder without further action of any party. Compliance by the Escrow Agent with any final, non-appealable order or a judgment of a court concerning the subject matter of any such dispute or agreement shall thereupon release and relieve the Escrow Agent from all obligations and responsibility with respect to the USAC Escrow Amount to which such order or judgment relates.

7. Investment of the USAC Escrow Amount. The Escrow Agent is hereby directed to invest funds in the triple "A" rated First American Government Obligations Fund (Class D). Depositors hereby confirm receipt of the First American Funds prospectus. Depositors further acknowledge that the fund investment advisor, custodian, distributor and other service providers as described in the prospectus are affiliates of U.S. Bank National Association, and investment in the fund includes approval of the fund's fees and expenses as detailed in the prospectus, including advisory and custodial fees and shareholder service expenses (which may be so called 12b-1 shareholder service fees), which fees and expenses are paid to U.S. Bank National Association, or subsidiaries of U.S. Bancorp. The shares of the funds are not deposits or obligations of, or guaranteed by, any bank including U.S. Bank National Association, or any of its affiliates, nor are they insured by the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other agency. The investment in the fund involves investment risk, including possible loss of principal. All accrued interest shall become part of the USAC Escrow Fund. All entities entitled to receive interest from the escrow account will provide Escrow Agent with a W-9 or W-8 IRS tax form prior to the disbursement of interest and Escrow Agent will file the appropriate 1099 or other required forms pursuant to Federal and applicable state laws. A statement of citizenship will be provided if requested by Escrow Agent. The Escrow Agent shall not be liable for losses, penalties or charges incurred upon any sale or purchase of any such investment. Escrow Agent shall not be responsible for maximizing the yield on the USAC Escrow Fund.

8. Agreement of the Escrow Agent. The Escrow Agent hereby agrees to receive the USAC Escrow Amount and hold the same intact, and to deposit the USAC Escrow Amount in accordance with the terms of this USAC Escrow Agreement, and shall not permit any withdrawal except under the terms of this USAC Escrow Agreement. The Escrow Agent shall be responsible only for the safekeeping and the deposit of the USAC Escrow Amount and the

disbursements or delivery in accordance with the terms of this USAC Escrow Agreement. The Escrow Agent shall not be responsible for the appropriateness, sufficiency or accuracy of information contained in any written notice.

9. Performance of the Escrow Agent.

(a) There are no implied duties under this USAC Escrow Agreement. The duties, obligations and acts of the Escrow Agent shall be construed as purely ministerial in nature. The Escrow Agent shall be responsible for only those duties expressly set forth in this USAC Escrow Agreement. In performing any of its duties under this USAC Escrow Agreement, or upon the claimed failure to perform its duties under this USAC Escrow Agreement, the Escrow Agent shall not be liable to anyone for any damages, losses, or expenses which they may incur as a result of the Escrow Agent so acting or failing to act; provided, however, the Escrow Agent shall be liable for damages arising out of its willful default or gross negligence under this USAC Escrow Agreement. Accordingly, the Escrow Agent shall not incur any such liability with respect to (i) any action taken or omitted to be taken in good faith upon advice of its counsel or counsel for any other party to this USAC Escrow Agreement given with respect to any questions relating to the duties and responsibilities of the Escrow Agent hereunder, or (ii) any action taken or omitted to be taken in reliance upon any document, including any written notice or instructions provided for in this USAC Escrow Agreement, not only as to its due execution and to the validity and effectiveness of its provisions but also as to the truth and accuracy of any information contained in any notice or document, which the Escrow Agent shall in good faith believe to be genuine, to have been signed or presented by a proper person or persons and to conform with the provisions of this USAC Escrow Agreement.

(b) The Sellers and FairPoint agree to indemnify and hold harmless the Escrow Agent against any and all losses, claims, damages, liabilities and expenses, including without limitation, reasonable costs of investigation and counsel fees and disbursements which may be imposed by the Escrow Agent or incurred by it in connection with its acceptance of this appointment as the Escrow Agent or the performance of its duties, including, without limitation, reasonable attorneys fees and costs attributable to any interpleader action commenced by the Escrow Agent or any other litigation arising from this USAC Escrow Agreement or involving the subject matter of this USAC Escrow Agreement; provided, however, that if the Escrow Agent shall be found guilty of willful default or gross negligence under this USAC Escrow Agreement, then, in that event, the Escrow Agent shall itself bear all such losses, claims, damages, liabilities and expenses.

10. Fees of the Escrow Agent. For its ordinary services hereunder (which shall include receipt, investment and disbursement of the USAC Escrow Amount in the manner described in this USAC Escrow Agreement), the Escrow Agent shall receive compensation pursuant to the Fee Schedule attached to this Agreement as Schedule I, to be paid one half by FairPoint and one half by Sellers as is commensurate with its services provided hereunder as the Escrow Agent.

11. Resignation of the Escrow Agent. The Escrow Agent or successor at any time may resign by giving thirty (30) business days written notice to the parties hereto, and such resignation shall take effect at the end of such thirty (30) business days, or upon the earlier

appointment, with the approval of the Sellers and FairPoint, of a successor. From and after the effective date of such resignation or appointment of a successor, the Escrow Agent shall not be obligated to perform any of the duties of the Escrow Agent hereunder and will not be liable for any nonperformance thereof nor for any act or failure to act whatsoever on the part of any successor Escrow Agent. If the Sellers and FairPoint are unable to agree upon a successor Escrow Agent within thirty (30) days following notice of the Escrow Agent's resignation, the Escrow Agent shall commence an action in interpleader and deposit the USAC Escrow Amount with the registry or custody of a North Carolina or Missouri court, unless a joint instruction is received by the Escrow Agent from the Sellers and FairPoint as to the disposition of the USAC Escrow Amount.

12. Successor to the Escrow Agent. Any corporation resulting from any merger or consolidation to which the Escrow Agent or any successor to it shall be a party, or any corporation in any manner succeeding to all or substantially all of the business of the Escrow Agent or any successor, shall be the successor Escrow Agent hereunder without the execution or filing of any paper or any further acts on the part of any of the parties hereto. In the event of a resignation of the Escrow Agent pursuant to paragraph 11 of this Escrow Agreement, any person(s) or corporation hereafter agreed upon by the parties shall be the successor Escrow Agent hereunder.

13. Instructions and Notices. In executing and performing its duties hereunder, except as otherwise provided, the Escrow Agent shall be entitled to rely upon instructions of the Sellers and FairPoint. Any notice, payment, demand, instruction or communication required or permitted to be given by this USAC Escrow Agreement shall be in writing and shall be given by hand delivery, overnight messenger or courier service or certified mail, return receipt requested, addressed to the appropriate party at the address stated below:

**If to FairPoint:**

FairPoint Communications, Inc.  
521 East Morehead Street, Suite 250  
Charlotte, NC 28202  
ATTN: Shirley J. Linn, Esq.  
Executive Vice President and General  
Counsel  
(704) 344-8150 (Phone)  
(704) 344-1594 (Fax)  
[slinn@fairpoint.com](mailto:slinn@fairpoint.com) (E-mail)

**If to the Escrow Agent:**

U.S. Bank National Association  
Attn: Scott Kjar  
60 Livingston Avenue  
EP-MN-WS3T  
St. Paul, MN 55107  
Phone (651) 495-3808  
Fax (651) 495-8087  
e-mail: [scott.kjar@usbank.com](mailto:scott.kjar@usbank.com)

With a faxed copy to:  
U.S. Bank National Association  
Attn: Shirley Young  
Fax (206) 344-4630



**If to Sellers:**

Terrence Peck  
Local Exchange Company, LLC  
40 Park Road  
Islamorada, FL 33036

Any notice sent by overnight messenger or courier service or hand delivery shall be deemed made on the date received, and any notice sent by certified mail shall be deemed made three (3) days after mailing.

14. Governing Law. This USAC Escrow Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina without giving effect to the principles of conflicts of law thereof, provided, however, that the Agreement shall be interpreted, construed and applied in accordance with the language herein and the intent of the parties ignoring any presumptions, rules or construction or similar rules under the laws of the State of North Carolina.

15. Headings. The headings in this USAC Escrow Agreement are inserted for convenience and identification only and are in no way intended to interpret, define or limit the scope, extent or intent of this USAC Escrow Agreement or any provision of this USAC Escrow Agreement.

16. Severability. Each provision of this USAC Escrow Agreement is intended to be severable. If any term or provision of this USAC Escrow Agreement is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity or enforcement of the remainder of this USAC Escrow Agreement.

17. Counterparts. This USAC Escrow Agreement and any amendment hereto may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

18. Amendment. No modification or amendment to this USAC Escrow Agreement shall be valid unless produced in writing and signed by all of the parties hereto.

19. Successors. This USAC Escrow Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective assigns and transferees, as the case may be. The Escrow Agent shall not be bound by or incur any liability with respect to this USAC Escrow Agreement or any other agreement or understanding between FairPoint and the Sellers, except as in this USAC Escrow Agreement expressly provided.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this USAC Escrow Agreement to be executed as of the date first above written.

**FAIRPOINT COMMUNICATIONS, INC.**

By: \_\_\_\_\_  
Name: Walter E. Leach, Jr.  
Title: Executive Vice President,  
Corporate Development

**LOCAL EXCHANGE COMPANY LLC**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CASS COUNTY TELEPHONE COMPANY  
LIMITED PARTNERSHIP**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**LEC LONG DISTANCE, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**U.S. BANK TRUST NATIONAL  
ASSOCIATION**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**SCHEDULE I**

**Schedule of Fees for Services as  
Escrow Agent**

**For  
FAIRPOINT**

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**Administrative Fees Billed Annually**

04460 \$1,500

**Escrow Agent Fee**

Annual administration fee for performance of the routine duties of the escrow agent associated with the management of the account. Administration fees are payable in advance.

***Taxes***

30250 All Fees are subject to a tax at the current rate of: 8.80%

***Direct Out of Pocket Expenses***

Reimbursement of expenses associated with the performance of our duties, including but not limited to publications, legal counsel after the initial close, travel expenses and filing fees.

At Cost

***Extraordinary Services***

Extraordinary services are duties or responsibilities of an unusual nature, including termination, but not provided for in the governing documents or otherwise set forth in this schedule. A reasonable charge will be assessed based on the nature of the service and the responsibility involved. At our option, these charges will be billed at a flat fee or at our hourly rate then in effect.

Account approval is subject to review and qualification. Fees are subject to change at our discretion and upon written notice. Fees paid in advance will not be prorated. The fees set forth above and any subsequent modifications thereof are part of your agreement. Finalization of the transaction constitutes agreement to the above fee schedule, including agreement to any subsequent changes upon proper written notice. In the event your transaction is not finalized, any related out-of-pocket expenses will be billed to you directly. Absent your written instructions to sweep or otherwise invest, all sums in your account will remain uninvested and no accrued interest or other compensation will be credited to the account. Payment of fees constitutes acceptance of the terms and conditions set forth.

**IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT:**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

Dated: \_\_\_\_\_