

Exhibit 1

Attachment 1

INTERCONNECTION AGREEMENT-MISSOURI

between

Southwestern Bell Telephone Company

and

Sprint Communications Company L.P.

TABLE OF CONTENTS
INTERCONNECTION AGREEMENT-MISSOURI
BETWEEN
SOUTHWESTERN BELL TELEPHONE COMPANY
AND
SPRINT COMMUNICATIONS COMPANY L.P.

1.	<u>Introduction</u>	1
2.	<u>Effective Date</u>	2
3.	<u>Intervening Law</u>	2
4.	<u>Term of Agreement</u>	3
5.	<u>Assignment</u>	4
6.	<u>Confidentiality and Proprietary Information</u>	4
7.	<u>Liability and Indemnification</u>	6
8.	<u>Payment of Rates and Charges</u>	9
9.	<u>Dispute Resolution</u>	9
10.	<u>Termination of Service to Sprint</u>	12
11.	<u>Notices</u>	13
12.	<u>Taxes</u>	14
13.	<u>Force Majeure</u>	16
14.	<u>Publicity</u>	16
15.	<u>Network Maintenance and Management</u>	17
16.	<u>Law Enforcement and Civil Process</u>	17
17.	<u>Changes in Subscriber Carrier Selection</u>	18
18.	<u>Amendments or Waivers</u>	19
19.	<u>Authority</u>	19
20.	<u>Binding Effect</u>	19
21.	<u>Consent</u>	19
22.	<u>Expenses</u>	20
23.	<u>Headings</u>	20
24.	<u>Relationship of Parties</u>	20
25.	<u>Conflict of Interest</u>	20
26.	<u>Multiple Counterparts</u>	20
27.	<u>Third Party Beneficiaries</u>	20
28.	<u>Regulatory Approval</u>	21
29.	<u>Trademarks and Trade Names</u>	21
30.	<u>Regulatory Authority</u>	21
31.	<u>Verification Reviews</u>	22
32.	<u>Complete Terms</u>	23
33.	<u>Cooperation on Preventing End User Fraud</u>	23
34.	<u>Notice of Network Changes</u>	24
35.	<u>Good Faith Performance</u>	24
36.	<u>Responsibility of Each Party</u>	24
37.	<u>Transmission of Traffic to Third Parties</u>	25

38.	<u>Governmental Compliance</u>	25
39.	<u>Responsibility for Environmental Contamination</u>	25
40.	<u>Subcontracting</u>	26
41.	<u>Referenced Documents</u>	26
42.	<u>Severability</u>	26
43.	<u>Survival of Obligations</u>	27
44.	<u>Governing Law</u>	27
45.	<u>Performance Criteria</u>	27
46.	<u>Other Obligations of Sprint</u>	27
47.	<u>Dialing Parity; Local Number Portability</u>	27
48.	<u>Branding</u>	28
49.	<u>Customer Inquiries</u>	28
50.	<u>Disclaimer of Warranties</u>	28
51.	<u>No Waiver</u>	28
52.	<u>Effect of Other Agreements</u>	28
53.	<u>Definitions</u>	29
54.	<u>Resale</u>	29
55.	<u>Unbundled Network Elements</u>	30
56.	<u>Ordering and Provisioning, Maintenance, Connectivity Billing and Reordering, and Provision of Customer Usage Data</u>	30
57.	<u>Network Interconnection Architecture</u>	30
58.	<u>Compensation for Delivery of Traffic</u>	30
59.	<u>Ancillary Functions</u>	30
60.	<u>Conforming Amendments</u>	31
61.	<u>Left Blank</u>	31
62.	<u>Other Requirement and Attachments</u>	31

ATTACHMENTS

Resale

Attachment 1: Resale

Appendix Services/Pricing

Exhibit A: SWBT's Telecommunications Services Available for Resale

Exhibit B: SWBT's Other Services Available for Resale

Appendix Customized Routing-Resale

Appendix DA-Resale

Appendix OS-Resale

Appendix White Pages (WP)-Resale

Attachment 2: Ordering and Provisioning-Resale

Attachment 3: Maintenance-Resale

Attachment 4: Connectivity Billing-Resale

Attachment 5: Provision of Customer Usage Data-Resale

Unbundled Network Elements

- Attachment 6: Unbundled Network Elements (UNE)
 - Appendix Pricing-UNE
 - Appendix Pricing-UNE Schedule of Prices
- Attachment 7: Ordering and Provisioning-UNE
- Attachment 8: Maintenance-UNE
- Attachment 9: Billing-Other
- Attachment 10: Provision of Customer Usage Data-UNE

Network Interconnection Architecture and Compensation

- Attachment 11: Network Interconnection Architecture
 - Appendix Interconnection Trunking Requirement (ITR)
 - Appendix Network Interconnection Methods (NIM)
 - Appendix SS7 Interconnection
- Attachment 12: Compensation
 - Appendix Cellular
 - Appendix FGA

Ancillary Functions

- Attachment 13: Ancillary Functions
 - Appendix Collocation
 - Appendix Poles, Conduit, ROW

Other Requirements

- Attachment 14: Interim Number Portability
- Attachment 15: E911
- Attachment 16: Network Security and Law Enforcement
- Attachment 17: Failure to Meet Performance Criteria
- Attachment 18: Mutual Exchange of Directory Listing Information
- Attachment 19: White Pages-Other (WP-O)
- Attachment 20: Clearinghouse
- Attachment 21: Numbering
- Attachment 22: DA-Facilities Based
- Attachment 23: OS-Facilities Based
- Attachment 24: Recording-Facilities Based
- Attachment 25: Billing, Collecting and Remitting
- Attachment 26: Definitions
- Attachment 27: Acronyms

INTERCONNECTION AGREEMENT - MISSOURI

This Interconnection Agreement - Missouri (Agreement) is between Sprint Communications Company L.P. (Sprint) a Delaware Limited Partnership, having an office at 8140 Ward Parkway, Kansas City, Missouri 64114, and Southwestern Bell Telephone Company (SWBT), a Missouri corporation, having an office at 1010 Pine Street, St. Louis, Missouri 63101, (collectively the Parties).

WHEREAS, pursuant to the Telecommunications Act of 1996 (the Act), the Parties wish to establish terms for the resale of SWBT services and for the provision by SWBT of Interconnection, unbundled Network Elements, and Ancillary Functions as designated in the Attachments hereto.

NOW, THEREFORE, in consideration of the premises and the mutual covenants of this Agreement Sprint and SWBT hereby agree as follows:

1.0 INTRODUCTION

- 1.1 This Agreement sets forth the terms, conditions and prices under which SWBT agrees to provide (a) services for resale (hereinafter referred to as Resale services), (b) unbundled Network Elements, , (c) Ancillary Functions and (d) Interconnection to Sprint. This Agreement also sets forth the terms and conditions for the interconnection of Sprint's network to SWBT's network and reciprocal compensation for the transport and termination of telecommunications. This agreement does not obligate or require SWBT to combine Unbundled Network Elements for Sprint, and both parties specifically agree that SWBT will not combine Unbundled Network Elements for Sprint. Any language contained elsewhere in this document which might be interpreted as requiring such combining is expressly superseded by this paragraph. Notwithstanding the forgoing the parties acknowledge that the provisions of paragraph 3.1 & 3.2 are not superseded by this paragraph 1.1.
- 1.2 The Network Elements, or Resale services provided pursuant to this Agreement may be connected to other Network Elements, or Resale services provided by SWBT or to any network components provided by Sprint itself or by any other vendor. Subject to the requirements of this Agreement, Sprint may at any time add, delete, relocate or modify the Resale services, Network Elements purchased hereunder.
- 1.3 During the term of this Agreement, SWBT will not discontinue, as to Sprint, any Network Element, , or Ancillary Functions offered to Sprint hereunder. During the term of this Agreement, SWBT will not discontinue any Resale services or features offered to

Sprint hereunder except as provided in Attachment 1: Resale hereto and subject to the provisions of Section 30.2 of the General Terms and Conditions of this Agreement. This Section is not intended to impair SWBT's ability to make changes in its Network, so long as such changes are consistent with the Act and do not result in the discontinuance of the offerings of Network Elements, , or Ancillary Functions made by SWBT to Sprint as set forth in an during the terms of this Agreement.

- 1.4 SWBT may fulfill the requirements imposed upon it by this Agreement by itself or may cause its Affiliates to take such actions to fulfill the responsibilities.
- 1.5 This Agreement includes and incorporates herein the Attachments listed in Section 62 of this Agreement, and all accompanying Appendices, Addenda and Exhibits.
- 1.6 Unless otherwise provided in the Agreement, SWBT will perform all of its obligations concerning its offering of Resale services and unbundled Network Elements under this Agreement throughout the entire service area where SWBT is the incumbent local exchange carrier; provided, that SWBT's obligations to provide Ancillary Functions or to meet other requirements of the Act covered by this Agreement are not necessarily limited to such service areas.

2.0 Effective Date

- 2.1 This Agreement becomes effective (1) when executed by each Party and approved by the State Commission; or (2) by operation of law pursuant to the Order of the State Commission, whichever is earlier.

3.0 Intervening Law

3.1 This agreement is entered into pursuant to Section 252(i) of the Telecommunications Act of 1996 (the Act) and is adopted from the interconnection agreements entered into between Southwestern Bell Telephone Company (SWBT) and AT&T Communications of the Southwest, Inc. (AT&T). The interconnection agreements were entered into pursuant to negotiations and arbitrations conducted by the Missouri Public Service Commission (Commission) in Case Nos. TO-97-40 and TO-97-67 (the Initial AT&T Arbitration) and Case No. TO-98-115 (the Second AT&T Arbitration). These proceedings were conducted pursuant to orders of the Federal Communications Commission (FCC) which adopted rules implementing the Act, including those provided for in Part 1, subpart 2, Part 51, subparts C, D, E, F, G and H, Part 52, subparts A and B of title 47 of the Code of Federal Regulations (Rules). The FCC rules and Commission orders in the initial AT&T Arbitration are the subject of various appeals, including an appeal in Case No. 97-4337-CV-W-5 and subsequent appeals may also be taken of Commission orders in Case No. TO-98-115. The parties recognize and agree that, in the event of any amendment of the Act, or any administrative, regulatory, legislative or judicial order, rule, opinion or other legal action, (collectively, "legal actions") or any subsequent agreement between SWBT and AT&T, required by such legal actions, which revises or modifies SWBT's rights and/or obligations pertaining to any matter contained in the AT&T interconnection agreements (a subsequent development), the relevant provisions of this agreement shall be deemed to be automatically modified, amended or conformed to be consistent with such subsequent development.

3.2 In the event a court or regulatory agency of competent jurisdiction should determine that modifications of this Agreement are required to bring the services being provided hereunder into compliance with the Act, the affected Party will promptly give the other Party written notice of the modifications deemed required. Upon delivery of such notice, the Parties will expend diligent efforts to arrive at an agreement respecting such modifications required, and if the Parties are unable to arrive at such agreement within sixty (60) days after such notice, either Party may invoke the Dispute Resolution process set forth in Section 9.4.2 of this Agreement.

4.0 Term of Agreement

4.1 This Agreement will become effective as of the Effective Date stated above, and will expire on November 5, 2000, subject to two one year extensions, unless written Notice of Non Renewal and Request for Negotiation (Non Renewal Notice) is provided by either Party in accordance with the provisions of this Section. Any such Non Renewal Notice must be provided not later than 180 days before the day this Agreement would otherwise renew for an additional year. The noticing Party will delineate the items desired to be negotiated. Not later than 30 days from receipt of said notice, the receiving Party will notify the sending Party of additional items desired to be negotiated, if any. Not later

than 135 days from the receipt of the Non Renewal Notice, both parties will commence negotiations.

- 4.2 The same terms, conditions, and prices will continue in effect, on a month-to-month basis as were in effect at the end of the latest term, or renewal, so long as negotiations are continuing without impasse and then until resolution pursuant to this Section. The Parties agree to resolve any impasse by submission of the disputed matters to the State Commission for arbitration. Should the State Commission decline jurisdiction, the Parties will resort to a commercial provider of arbitration services.
- 4.3 Upon termination of this Agreement, Sprint's liability will be limited to payment of the amounts due for Network Elements, , Ancillary Functions and Resale Services provided up to and including the date of termination and thereafter as reasonably requested by Sprint to prevent service interruption, but not to exceed one (1) year. The Network Elements, , Ancillary Functions and Resale services provided hereunder are vital to Sprint and must be continued without interruption. When Sprint provides or retains another vendor to provide such comparable Network Elements, , Ancillary Functions or Resale services, SWBT and Sprint agree to co-operate in an orderly and efficient transition to Sprint or another vendor. SWBT and Sprint further agree to coordinate the orderly transition to Sprint or another vendor such that the level and quality of the Network Elements, , Ancillary Functions and Resale Services is not degraded and each Party will exercise its best efforts to effect an orderly and efficient transition.

5.0 Assignment

- 5.1 Provided that an assignee agrees to be bound by the Agreement either Party may assign this Agreement to a corporate affiliate or an entity under its common control or an entity acquiring all or substantially all of its assets or equity by providing prior written notice to the other party of such assignment or transfer. Any attempt at assignment or transfer is void ab initio. Without limiting the generality of the foregoing, this Agreement shall be binding upon and inure to the benefit of the Parties' respective successors and assigns.
- 5.2 Each Party will notify the other in writing not less than 60 days in advance of anticipated assignment.

6.0 Confidentiality and Proprietary Information.

- 6.1 For the purposes of this Agreement, "Confidential Information" means confidential or proprietary technical or business information given by the Discloser to the Recipient. All information which is disclosed by one party to the other in connection with this

Agreement, during negotiations (also see the Confidentiality Agreement between the Parties dated April 1, 1996) and the term of this Agreement, will automatically be deemed proprietary to the Discloser and subject to this Agreement, unless otherwise confirmed in writing by the Discloser. In addition, by way of example and not limitation, all orders for Resale Services, Network Elements placed by Sprint pursuant to this Agreement, and information that would constitute Customer Proprietary Network Information of Sprint's customers pursuant to the Act and the rules and regulations of the Federal Communications Commission (FCC), and Recorded Usage Data as described in Attachments 5 and 10 concerning Recorded Usage Data, whether disclosed by Sprint to SWBT or otherwise acquired by SWBT in the course of the performance of this Agreement, will be deemed Confidential Information of Sprint for all purposes under this Agreement.

- 6.2 For a period of five (5) years from the receipt of Confidential Information from the Discloser, except as otherwise specified in this Agreement, the Recipient agrees (a) to use it only for the purpose of performing under this Agreement, (b) to hold it in confidence and disclose it to no one other than its employees having a need to know for the purpose of performing under this Agreement, and (c) to safeguard it from unauthorized use or disclosure using at least the same degree of care with which the Recipient safeguards its own Confidential Information. If the Recipient wishes to disclose the Discloser's Confidential Information to a third-party agent or consultant, such disclosure must be agreed to in writing by the Discloser, and the agent or consultant must have executed a written agreement of nondisclosure and nonuse comparable in scope to the terms of this Section.
- 6.3 The Recipient may make copies of Confidential Information only as reasonably necessary to perform its obligations under this Agreement. All such copies will be subject to the same restrictions and protections as the original and will bear the same copyright and proprietary rights notices as are contained on the original.
- 6.4 The Recipient agrees to return all Confidential Information in tangible form received from the Discloser, including any copies made by the Recipient within thirty (30) days after a written request is delivered to the Recipient, or to destroy all such Confidential Information if directed to do so by Discloser except for Confidential Information that the Recipient reasonably requires to perform its obligations under this Agreement. If either Party loses or makes an unauthorized disclosure of the other Party's Confidential Information, it will notify such other party immediately and use reasonable efforts to retrieve the lost or wrongfully disclosed information.
- 6.5 The Recipient will have no obligation to safeguard Confidential Information: (a) which was in the possession of the Recipient free of restriction prior to its receipt from the Discloser; (b) after it becomes publicly known or available through no breach of this

Agreement by the Recipient; (c) after it is rightfully acquired by the Recipient free of restrictions on its disclosure; or (d) after it is independently developed by personnel of the Recipient to whom the Discloser's Confidential Information had not been previously disclosed. In addition, either Party will have the right to disclose Confidential Information to any mediator, arbitrator, state, or federal regulatory body, or a court in the conduct of any mediation, arbitration or approval of this Agreement, so long as, in the absence of an applicable protective order, the Discloser has been promptly notified by the Recipient and so long as the Recipient undertakes all lawful measures to avoid disclosing such information until Discloser has had reasonable time to negotiate a protective order with any such mediator, arbitrator, state or regulatory body or a court, and complies with any protective order that covers the Confidential Information.

- 6.6 The Parties acknowledge that an individual end user may simultaneously seek to become or be a customer of both Parties. Nothing in this Agreement is intended to limit the ability of either Party to use customer specific information lawfully obtained from end users or sources other than the Disclosing Party.
- 6.7 Each Party's obligations to safeguard Confidential Information disclosed prior to expiration or termination of this Agreement will survive such expiration or termination.
- 6.8 Except as otherwise expressly provided elsewhere in this Agreement, no license is hereby granted under any patent, trademark, or copyright, nor is any such license implied solely by virtue of the disclosure of any Confidential Information.
- 6.9 Each Party agrees that the Discloser may be irreparably injured by a disclosure in breach of this Agreement by the Recipient or its representatives and the Discloser will be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any breach or threatened breach of the confidentiality provisions of this Agreement. Such remedies will not be deemed to be the exclusive remedies for a breach of this Agreement, but will be in addition to all other remedies available at law or in equity.

7.0 Liability and Indemnification

7.1 Limitation of Liabilities

- 7.1.1 Each party's liability to the other resulting from any and all causes, other than as specified below in Sections 7.3.1 and 7.3.3, and other than for willful misconduct (including gross negligence), will not exceed the total of any amounts due and owing to Sprint pursuant to Section 45 (Performance Criteria) and the Attachment referenced in that Section, plus the amounts charged to Sprint by SWBT under this Agreement for the affected service, business practice or ancillary functions (as defined under Section 3.1 of Attachment 13) and the value of the injured party's collocated equipment or collocated

property that was destroyed or damaged by the injuring party during the period beginning at the time of the error, interruption, defect, failure, malfunction loss or claim is received by the uninjured party to the time of correction of same.

7.2 No Consequential Damages

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

7.3 Obligation to Indemnify

7.3.1

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,

regardless of the fault of the indemnified party. 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 the 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.

7.3.1.1

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.

7.3.1.2

When the lines or services of another company or other companies 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 company(ies).

7.3.1.3

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 applicable Customer for the service(s) or function(s) that gave rise to such loss, and (ii) consequential damages (as defined in Section 7.2.1 above).

7.3.2

If required, Sprint is responsible for obtaining any license or right to use agreement associated with a Network Element purchased from SWBT. SWBT will provide a list of all known and necessary licenses or right to use agreements applicable to the subject Network Element(s) within seven days of a request for such a list by Sprint. SWBT agrees to use its best efforts to facilitate the obtaining of any necessary license or right to use agreement. In the event such an agreement is not forthcoming for a Network Element

ordered by Sprint, the Parties commit to negotiate in good faith for the provision of alternative Elements or services which shall be equivalent to or superior to the Element for which Sprint is unable to obtain such license or agreement.

7.3.3 Each Party will and hereby agrees to defend at the other's request, indemnify, and hold harmless the other Party and each of its officers, directors, employees, and agents (each, an "Indemnitee") against and in respect of any loss, debt, liability, damage, obligation, claim, demand, judgment, or settlement of any nature or kind, known or unknown, liquidated or unliquidated, including without limitation all reasonable costs and expenses incurred (legal, account or otherwise) arising out of, resulting from, or based upon any pending or threatened claim, action, proceeding or suit by any third party for actual infringement of any patent, copyright, trademark, service mark, trade name, trade dress, trade secret or any other intellectual property right now known or later developed to the extent that such claim or action arises from the actions of the respective Parties, or failure to act, as required pursuant to this Agreement.

7.3.4 SWBT makes no warranties, express or implied, concerning Sprint's (or any third party's) rights with respect to intellectual property (including without limitation, patent, copyright and trade secret rights) or contract rights associated with Sprint's rights to interconnect with SWBT's network and to Unbundled Network Elements and/or combine SWBT's network elements (including combining with Sprint's Network Elements) such interconnection or unbundling and/or combining of Elements (including combining with components of Sprint's network) in SWBT's network. Section 7 applies solely to this Agreement. Nothing in this Section will be deemed to supersede or replace any other agreements, if any, between the Parties with respect to Sprint's intellectual property or contract rights.

7.4 **Obligation to Defend; Notice; Cooperation**

7.5 **OSHA Statement**

7.5.1 Sprint, in recognition of SWBT's status as an employer, agrees to abide by and to undertake the duty of compliance on behalf of SWBT with all federal, state and local laws, safety and health regulations relating to Sprint's activities concerning Collocated Space, and to indemnify and hold SWBT harmless for any judgments, citations, fines, or other penalties which are assessed against SWBT as the result solely of Sprint's failure to comply with any of the foregoing. SWBT, in its status as an employer, will comply with all federal, state and local laws, safety and health standards and regulations with respect to all other portions of the Premises, and agrees to indemnify and hold Sprint harmless for any judgments, citations, fines or other penalties which are assessed against Sprint as a result solely of SWBT's failure to comply with any of the foregoing.

8.0 Payment of Rates and Charges

- 8.1 Except as otherwise specifically provided elsewhere in this Agreement, the Parties will pay all rates and charges due and owing under this Agreement within thirty (30) days of the bill date or twenty (20) days from receipt of the bill, whichever is longer. Except as otherwise specifically provided in this Agreement interest on overdue invoices will apply at the six (6) month Commercial Paper Rate applicable on the first business day of each calendar year.

9.0 Dispute Resolution

9.1 Finality of Disputes

- 9.1.1 Except as otherwise specifically provided in this Agreement, no claims will be brought for disputes arising from this Agreement more than 24 months from the date the occurrence which gives rise to the dispute is discovered or reasonably should have been discovered with the exercise of due care and attention.

9.2 Alternative to Litigation

- 9.2.1 The Parties desire to resolve disputes arising out of this Agreement without litigation. Accordingly, except for action seeking a temporary restraining order or an injunction related to the purposes of this Agreement, or suit to compel compliance with this Dispute Resolution process, the Parties agree to use the following Dispute Resolution procedure with respect to any controversy or claim arising out of or relating to this Agreement or its breach.

9.3 Informal Resolution of Disputes

- 9.3.1 In the case of any dispute and at the written request of a Party, each Party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve any dispute arising under this Agreement. The location, form, frequency, duration, and conclusion of these discussions will be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and the correspondence among the representatives for purposes of settlement are exempt from discovery and production and will not be admissible in the arbitration described below or in any lawsuit without the concurrence of both parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and, if otherwise admissible, may be admitted in evidence in the arbitration or lawsuit. Unless otherwise provided herein, or upon the Parties' agreement, either Party

may invoke formal dispute resolution procedures including arbitration or other procedures as appropriate, not earlier than sixty (60) days after the date of the letter initiating dispute resolution under this paragraph.

9.4 **Billing Disputes**

- 9.4.1 The Parties agree that all unresolved billing disputes which involve amounts which represent one (1) percent or less of the amounts charged to Sprint by SWBT under this Agreement during the Contract Year in which the dispute arises will be submitted to binding arbitration pursuant to the provisions of Section 9.6. During the first Contract Year the Parties will annualize the initial months up to one year.
- 9.4.2 The Parties agree that if they are unable to resolve billing disputes which involve amounts which represent more than one (1) percent of the amounts charged to Sprint by SWBT under this Agreement during the Contract Year in which the dispute arises, then either party may proceed with any remedy available to it pursuant to law, equity or agency mechanisms; provided, that upon mutual agreement of the Parties such disputes may also be submitted to binding arbitration pursuant to Section 9.6. During the first Contract Year the Parties will annualize the initial months up to one year.
- 9.4.3 The Parties agree that all bills, including bills disputed in whole or in part, are to be paid when due, that interest applies to all overdue invoices as set forth in Section 8.1 to this Agreement, and that no other late payment fee or charge applies to overdue invoices. The Parties further agree that if any billing dispute is resolved in favor of the disputing Party the disputing Party will receive, by crediting or otherwise, interest applied to the disputed amount as set forth in Section 8.1.
- 9.4.4 To the extent that any other portions of this Agreement provide for a bill closure process between the parties, or if such a process is mutually agreed to by the Parties, the procedures involved in such processes will not be deemed to place a particular billing item in dispute for purposes of this Section.
- 9.4.5 Each Party agrees to notify the other Party of a billing dispute and may invoke the informal dispute resolution process described in Section 9.3. The parties will endeavor to resolve the dispute within sixty (60) calendar days of the Bill Date on which such disputed charges appear, or, if the charges have been subject to the bill closure process described in Section 9.4.4, above, within sixty (60) calendar days of the closure of the billing period covered by such bill closure process.

9.5 **Other Disputes**

- 9.5.1 **Dispute Resolution Procedure (DRP) 1** - Except as otherwise specifically set forth in the Agreement, the Parties agree that for all other disputes which arise under this Agreement, the dispute will be submitted to binding arbitration under Section 9.6 of this Agreement if the matter which is in dispute represents one (1) percent or less of the amounts charged to Sprint by SWBT under this Agreement during the Contract Year in which the matter which is disputed arises, whether measured by the disputing Party in terms of actual amounts owed or owing, or as amounts representing its business or other risks or obligations relating to the matter in dispute. During the first Contract Year the Parties will annualize the initial months up to one year.
- 9.5.2 **Dispute Resolution Procedure (DRP) 2** - Except as otherwise specifically set forth in the Agreement, for all other disputes involving matters which represent more than one (1) percent of the amounts charged to Sprint by SWBT under this Agreement during the Contract Year in which the dispute arises, whether measured by the disputing Party in terms of actual amounts owed or owing, or as amounts representing its business or other risks or obligations relating to the matter in dispute then either Party may proceed with any remedy available to it pursuant to law, equity or agency mechanisms; provided that upon mutual agreement of the Parties, the dispute may be submitted to binding arbitration under Section 9.6. During the first Contract Year the Parties will annualize the initial months up to one year.
- 9.5.3 **Dispute Resolution Procedure (DRP) 3** - Except as otherwise specifically set forth in this agreement, for all disputes involving additions to this Agreement under the Telecommunications Act of 1996, the Parties agree that such disputes will be submitted to the Missouri Public Service Commission for resolution pursuant to FTA96, provided that either Party may request expedited resolution by the Missouri Public Service Commission, with both Parties retaining all rights to appeal.
- 9.5.4 The Parties agree that the Dispute Resolution procedures set forth in this Agreement are not intended to conflict with applicable requirements of the Act or the state commission with regard to procedures for the resolution of disputes arising out of this Agreement.
- 9.6 **Arbitration**
- 9.6.1 Disputes subject to binding arbitration under the provisions of this Agreement will be submitted to a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association or pursuant to such other provider of arbitration services or rules as the Parties may agree. The place where each arbitration will be held will be Dallas, Texas, unless the parties otherwise agree. The arbitration hearing will be requested to commence within sixty (60) days of the demand for arbitration. The arbitrator will control the scheduling so as to process the matter expeditiously. The Parties may submit written briefs upon a schedule determined by the arbitrator. The

Parties will request that the arbitrator rule on the dispute by issuing a written opinion within thirty (30) days after the close of hearings. The arbitrator has no authority to order punitive or consequential damages. The times specified in this Section may be extended or shortened upon mutual agreement of the Parties or by the arbitrator upon a showing of good cause. Each Party will bear its own costs of these procedures. The Parties will equally split the fees of the arbitration and the arbitrator. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

10.0 Termination of Service to Sprint

- 10.1 Failure of Sprint to pay charges may be grounds for termination of this Agreement. If Sprint fails to pay when due, any and all charges billed to them under this Agreement, (Unpaid Charges), and any portion of such charges remain unpaid more than fifteen (15) calendar days after the due date of such Unpaid Charges, SWBT will notify Sprint in writing, with return receipt requested, that in order to avoid having service disconnected, Sprint must remit all Unpaid Charges, whether disputed or undisputed, to SWBT within fifteen (15) calendar days after receipt of said notice. Disputes hereunder will be resolved in accordance with the Dispute Resolution Procedures set out in Section 9 of this Agreement.
- 10.2 If any Sprint charges remain unpaid at the conclusion of the time period as set forth in Section 10.1 above (30 calendar days from the due date of such unpaid charges), SWBT will notify Sprint, the appropriate commission(s) and the end user's IXC(s) of Record in writing, with return receipt requested, that unless all charges are paid within fifteen (15) calendar days, Sprint's service will be disconnected and Sprint's end users may be switched to SWBT local service. SWBT will also suspend order acceptance at this time.
- 10.3 If any Sprint charges remain unpaid or undisputed thirty (30) calendar days past the due date of the unpaid charges as described in Section 10.2 above, Sprint will, at its sole expense, notify its end users, the Commission and the end user's of Record that their service may be disconnected for Sprint failure to pay unpaid charges, and that its end users must select a new local service provider within fifteen (15) calendar days. The notice will also advise the end user that SWBT will assume the end user's account at the end of the fifteen (15) calendar day period should the end user fail to select a new local service provider.
- 10.4 If any Sprint charges remain unpaid or undisputed forty-five (45) calendar days past the due date, SWBT will disconnect Sprint and transfer all Sprint's end users who have not selected another local service provider directly to SWBT's service. These end users will receive the same services provided through Sprint at the time of service. These end users will receive the same services provided through Sprint at the time of transfer. SWBT will inform the Commission and the end user's IXC(s) of Record of the names of

all end users transferred through this process. Applicable service establishment charges for switching end users from Sprint to SWBT will be assessed to Sprint.

- 10.5 Within five (5) calendar days of the transfer (50 calendar days past Sprint's due date), SWBT will notify all affected end users that because of Sprint's failure to pay, their service is now being provided by SWBT. SWBT will also notify the end user that they have thirty (30) calendar days to select a local service provider. If the end user does not select an LSP within 30 calendar days the customer will remain a SWBT local customer.
- 10.6 SWBT may discontinue service to Sprint upon failure to pay undisputed charges as provided in this section, and will have no liability to Sprint in the event of such disconnection.
- 10.7 After disconnect procedures have begun, SWBT will not accept service orders from Sprint until all unpaid charges are paid. SWBT will have the right to require a deposit equal to one month's charges (based on the highest previous month of service from SWBT) prior to resuming service to Sprint after disconnect for nonpayment.
- 10.8 Beyond the specifically set out limitations in this section, nothing herein will be interpreted to obligate SWBT to continue to provide service to any such end users or to limit any and all disconnection rights SWBT may have with regard to such end users.

11.0 Notices

- 11.1 In the event any notices are required to be sent under the terms of this Agreement, they may be sent by mail with return receipt requested and are deemed to have been given on the date received. Notice may also be effected by personal delivery or by overnight courier, and will be effective upon receipt. Notice may also be provided by facsimile, which will be effective on the next business day following the date of transmission; provided, however, notices to a Party's 24-hour maintenance contact number will be by telephone and/or facsimile and will be deemed to have been received on the date transmitted. The Parties will provide the appropriate telephone and facsimile numbers to each other. Unless otherwise specifically provided in this Agreement, notice will be directed as follows:
 - 11.2 If to Sprint:

Director – Local Market Integration
Sprint
7301 College Boulevard,
Overland Park, KS 66210

and

General Attorney - National Integrated Services
Sprint
7301 College Boulevard
Overland Park, KS 66210

and

Director - Local Market Development - SBC
Sprint
150 Spear Street, Suite 1400
San Francisco, CA 94105

11.3 If to SWBT:

Vice President -General Manager
(Special Markets)
Southwestern Bell Telephone Company
Suite 3705
One Bell Plaza
Dallas, TX 75202
214/464-0510 (FAX); 214/464-3111 (voice contact)

Either Party may unilaterally change its designated representative and/or address, telephone contact number or facsimile number for the receipt of notices by giving seven (7) days' prior written notice to the other Party in compliance with this Section. Any notice or other communication will be deemed given when received.

12.0 Taxes

- 12.1 With respect to any purchase of service under this Agreement, if any Federal, state or local government tax, fee, surcharge, or other tax-like charge (a "Tax") is required or permitted by applicable law, ordinance or tariff to be collected from a purchasing Party by the providing Party, then (i) the providing Party will bill, as a separately stated item, the purchasing Party for such Tax, (ii) the purchasing Party will timely remit such Tax to the providing Party, and (iii) the providing Party will remit such collected Tax to the applicable taxing authority.
- 12.2 If the providing Party does not collect a Tax because the purchasing Party asserts that it is not responsible for the tax, or is otherwise excepted from the obligation which is later

determined by formal action to be wrong then, as between the providing Party and the purchasing Party, the purchasing Party will be liable for such uncollected Tax and any interest due and/or penalty assessed on the uncollected Tax by the applicable taxing authority or governmental entity.

- 12.3 If either Party is audited by a taxing authority or other governmental entity the other Party agrees to reasonably cooperate with the Party being audited in order to respond to any audit inquiries in a proper and timely manner so that the audit and/or any resulting controversy may be resolved expeditiously.
- 12.4 If applicable law excludes or exempts a purchase of services under this Agreement from a Tax, and if such applicable law also provides an exemption procedure, such as an exemption certificate requirement, then, if the purchasing Party complies with such procedure, the providing Party, subject to Section 12.2, will not collect such Tax during the effective period of the exemption. Such exemption will be effective upon receipt of the exemption certificate or affidavit in accordance with Section 12.7.
- 12.5 If applicable law excludes or exempts a purchase of services under this Agreement from a Tax, but does not also provide an exemption procedure, then the providing Party will not collect such Tax if the purchasing Party (i) furnishes the providing Party with a letter signed by an officer of the purchasing Party claiming an exemption and identifying the applicable law which allows such exemption, and (ii) supplies the providing Party with an indemnification agreement, reasonably acceptable to the providing Party, which holds the providing Party harmless on an after-tax basis with respect to forbearing to collect such Tax.
- 12.6 With respect to any Tax or Tax controversy covered by this Section 12, the purchasing Party will be entitled to contest, pursuant to applicable law, and at its own expense, any Tax that it is ultimately obligated to pay. The purchasing Party will be entitled to the benefit of any refund or recovery resulting from such a contest. The providing Party will cooperate in any such contest.
- 12.7 All notices, affidavits, exemption certificates or other communications required or permitted to be given by either Party to the other under this Section 12, will be made in writing, with return receipt requested, and will be delivered by certified mail, and sent to the addresses stated in Section 11 and to the following:

To Sprint: Vice President – Finance NIS
 Sprint
 7301 College Boulevard

Overland Park, KS 66210

To SWBT: Executive Director - Tax
Southwestern Bell - Room 34/L/1
One Bell Center
St. Louis, Missouri 63101

Either Party may from time-to-time designate another address or addressee by giving notice in accordance with the terms of this Section 12.7.

Any notice or other communication will be deemed to be given when received.

13.0 Force Majeure

Except as otherwise specifically provided in this Agreement, neither Party will be liable for any delay or failure in performance of any part of this Agreement caused by a Force Majeure condition, including acts of the United States of America or any state, territory, or political subdivision thereof, acts of God or a public enemy, fires, floods, labor disputes such as strikes and lockouts, freight embargoes, earthquakes, volcanic actions, wars, civil disturbances, cable cuts, or other causes beyond the reasonable control of the Party claiming excusable delay or other failure to perform. Provided, Force Majeure will not include acts of any Governmental Authority relating to environmental, health, or safety conditions at work locations. If any Force Majeure condition occurs the Party whose performance fails or is delayed because of such Force Majeure conditions will give prompt notice to the other Party, and upon cessation of such Force Majeure condition, will give like notice and commence performance hereunder as promptly as reasonably practicable.

14.0 Publicity

- 14.1 The Parties agree not to use in any advertising or sales promotion, press releases or other publicity matters, any endorsements, direct or indirect quotes or pictures implying endorsement by the other Party or any of its employees without such Party's prior written approval. The Parties will submit to each other for written approval, prior to publication, all such publicity endorsement matters that mention or display the other's name and/or marks or contain language from which a connection to said name and/or marks may be inferred or implied.
- 14.2 Neither Party will offer any services using the trademarks, service marks, trade names, brand names, logos, insignia, symbols or decorative designs of the other Party or its affiliates without the other Party's written authorization.

15.0 Network Maintenance and Management

- 15.1 The Parties will work cooperatively to implement this Agreement. 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.
- 15.2 Each Party will provide a 24-hour contact number for Network Traffic Management issues to the other's surveillance management center. A facsimile (FAX) number must also be provided to facilitate event notifications for planned mass calling events. Additionally, both Parties agree that they will work cooperatively to ensure that all such events will attempt to be conducted in such a manner as to avoid disruption or loss of service to other end users. Each party will maintain the capability of respectively implementing basic protective controls such as "Cancel To" or "Call Gap."
- 15.3 Neither Party will use any service provided under this Agreement in a manner that impairs the quality of service to other carriers or to either Party's subscribers. Either Party will provide the other Party notice of said impairment at the earliest practicable time.

16.0 Law Enforcement and Civil Process

16.1 Intercept Devices

- 16.1.1 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, the receiving Party will refer such request to the appropriate Party, unless the request directs the receiving Party to attach a pen register, trap-and-trace or form of intercept on the Party's own facilities, in which case that Party will comply with any valid request, to the extent the receiving party is able to do so; if such compliance requires the assistance of the other Party such assistance will be provided.

16.2 Subpoenas

- 16.2.1 If a Party receives a subpoena for information concerning an end user the Party knows to be an end user of the other Party, the receiving Party will refer the subpoena to the requesting entity with an indication that the other Party is the responsible company. Provided, however, if the subpoena requests records for a period of time during which the receiving Party was the end user's service provider, the receiving Party will respond to any valid request to the extent the receiving party is able to do so; if response requires the assistance of the other party such assistance will be provided.

16.3 Law Enforcement Emergencies

- 16.3.1 If a Party receives a request from a law enforcement agency to implement at its switch a temporary number change, temporary disconnect, or one-way denial of outbound calls for an end user of the other Party, the receiving Party will comply so long as it is a valid emergency request. Neither Party will be held liable for any claims or damages arising from compliance with such requests, and the Party serving the end user agrees to indemnify and hold the other Party harmless against any and all such claims.

17.0 Changes in Subscriber Carrier Selection

- 17.1 With respect to Resale services and unbundled Network Elements provided to end users, each Party must obtain end user authorization prior to requesting a change in the end users' provider of local exchange service (including ordering end user specific Network Elements) and must retain such authorizations for twelve (12) months. The authorization must conform with federal rules regarding changes of presubscribed interexchange carriers until such time as there are federal or state rules applicable to changes of local exchange service providers. Thereafter, the authorization must comply with each such rule. The party submitting the change request assumes responsibility for applicable charges as specified in Section 258(b) of the Telecommunications Act of 1996.
- 17.2 Only an end user can initiate a challenge to a change in its local exchange service provider. In connection with such challenges each party will follow procedures which conform with federal rules regarding challenges to changes of presubscribed interexchange carriers, if any, until such time as there are federal or state rules applicable to challenges to changes of local exchange service providers. Thereafter, the procedures each Party will follow concerning challenges to changes of local exchange service providers will comply with such rule. If an end user notified SWBT or Sprint that the end user requests local exchange service, the Party receiving such request shall be free to immediately provide service to such end user. The party receiving such request shall be free to connect the end user to any local service provider based upon the local service provider's request and assurance that proper end user authorization has been obtained. Either Party shall make authorizations available to the other Party upon request and at no charge only when such request is made in order to investigate claims of unauthorized changes initiated by an end user.
- 17.3 When an end user changes or withdraws authorization, each Party will release customer specific facilities in accordance with the end user customer's directions, or the directions of the end user's agent. Further, when an end user abandons the premise, SWBT is free to reclaim the facilities for use by another customer and is free to issue service orders required to reclaim such facilities.

- 17.4 Neither Party shall be obligated by this Agreement to investigate any allegations of unauthorized changes in local exchange services (“slamming”) on behalf of the other Party or a third Party. If either Party, on behalf of the other Party, agrees to investigate an alleged incidence of slamming, the requesting party will provide the billed telephone number and information adequate to allow the other Party to investigate the incidence, and that Party shall charge the other Party a mutually agreed investigation fee.

18.0 Amendments or Waivers

- 18.1 Except as otherwise provided in this Agreement, no amendment or waiver of any provision of this Agreement and no consent to any default under this Agreement will be effective unless the same is in writing and signed by an officer of the Party against whom such amendment, waiver or consent is claimed. In addition, no course of dealing or failure of a Party strictly to enforce any term, right or condition of this Agreement will be construed as a waiver of such term, right, or condition. By entering into this Agreement, the Parties do not waive any right granted to them pursuant to the Act; however, the Parties enter into this Agreement without prejudice to any positions they have taken previously, or may take in the future in any legislative, regulatory or other public forum addressing any matters, including matters related to the types of arrangements prescribed by this Agreement.

19.0 Authority

- 19.1 Each person whose signature appears below represents and warrants that he or she has authority to bind the Party on whose behalf he or she has executed this Agreement.

20.0 Binding Effect

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

21.0 Consent

- 21.1 Where consent, approval, or mutual agreement is required of a Party, it will not be unreasonably withheld or delayed.

22.0 Expenses

- 22.1 Except as specifically set out in this Agreement, each party will be solely responsible for its own expenses involved in all activities related to the subject of this Agreement.

23.0 Headings

- 23.1 The headings in this Agreement are inserted for convenience and identification only and will not be considered in the interpretation of this Agreement.

24.0 Relationship of Parties

- 24.1 This Agreement will not establish, be interpreted as establishing, or be used by either party to establish or to represent their relationship as any form of agency, partnership or joint venture. Neither Party will have any authority to bind the other or to act as an agent for the other unless written authority, separate from this Agreement, is provided. Nothing in the Agreement will be construed as providing for the sharing of profits or losses arising out of the efforts of either or both of the Parties. Nothing herein will be construed as making either Party responsible or liable for the obligations and undertakings of the other Party.

25.0 Conflict of Interest

- 25.1 The Parties represent that no employee or agent of either Party has been or will be employed, retained, paid a fee, or otherwise received or will receive any personal compensation or consideration from the other Party, or any of the other Party's employees or agents in connection with the arranging or negotiation of this Agreement or associated documents.

26.0 Multiple Counterparts

- 26.1 This Agreement may be executed in multiple counterparts, each of which will be deemed an original but all of which will together constitute but one, and the same document.

27.0 Third Party Beneficiaries

- 27.1 Except as may be specifically set forth in this Agreement, this Agreement does not provide and will not be construed to provide third parties with any remedy, claim, liability, reimbursement, cause of action, or other privilege.

28.0 Regulatory Approval

- 28.1 Each Party agrees to cooperate with the other and with any regulatory agency to obtain regulatory approval. During the term of this Agreement, each Party agrees to continue to cooperate with each other and any regulatory agency so that the benefits of this Agreement may be achieved.

29.0 Trademarks and Trade Names

- 29.1 Except as specifically set out in this Agreement, nothing in this Agreement will grant, suggest, or imply any authority for one Party to use the name, trademarks, service marks, or trade names of the other for any purpose whatsoever, absent written consent of the other Party.

30.0 Regulatory Authority

- 30.1 SWBT will be responsible for obtaining and keeping in effect all Federal Communications Commission, state regulatory commission, franchise authority and other regulatory approvals that may be required in connection with the performance of its obligations under this Agreement. Sprint will be responsible for obtaining and keeping in effect all Federal Communications Commission, state regulatory commission, franchise authority and other regulatory approvals that may be required in connection with its offering of services to Sprint Customers contemplated by this Agreement. Sprint will reasonably cooperate with SWBT in obtaining and maintaining any required approvals for which SWBT is responsible, and SWBT will reasonably cooperate with Sprint in obtaining and maintaining any required approvals for which Sprint is responsible.
- 30.2 SWBT will not, of its own volition, file a tariff or make another similar filing which supersedes this Agreement in whole or in part. SWBT will make no filings which are inconsistent with this commitment. This Section is not intended to apply to any SWBT tariffs or filings which do not affect Sprint's rights or SWBT's obligations to Sprint under this Agreement. This Section does not impair SWBT's right to file tariffs nor does it impair SWBT's right to file tariffs proposing new products and services and changes in the prices, terms and conditions of existing products and services, including discontinuance or grandfathering of existing features or services, of any telecommunications services that SWBT provides or hereafter provides to Sprint under this Agreement pursuant to the provision of Attachment 1: Resale, nor does it impair Sprint's right to contest such tariffs before the appropriate Commission.
- 30.3 In the event that SWBT is required by any governmental authority to file a tariff or make another similar filing in connection with the performance of any action that would otherwise be governed by this Agreement, SWBT will provide Sprint notice of the same.

- 30.4 If any tariff referred to in Section 30.3 becomes ineffective by operation of law, through deregulation or otherwise, the terms and conditions of such tariffs, as of the date on which the tariffs became ineffective, will be deemed incorporated if not inconsistent with this Agreement.

31.0 Verification Reviews

- 31.1 Subject to each Party's reasonable security requirements and except as may be otherwise specifically provided in this Agreement, either Party may audit the other Party's books, records and other documents once in each Contract Year for the purpose of evaluating the accuracy of the other Party's billing and invoicing. The Parties may employ other persons or firms for this purpose. Such audit will take place at a time and place agreed on by the Parties no later than thirty (30) days after notice thereof.
- 31.2 Each Party will promptly correct any billing error that is revealed in an audit, including making refund of any overpayment by the other Party in the form of a credit on the invoice for the first full billing cycle after the Parties have agreed upon the accuracy of the audit results. Any disputes concerning audit results will be resolved pursuant to the Dispute Resolution procedures described in Section 9 of this Agreement.
- 31.3 Each Party will cooperate fully in any such audit, providing reasonable access to any and all appropriate employees and books, records and other documents reasonably necessary to assess the accuracy of the Party's bills.
- 31.4 Either Party may audit the other Party's books, records and documents more than once during any Contract Year if the previous audit found previously uncorrected net variances or errors in invoices in the other Party's favor with an aggregate value of at least two percent (2%) of the amounts payable by Sprint for Resale services, Network Elements provided during the period covered by the audit.
- 31.5 Audits will be at the auditing Party's expense.
- 31.6 Upon (i) the discovery by either Party of overcharges not previously reimbursed to the other Party or (ii) the resolution of disputed audits, the affected Party will promptly reimburse the other Party the amount of any overpayment times the commercial paper rate applicable on the last day of the month preceding the month of discovery or resolution as above. In no event, however, will interest be assessed on any previously assessed or accrued late payment charges.
- 31.7 Sprint may require that, at the end of the first year of implementation of this Agreement, SWBT submit to an audit or examination of services performed under the interconnection

agreement. Subsequent to the first year of implementation, Sprint may require that audits or examinations be performed if: (1) Sprint can show cause that it has a commercially reasonable basis to seek an audit or examination; and (2) the request for audit or examination specifically defines the particular services that it seeks to audit or examine. All audits requested by Sprint under this section shall be conducted at its expense. The dispute resolution provisions of this Agreement shall be used to resolve disputes arising concerning requests for audits or examinations, or the results of the audits or examinations.

- 31.8 From the Effective Date of this Agreement through April 1, 1998, SWBT may audit Sprint's operations, books, records, and other documents related to the development of the percent local usage (PLU) to be used to measure and settle untransmitted calling party numbers (CPN) in connection with Attachment 12: Compensation. SWBT will bear the reasonable expenses associated with this inspection.
- 31.9 Information obtained or received by Sprint in conducting the inspections described in Section 31.7 and information obtained or received by either Party in connection with Sections 31.1 through 31.6 and 31.8 will be subject to the confidentiality provisions of Section 6 of this Agreement.

32.0 Complete Terms

- 32.1 This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any prior agreements, representations, statements, negotiations, understandings, proposals or undertakings, oral or written, with respect to the subject matter expressly set forth herein.
- 32.2 Neither Party will be bound by an amendment, modification or additional term unless it is reduced to writing signed by an authorized representative of the Party sought to be bound.

33.0 Cooperation on Preventing End User Fraud

- 33.1 The Parties agree to 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.
- 33.2 In cases of suspected fraudulent activity by an end user, at a minimum, the cooperation referenced in the above paragraph will include providing to the other Party, upon request, information concerning end users who terminate services to that Party without paying all outstanding charges. The Party seeking such information is responsible for securing the end user's permission to obtain such information.

34.0 Notice of Network Changes

- 34.1 SWBT agrees to provide Sprint reasonable notice consistent with applicable FCC rules of changes in the information necessary for the transmission and routing of services using SWBT's facilities or networks, as well as other changes that affect the interoperability of those respective facilities and networks. This Agreement is not intended to limit SWBT's ability to upgrade its network through the incorporation of new equipment, new software or otherwise so long as such upgrades are not inconsistent with SWBT's obligations to Sprint under the terms of this Agreement.

35.0 Good Faith Performance

- 35.1 In the performance of their obligations under this Agreement the Parties will act in good faith and consistently with the intent of the Act. Where notice, approval or similar action by a Party is permitted or required by any provision of this Agreement, (including, without limitation, the obligation of the parties to further negotiate the resolution of new or open issues under this Agreement) such action will not be unreasonably delayed, withheld or conditioned.

36.0 Responsibility of Each Party

- 36.1 Each Party is an independent contractor, and has and hereby retains the right to exercise full control of and supervision over its own performance of its obligations under this Agreement and retains full control over the employment, direction, compensation and discharge of its employees assisting in the performance of such obligations. Each Party will be solely responsible for all matters relating to payment of such employees, including compliance with social security taxes, withholding taxes and all other regulations governing such matters. Each party will be solely responsible for proper handling, storage, transport and disposal at its own expense of all (i) substances or materials that it or its contractors or agents bring to, create or assume control over at Work Locations or, (ii) Waste resulting therefrom or otherwise generated in connection with its or its contractors' or agents' activities at the Work Locations. Subject to the limitations on liability and except as otherwise provided in this Agreement, each Party will be responsible for (i) its own acts and performance of all obligations imposed by applicable law in connection with its activities, legal status and property, real or personal and, (ii) the acts of its own affiliates, employees, agents and contractors during the performance of the Party's obligations hereunder.

37.0 Transmission of Traffic to Third Parties

- 37.1 Sprint will not send to SWBT local traffic that is destined for the network of a third party unless Sprint has the authority to exchange traffic with that third party.

38.0 Governmental Compliance

- 38.1 Sprint and SWBT each will comply at its own expense with all applicable law related to i) its obligations under or activities in connection with this Agreement; of ii) its activities undertaken at, in connection with or relating to Work Locations. Sprint and SWBT each agree to indemnify, defend, (at the other party's request) and save harmless the other, each of its officers, directors and employees from and against any losses, damages, claims, demands, suits, liabilities, fines, penalties, and expenses (including reasonable attorneys' fees) that arise out of or result from i) its failure or the failure of its contractors or agents to so comply or ii) any activity, duty or status of it or its contractors or agents that triggers any legal obligation to investigate or remediate environmental contamination. SWBT, at its own expense, will be solely responsible for obtaining from governmental authorities, building owners, other carriers, and any other persons or entities, all rights and privileges (including, but not limited to, space and power), which are necessary for SWBT to provide the Network Elements and Resale services pursuant to this Agreement.

39.0 Responsibility for Environmental Contamination

- 39.1 Sprint will in no event be liable to SWBT for any costs whatsoever resulting from the presence or Release of any Environmental Hazard which Sprint did not introduce to, or knowingly use, the affected Work Location. SWBT will indemnify, defend (at Sprint's request) and hold harmless Sprint, each of its officers, directors and employees from and against any losses, damages, claims, demands, suits, liabilities, fines, penalties and expenses (including reasonable attorneys' fees) that arise out of or result from (i) any Environmental Hazard that SWBT, its contractors or agents introduce to the Work locations or (ii) the presence or Release of any Environmental Hazard for which SWBT is responsible under applicable law. SWBT's obligation to indemnify will be commensurate with the degree to which SWBT or its agents caused or contributed to the loss, damages, claims, demands, suits, liabilities, fines, penalties and expenses.
- 39.2 SWBT will in no event be liable to Sprint for any costs whatsoever resulting from the presence or Release of any Environmental Hazard that SWBT did not introduce to, or knowingly use at, the affected Work Location. Sprint will indemnify, defend (at SWBT's request) and hold harmless SWBT, each of its officers, directors and employees from and against any losses, damages, claims, demands, suits, liabilities, fines, penalties and expenses (including reasonable attorneys' fees) that arise out of or result from i) any Environmental Hazard that Sprint, its contractors or agents introduce to the Work Locations or ii) the presence or Release of any Environmental Hazard for which Sprint is responsible under applicable law. Sprint's obligation to indemnify will be commensurate

with the degree to which Sprint or its agents caused or contributed to the loss, damages, claims, demands, suits, liabilities, fines, penalties and expenses.

40.0 Subcontracting

- 40.1 If any obligation is performed through a subcontractor, each party will remain fully responsible for the performance of this Agreement in accordance with its terms, including any obligations either party performs through subcontractors, and each party will be solely responsible for payments due the party's subcontractors. No contract, subcontract or other Agreement entered into by either Party with any third party in connection with the provision of Resale services or Network Elements hereunder will provide for any indemnity, guarantee or assumption of liability by, or other obligation of, the other Party to this Agreement with respect to such arrangement, except as consented to in writing by the other Party. No subcontractor will be deemed a third party beneficiary for any purposes under this Agreement. Any subcontractor who gains access to CPNI or Confidential Information covered by this Agreement will be required by the subcontracting Party to protect such CPNI or Confidential Information to the same extent the subcontracting Party is required to protect the same under the terms of this Agreement.

41.0 Referenced Documents

- 41.1 Whenever any provision of this Agreement refers to a technical reference, technical publication, Sprint Practice, SWBT Practice, any publication of telecommunications industry administrative or technical standards, or any other document specifically incorporated into this Agreement, it will be deemed to be a reference to the most recent version or edition (including any amendments, supplements, addenda, or successors) of each document that is in effect, and will include the most recent version or edition (including any amendments, supplements, addenda, or successors) of each document incorporated by reference in such a technical reference, technical publication, Sprint Practice, SWBT Practice, or publication of industry standards.

42.0 Severability

- 42.1 If any term, condition or provision of this Agreement is held to be invalid or unenforceable for any reason, such invalidity or unenforceability will not invalidate the entire Agreement, unless such construction would be unreasonable. The Agreement will be construed as if it did not contain the invalid or unenforceable provision or provisions, and the rights and obligations of each party will be construed and enforced accordingly; provided, however, that in the event such invalid or unenforceable provision or provisions are essential elements of this Agreement and substantially impair the rights or obligations of either Party, the Parties will promptly negotiate a replacement provision or provisions.

If impasse is reached, the Parties will resolve said impasse under the dispute resolution procedures set forth in Section 9.5.2.

43.0 Survival of Obligations

- 43.1 Any liabilities or obligations of a Party for acts or omissions prior to the cancellation or termination of this Agreement, any obligation of a Party under the provisions regarding indemnification, Confidential Information, limitations on liability, and any other provisions of this Agreement which, by their terms, are contemplated to survive (or to be performed after) termination of this Agreement, will survive cancellation or termination thereof.

44.0 Governing Law

- 44.1 The validity of this Agreement, the construction and enforcement of its terms, and the interpretation of the rights and duties of the Parties will be governed by the laws of the State of Missouri other than as to conflicts of laws, except insofar as federal law may control any aspect of this Agreement, in which case federal law will govern such aspect. The Parties submit to personal jurisdiction in Jefferson City, Missouri, and waive any and all objections to a Missouri venue.

45.0 Performance Criteria

- 45.1 Specific provisions governing failure to meet Performance Criteria are contained in Attachment 17: Failure to meet Performance Criteria.

46.0 Other Obligations of Sprint

- 46.1 For the purposes of establishing service and providing efficient and consolidated billing to Sprint, Sprint is required to provide SWBT its authorized and nationally recognized Operating Company Number (OCN).

47.0 Dialing Parity; Interim Number Portability

- 47.1 SWBT will ensure that all Sprint Customers experience the same dialing parity as similarly-situated customers of SWBT services, such that, for all call types: (i) a Sprint Customer is not required to dial any greater number of digits than a similarly-situated SWBT customer; (ii) the post-dial delay (time elapsed between the last digit dialed and the first network response), call completion rate and transmission quality experienced by a Sprint Customer is at least equal in quality to that experienced by a similarly-situated SWBT customer; and (iii) the Sprint Customer may retain its local telephone number. SWBT further agrees to provide Interim Number Portability in accordance with the

requirements of the Act. Specific requirements concerning Interim Number Portability are set forth in Attachment 14: Interim Number Portability.

48.0 Branding

48.1 Specific provisions concerning the branding of services provided to Sprint by SWBT under this Agreement are contained in the following Attachments and Appendices to this Agreement: Attachment 1: Resale; Appendix OS-Resale; Appendix DA-Resale; Attachment 2: Ordering & Provisioning-Resale; Attachment 3: Maintenance-Resale; Attachment 7: Ordering & Provisioning-Unbundled Network Elements; Attachment 8: Maintenance-Unbundled Network Elements.

49.0 Customer Inquiries

49.1 Each Party will refer all questions regarding the other Party's services or products directly to the other Party at a telephone number specified by that Party.

49.2 Each Party will ensure that all of their representatives who receive inquiries regarding the other Party's services: (i) provide the numbers described in Section 49.1 to callers who inquire about the other Party's services or products; and (ii) do not in any way disparage or discriminate against the other Party or its products or services.

50.0 Disclaimer of Warranties

50.1 TO THE EXTENT CONSISTENT WITH ITS OBLIGATIONS UNDER THE ACT, SWBT MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR INTENDED OR PARTICULAR PURPOSE WITH RESPECT TO SERVICES PROVIDED HEREUNDER.

51.0 No Waiver

51.1 Sprint's agreement herein to accept less than fully operational electronic interfaces to operations support systems functions on and after January 1, 1997, will not be deemed a waiver of Section 251(c)(3) of the Act to receive such interfaces on that date.

52.0 Effect of Other Agreements

52.1 If, at any time while this Agreement is in effect, SWBT provides arrangements similar to those described herein to a third party, pursuant to an approved interconnection

agreement or tariff, on terms different from those available under this Agreement, then Sprint may opt to adopt any rates, terms, and conditions offered to the third party in place of specific rates, terms, and conditions otherwise applicable under this Agreement for its own arrangements with SWBT¹, if Sprint is similarly situated. Evidence of not being similarly situated would include cost based volume discounts, term discounts, significant differences in operational support interfaces, technical, sequential support feasibility, geographic deaveraging and location by state.

- 52.2 In addition, if SWBT 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, SWBT shall make available to Sprint such interconnection, service or unbundled element on an element-by-element or service-by-service basis, to the extent Sprint is similarly situated².

53.0 Definitions

- 53.1 For purposes of this Agreement, certain terms have been defined in this Agreement to encompass meanings that may differ from, or be in addition to, the normal connotation of the defined word. Unless the context clearly indicates otherwise, any term defined or used in the singular will include the plural. The words "will" and "shall" are used interchangeably throughout this Agreement and the use of either connotes a mandatory requirement. The use of one or the other will not mean a different degree of right or obligation for either Party. A defined word intended to convey its special meaning is capitalized when used. Other terms that are capitalized and not defined in this Agreement will have the meaning in the Act.

54.0 Resale

- 54.1 At the request of Sprint, and pursuant to the requirements of the Act, any telecommunications service that SWBT currently provides or hereafter offers to any customer in the geographic area where SWBT is the incumbent LEC will be made available to Sprint by SWBT for Resale in accordance with the terms, conditions and prices set forth in this Agreement. Specific provisions concerning Resale are addressed in Attachment 1: Resale, and other applicable Attachments.

¹Provided, however, a blended rate cannot be used in place of an individual tandem or end office rate.

²For example, offerings such as White Pages, Operator Services and Directory Assistance are considered services.

55.0 Unbundled Network Elements

- 55.1 At the request of Sprint and pursuant to the requirements of the Act, SWBT will offer in the geographic area where SWBT is the incumbent LEC Network Elements to Sprint on an unbundled basis on rates, terms and conditions set forth in this Agreement that are just, reasonable, and non-discriminatory. Specific Provisions concerning Unbundled Network Elements are addressed in Attachment 6: Unbundled Network Elements, and other applicable Attachments.

56.0 Ordering and Provisioning, Maintenance, Connectivity Billing and Recording, and Provision of Customer Usage Data

- 56.1 In connection with its Resale of services to Sprint, SWBT agrees to provide to Sprint Ordering and Provisioning Services, Maintenance Services, Connectivity Billing and Recording Services and Provision of Customer Usage Data Services pursuant to the terms specified in Attachments 2, 3, 4 and 5, respectively.
- 56.2 In connection with its furnishing Unbundled Networks Elements to Sprint, SWBT agrees to provide to Sprint Ordering and Provisioning Services, Maintenance services, Connectivity Billing and Recording services and Provision of Customer Usage Data services pursuant to the terms specified in Attachments 7, 8, 9 and 10, respectively.

57.0 Network Interconnection Architecture

- 57.1 Where the Parties interconnect their networks, for purposes of exchanging traffic between their networks, the Parties agree to utilize the interconnection methods specified in Attachment 11: Network Interconnection Architecture. SWBT expressly recognizes that this provision and said Attachment are in no way intended to impair in any way Sprint's right to interconnect with unbundled Network Elements furnished by SWBT at any technically feasible point within SWBT's network, as provided in the Act.

58.0 Compensation for Delivery of Traffic

- 58.1 The Parties agree to compensate each other for the transport and termination of traffic as provided in Attachment 12: Compensation.

59.0 Ancillary Functions

- 59.1 Ancillary Functions may include, but are not limited to, Collocation, Rights-of-Way, Conduit and Pole Attachments. SWBT agrees to provide Ancillary Functions to Sprint as set forth in Attachment 13: Ancillary Functions.

60.0 Intentionally left blank.

61.0 Intentionally left blank

62.0 Other Requirements and Attachments

- 62.1 This Agreement incorporates a number of listed Attachments which, together with their associated Appendices, Exhibits, and Addenda, constitute the entire Agreement between the Parties. In order to facilitate use and comprehension of the Agreement, the Attachments have been grouped under the following broad headings: Resale; Unbundled Network Elements; Network Interconnection Architecture; Ancillary Functions; and Other Requirements. It is understood that these groupings are for convenience of reference only, and are not intended to limit the applicability which any particular Attachment may otherwise have.
- 62.2 Appended to this Agreement and incorporated herein are the Attachments listed below. To the extent that any definitions, terms or conditions in any given Attachment differ from those contained in the main body of this Agreement, those definitions, terms or conditions will supersede those contained in the main body of this Agreement, with the exception of those listed Section 8, Payment of Rates and Charges, but only in regard to the services or activities listed in that particular Attachment. In particular, if an Attachment contains a term length that differs from the term length in the main body of this Agreement, the term length of that Attachment will control the length of time that services or activities are to occur under the Attachment, but will not affect the term length of the remainder of this Agreement, except as may be necessary to interpret the Attachment.

Resale

Attachment 1: Resale

Appendix Services/Pricing

Exhibit A: SWBT's Telecommunications Services Available for Resale

Exhibit B: SWBT's Other Services Available for Resale

Appendix Customized Routing-Resale

Appendix DA-Resale

Appendix OS-Resale

Appendix White Pages (WP)-Resale

Attachment 2: Ordering and Provisioning-Resale

Attachment 3: Maintenance-Resale

Attachment 4: Connectivity Billing-Resale

Attachment 5: Provision of Customer Usage Data-Resale

Unbundled Network Elements

Attachment 6: Unbundled Network Elements (UNE)

Appendix Pricing-UNE

Appendix Pricing-UNE Schedule of Prices

Attachment 7: Ordering and Provisioning-UNE

Exhibit A-Electronic Ordering and Provisioning-UNE

Attachment 8: Maintenance-UNE

Attachment 9: Billing-Other

Attachment 10: Provision of Customer Usage Data-UNE

Network Interconnection Architecture and Compensation

Attachment 11: Network Interconnection Architecture

Appendix Interconnection Trunking Requirement (ITR)

Appendix Network Interconnection Methods (NIM)

Appendix SS7 Interconnection

Attachment 12: Compensation

Appendix Cellular

Appendix FGA

Ancillary Functions

Attachment 13: Ancillary Functions

Appendix Collocation

Appendix Poles, Conduit, ROW

Other Requirements

- Attachment 14: Interim Number Portability
- Attachment 15: E911
- Attachment 16: Network Security and Law Enforcement
- Attachment 17: Failure to Meet Performance Criteria
- Attachment 18: Mutual Exchange of Directory Listing Information
- Attachment 19: White Pages-Other (WP-O)
- Attachment 20: Clearinghouse
- Attachment 21: Numbering
- Attachment 22: DA-Facilities Based
- Attachment 23: OS-Facilities Based
- Attachment 24: Recording-Facilities Based

THIS AGREEMENT CONTAINS A BINDING ARBITRATION PROVISION WHICH
MAY BE ENFORCED BY THE PARTIES.

W. Richard Morris
Sign and Print Name: Date 6-30-98
W. Richard Morris

Vice President - Local
Market Integration

Position/Title
Sprint Communications Company L.P.

Sandra Kinney
Sign and Print Name: Date 6-29-98

V.P. and General Manager
Industry Markets

Position/Title
**Southwestern Bell Telephone
Company**