

11. AUDITS – Applicable in SBC-12STATE only

11.1 Subject to the restrictions set forth in Section 20 and except as may be otherwise expressly provided in this Agreement, a Party (the "Auditing Party") may audit the other Party's (the "Audited Party") books, records, data and other documents, as provided herein, once annually, with the audit period commencing not earlier than the date on which services were first supplied under this Agreement ("service start date") for the purpose of evaluating (i) the accuracy of Audited Party's billing and invoicing of the services provided hereunder and (ii) verification of compliance with any provision of this Agreement that affects the accuracy of Auditing Party's billing and invoicing of the services provided to Audited Party hereunder. Notwithstanding the foregoing, an Auditing Party may audit the Audited Party's books, records and documents more than once annually if the previous audit found (i) previously uncorrected net variances or errors in invoices in Audited Party's favor with an aggregate value of at least five percent (5%) of the amounts payable by Auditing Party for audited services provided during the period covered by the audit or (ii) non-compliance by Audited Party with any provision of this Agreement affecting Auditing Party's billing and invoicing of the services provided to Audited Party with an aggregate value of at least five percent (5%) of the amounts payable by Audited Party for audited services provided during the period covered by the audit.

11.1.1 The scope of the audit shall be limited to the period which is the shorter of (i) the period subsequent to the last day of the period covered by the audit which was last performed (or if no audit has been performed, the service start date and (ii) the twelve (12) month period immediately preceding the date the Audited Party received notice of such requested audit, but in any event not prior to the service start date. Such audit shall begin no fewer than thirty (30) days after Audited Party receives a written notice requesting an audit and shall be completed no later than ninety (90) days after the start of such audit, unless the Auditing Party gives thirty (30) days advanced written notice to the Audited Party of a request to extend the period of the audit for a specified period of time and the reason for such request. The Audited Party shall not unreasonably withhold consent to such extension. Disputes over such extension requests shall be governed by the Dispute Resolution procedures of this Agreement.

11.1.2 Such audit shall be conducted either by the Auditing Party's employee(s), contractors, or an independent auditor acceptable to both Parties; provided, however, if the Audited Party requests that an independent auditor be engaged and the Auditing Party agrees, the Audited Party shall pay one-quarter (1/4) of the independent auditor's fees and expenses. If an independent auditor is to be engaged, the Parties shall select an auditor by the thirtieth day following Audited Party's receipt of a written audit notice.

Auditing Party shall cause the independent auditor to execute a nondisclosure agreement in a form agreed upon by the Parties.

- 11.1.3. Each audit shall be conducted on the premises of the Audited Party during normal business hours. Audited Party shall cooperate fully in any such audit and shall provide the auditor reasonable access to any and all appropriate Audited Party employees and any books, records and other documents reasonably necessary to assess (i) the accuracy of Audited Party's bills and (ii) Audited Party's compliance with the provisions of this Agreement that affect the accuracy of Auditing Party's billing and invoicing of the services provided to Audited Party hereunder, Audited Party may redact from the books, records and other documents provided to the auditor any Audited Party Proprietary Information that reveals the CPNI of End Users of other than that of the Auditing Party, or Carrier Proprietary Information.
- 11.1.4 Each Party shall maintain reports, records and data relevant to the billing of any services that are the subject matter of this Agreement for a period of not less than twenty-four (24) months after the creation thereof, unless a longer period is required by Applicable Law.
- 11.1.5 If any audit confirms any undercharge or overcharge, then Audited Party shall (i) promptly correct any billing error, including making refund of any overpayment by Auditing 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 and (ii) for any undercharge caused by the actions of the Audited Party, immediately compensate Auditing Party for such undercharge, and (iii) in each case, calculate and pay interest as provided in Section 8.1 (depending on the SBC Parties involved), for the number of days from the date on which such undercharge or overcharge originated until the date on which such credit is issued or payment is made and available.
- 11.1.6 If any audit confirms any material process flaws that undermine the Audited Party's ability to adhere to or comply with the terms of this Agreement, the Audited Party shall promptly, at its expense, initiate action to rectify such flaws, and shall provide documentation to the Auditing Party as to its intended actions. If either Party believes that the other Party is not acting in good faith, it may seek remedy through the Dispute Resolution provisions set forth in Section 10 above.
- 11.1.7 Except as may be otherwise provided in this Agreement, audits shall be performed at Auditing Party's expense, subject to reimbursement by Audited Party of one-quarter (1/4) of any independent auditor's fees and expenses in the event that an audit finds, and the Parties subsequently

verify, a net adjustment in the charges paid or payable by Auditing Party hereunder by an amount that is, on an annualized basis, greater than five percent (5%) of the aggregate charges for the audited services during the period covered by the audit.

- 11.1.8 Any disputes concerning audit results shall be referred to the Parties' respective personnel responsible for informal resolution. If these individuals cannot resolve the dispute within thirty (30) calendar days of the referral, either Party may request in writing that an additional audit shall be conducted by an independent auditor acceptable to both Parties, subject to the requirements set out in Section 11.1. Any additional audit shall be at the requesting Party's expense.

11.2 Audits - SNET only

- 11.2.1 Except as provided in Appendix Compensation, SNET shall arrange for one (1) annual independent audit to be conducted by a "Big Six" independent public accounting firm or an accounting firm mutually agreed to by SNET, SPRINT and all other CLECs doing business with SNET under the terms of an agreement adopted pursuant to Sections 251 and 252 of the Act for the purpose of evaluating the accuracy of SNET's billing and invoicing.
- 11.2.2 SNET will cooperate fully with the independent auditor in such audit and provide reasonable access to any and all appropriate SNET employees, books, records and other documents reasonably necessary to perform the audit.
- 11.2.3 SNET shall promptly correct any billing error that is revealed in the audit, including making refund of any overpayment to SPRINT in the form of a credit on the invoice for the first full billing cycle after the audit report is issued; such refund shall include interest on the overpayment at the rate of eight percent (8%) per year. In the event that the audit reveals any underbilling and resulting underpayment to SNET by SPRINT, the underpayment shall be reflected in SPRINT's invoice for the first full billing cycle after the audit report is issued. SNET will not be entitled to recover interest on any underbilling to SPRINT revealed by the audit for the time preceding the amount appearing on SPRINT's bill from SNET, however, SNET shall be entitled to recover interest at the interest rate referenced in Section 8.1.5.1 on such underbilling and SPRINT shall pay interest for the number of days from the Bill Due Date of the bill on which such underbilling was rectified until the date on which payment is made and available to SNET.

12. DISCLAIMER OF REPRESENTATIONS AND WARRANTIES

12.1 EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT, NO PARTY MAKES OR RECEIVES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE INTERCONNECTION, RESALE SERVICES, NETWORK ELEMENTS, FUNCTIONS, FACILITIES, PRODUCTS AND SERVICES IT PROVIDES UNDER OR IS CONTEMPLATED TO PROVIDE UNDER THIS AGREEMENT AND EACH PARTY DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR OF FITNESS FOR A PARTICULAR PURPOSE. ADDITIONALLY, NEITHER SBC-13STATE NOR SPRINT ASSUMES RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY THE OTHER PARTY WHEN SUCH DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD PARTY.

13. LIMITATION OF LIABILITY

13.1 Except for indemnity obligations expressly set forth herein or as otherwise expressly provided in specific appendices, each Party's liability to the other Party for any Loss relating to or arising out of such Party's performance under this Agreement, including any negligent act or omission (whether willful or inadvertent), whether in contract, tort or otherwise, including alleged breaches of this Agreement and causes of action alleged to arise from allegations that breach of this Agreement also constitute a violation of a statute, including the Act, shall not exceed in total the amount SBC-13STATE or SPRINT has charged or would have charged to the other Party for the affected Interconnection, Resale Services, Network Elements, functions, facilities, products and service(s) that were not performed or were improperly performed.

13.2 Except as otherwise expressly provided in specific appendices, in the case of any Loss alleged or claimed by a Third Party to have arisen out of the negligence or willful misconduct of any Party, each Party shall bear, and its obligation shall be limited to, that portion (as mutually agreed to by the Parties or as otherwise established) of the resulting expense caused by its own negligence or willful misconduct or that of its agents, servants, contractors, or others acting in aid or concert with it.

13.3 A Party may, in its sole discretion, provide in its tariffs and contracts with its End Users or Third Parties that relate to any Interconnection, Resale Services, Network Elements, functions, facilities, products and services provided or contemplated under this Agreement that, to the maximum extent permitted by Applicable Law, such Party shall not be liable to such End User or Third Party for (i) any Loss relating to or arising out of this Agreement, whether in contract, tort or otherwise,

that exceeds the amount such Party would have charged the End User or Third Party for the Interconnection, Resale Services, Network Elements, functions, facilities, products and services that gave rise to such Loss and (ii) any Consequential Damages. If a Party elects not to place in its tariffs or contracts such limitation(s) of liability, and the other Party incurs a Loss as a result thereof, the first Party shall indemnify and reimburse the other Party for that portion of the Loss that would have been limited had the first Party included in its tariffs and contracts the limitation(s) of liability described in this Section 13.3.

- 13.4 Except for indemnity obligations or as otherwise provided in specific attachments under this Agreement, neither **SPRINT** nor **SBC-13STATE** shall be liable to the other Party for any Consequential Damages suffered by the other Party, regardless of the form of action, whether in contract, warranty, strict liability, tort or otherwise, including negligence of any kind, whether active or passive (and including alleged breaches of this Agreement and causes of action alleged to arise from allegations that breach of this Agreement constitutes a violation of the Act or other statute), and regardless of whether the Parties knew or had been advised of the possibility that such damages could result in connection with or arising from anything said, omitted, or done hereunder or related hereto, including willful acts or omissions; provided that the foregoing shall not limit a Party's obligation under Section 14, to indemnify, defend, and hold the other Party harmless against any amounts payable to a Third Party, including any Losses, and Consequential Damages of such Third Party; provided, however, that nothing in this Section 13.4 shall impose indemnity obligations on a Party for any Loss or Consequential Damages suffered by a Party's End User in connection with any affected Interconnection, Resale Services, Network Elements, functions, facilities, products and services. Except as provided in the prior sentence, each Party ("Indemnifying Party") hereby releases and holds harmless the other Party ("Indemnitee") (and Indemnitee's Affiliates, and its respective officers, directors, employees and agents) against any Loss or such Claim made by the Indemnifying Party's End User.
- 13.5 **SBC-13STATE** shall not be liable for damages to a End User's premises resulting from the furnishing of any Interconnection, Resale Services, Network Elements, functions, facilities, products or services, including, if applicable, the installation and removal of equipment and associated wiring, unless the damage is caused by **SBC-13STATE**'s **negligence** gross negligence or willful misconduct. **SBC-13STATE** does not guarantee or make any warranty with respect to Interconnection, Resale Services, Network Elements, functions, facilities, products or services when used in an explosive atmosphere.

- 13.6 SPRINT hereby releases SBC-13STATE from any and all liability for damages due to errors or omissions in SPRINT's End User listing information as provided by SPRINT to SBC-13STATE under this Agreement, including any errors or omissions occurring in SPRINT's End User listing information as it appears in the White Pages directory, including, but not limited to, special, indirect, Consequential, punitive or incidental damages.
- 13.7 SBC-13 STATE shall not be liable to SPRINT, its End User or any other Person for any Loss alleged to arise out of the provision of access to 911 service or any errors, interruptions, defects, failures or malfunctions of 911 service.
- 13.8 This Section 13 is not intended to exempt any Party from all liability under this Agreement, but only to set forth the scope of liability agreed to and the type of damages that are recoverable. It is SBC-13STATE's position that it negotiated regarding alternate limitation of liability provisions but that such provisions would have altered the cost, and thus the price, of Interconnection, Resale Services, Network Elements, functions, facilities, products and services available hereunder, and no different pricing reflecting different costs and different limits of liability was agreed to.

14. INDEMNITY

- 14.1 Except as otherwise expressly provided herein or in specific appendices, each Party shall be responsible only for the Interconnection, Resale Services, Network Elements, functions, facilities, products and services which are provided by that Party, its authorized agents, subcontractors, or others retained by such Parties, and neither Party shall bear any responsibility for the Interconnection, Resale Services, Network Elements, functions, facilities, products and services provided by the other Party, its agents, subcontractors, or others retained by such Parties.
- 14.2 Except as otherwise expressly provided herein or in specific appendices, and to the extent not prohibited by Applicable Law and not otherwise controlled by tariff, each Party (the "Indemnifying Party") shall release, defend and indemnify the other Party (the "Indemnified Party") and hold such Indemnified Party harmless against any Loss to a Third Party arising out of the negligence or willful misconduct ("Fault") of such Indemnifying Party, its agents, its End Users, contractors, or others retained by such Parties, in connection with the Indemnifying Party's provision of Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement; provided, however, that (i) with respect to employees or agents of the Indemnifying Party, such Fault occurs while performing within the scope of their employment, (ii) with respect to subcontractors of the Indemnifying Party, such Fault occurs in the course of performing duties of the subcontractor under its subcontract with the Indemnifying Party, and (iii) with respect to the Fault of

employees or agents of such subcontractor, such Fault occurs while performing within the scope of their employment by the subcontractor with respect to such duties of the subcontractor under the subcontract.

14.3 In the case of any Loss alleged or claimed by a End User of either Party, the Party whose End User alleged or claimed such Loss (the "Indemnifying Party") shall defend and indemnify the other Party (the "Indemnified Party") against any and all such Claims or Losses by its End User regardless of whether the underlying Interconnection, Resale Service, Network Element, function, facility, product or service giving rise to such Claim or Loss was provided or provisioned by the Indemnified Party, unless the Claim or Loss was caused by the negligence, gross negligence or willful misconduct of the Indemnified Party.

14.4 A Party (the "Indemnifying Party") shall defend, indemnify and hold harmless the other Party ("Indemnified Party") against any Claim or Loss arising from the Indemnifying Party's use of Interconnection, Resale Services, Network Elements, functions, facilities, products and services provided under this Agreement involving:

14.4.1 any Claim or Loss arising from such Indemnifying Party's use of Interconnection, Resale Services, Network Elements, functions, facilities, products and services offered under this Agreement, involving any Claim for libel, slander, invasion of privacy, or infringement of Intellectual Property rights arising from the Indemnifying Party's own communications or the communications of such Indemnifying Party's End Users.

14.4.1.1 The foregoing includes any Claims or Losses arising from disclosure of any End User-specific information associated with either the originating or terminating numbers used to provision Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided hereunder and all other Claims arising out of any act or omission of the End User in the course of using any Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided pursuant to this Agreement.

14.4.1.2 The foregoing includes any Losses arising from Claims for actual or alleged infringement of any Intellectual Property right of a Third Party to the extent that such Loss arises from an Indemnified Party's or an Indemnified Party's End User's use of Interconnection, Resale Services, Network Elements, functions, facilities, products or services provided under this Agreement; provided, however, that an Indemnifying Party's obligation to

defend and indemnify the Indemnified Party shall not apply in the case of:

14.4.1.2.1 any use by an Indemnified Party or its End User of an Interconnection, Resale Service, Network Element, function, facility, product or service in combination with an Interconnection, Resale Service, Network Element, function, facility, product or service supplied by the Indemnified Party or Persons other than the Indemnifying Party to the extent such use causes or contributes to cause the loss; or

14.4.1.2.2 where an Indemnified Party or its End User modifies or directs the Indemnifying Party to modify such Interconnection, Resale Services, Network Elements, functions, facilities, products or services; and

14.4.1.2.3 no infringement would have occurred without such combined use or modification.

14.4.2 any and all penalties imposed on either Party because of the Indemnifying Party's failure to comply with the Communications Assistance to Law Enforcement Act of 1994 (CALEA); provided that the Indemnifying Party shall also, at its sole cost and expense, pay any amounts necessary to modify or replace any equipment, facilities or services provided to the Indemnified Party under this Agreement to ensure that such equipment, facilities and services fully comply with CALEA.

14.5 **SPRINT** acknowledges that its right under this Agreement to Interconnect with **SBC-13STATE**'s network and to unbundle and/or combine **SBC-13STATE**'s Network Elements (including combining with **SPRINT**'s Network Elements) may be subject to or limited by Intellectual Property rights (including without limitation, patent, copyright, trade secret, trade mark, service mark, trade name and trade dress rights) and contract rights of Third Parties.

14.5.1 The Parties acknowledge that on April 27, 2000, the FCC released its Memorandum Opinion and Order in CC Docket No. 96-98 (File No. CCBPol.97-4), In the Matter of Petition of MCI for Declaratory Ruling. The Parties further acknowledge and agree that by executing this Agreement, neither Party waives any of its rights, remedies, or arguments with respect to such decision and any remand thereof, including its right to seek legal review or a stay pending appeal of such decision.

- 14.5.2 SBC-13STATE agrees to use its best efforts to obtain for SPRINT, under commercially reasonable terms, Intellectual Property rights to each unbundled network element necessary for SPRINT to use such unbundled network element in the same manner as SBC-13STATE.
- 14.5.3 SBC-13STATE shall have no obligations to attempt to obtain for SPRINT any Intellectual Property right(s) that would permit SPRINT to use any unbundled network element in a different manney than used by SBC-13STATE.
- 14.5.4 To the extent not prohibited by a contract with the vendor of the network element sought by SPRINT that contains Intellectual Property licenses, SBC-13STATE shall reveal to SPRINT the name of the vendor, the Intellectual Property rights licensed to SBC-13STATE under the vendor contract and the terms of the contract (excluding cost terms). SBC-13STATE shall, at SPRINT's request, contact the vendor to attempt to obtain permission to reveal additional contract details to SPRINT.
- 14.5.5 All costs associated with the extension of Intellectual Property rights to SPRINT pursuant to Section 14.5.1.1, including the cost of the license extension itself and the costs associated with the effort to obtain the license, shall be part of the cost of providing the unbundled network element to which the Intellectual Property rights relate and apportioned to all requesting carriers using that unbundled network element including SBC-13STATE.
- 14.5.6 SBC-13STATE hereby conveys no licenses to use such Intellectual Property rights and makes no warranties, express or implied, concerning SPRINT's (or any Third Parties') rights with respect to such Intellectual Property rights and contract rights, including whether such rights will be violated by such Interconnection or unbundling and/or combining of Network Elements (including combining with SPRINT's use of other functions, facilities, products or services furnished under this Agreement. Any licenses or warranties for Intellectual Property rights associated with unbundled network elements are vendor licenses and warranties and are a part of the Intellectual Property rights SBC-13STATE agrees in Section 14.5.1.1 to use its best efforts to obtain.
- 14.6 SPRINT shall reimburse SBC-13STATE for damages to SBC-13STATE's facilities utilized to provide Interconnection or unbundled Network Elements hereunder caused by the negligence or willful act of SPRINT, its agents or subcontractors or SPRINT's End User or resulting from SPRINT's improper use of SBC-13STATE's facilities, or due to malfunction of any facilities, functions,

products, services or equipment provided by any person or entity other than **SBC-13STATE**. Upon reimbursement for damages, **SBC-13STATE** will cooperate with **SPRINT** in prosecuting a claim against the person causing such damage. **SPRINT** shall be subrogated to the right of recovery by **SBC-13STATE** for the damages to the extent of such payment.

- 14.7 Notwithstanding any other provision in this Agreement, each Party agrees that should it cause any non-standard digital subscriber line ("xDSL") technologies (as that term is defined in the applicable Appendix DSL and/or the applicable commission-ordered tariff, as appropriate) to be deployed or used in connection with or on **SBC-13STATE** facilities, that Party ("Indemnifying Party") will pay all costs associated with any damage, service interruption or other Telecommunications Service degradation, or damage to the other Party's ("Indemnitee's") facilities.

14.8 **Indemnification Procedures**

- 14.8.1 Whenever a claim shall arise for indemnification under this Section 14, the relevant Indemnified Party, as appropriate, shall promptly notify the Indemnifying Party and request in writing the Indemnifying Party to defend the same. Failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability that the Indemnifying Party might have, except to the extent that such failure prejudices the Indemnifying Party's ability to defend such claim.
- 14.8.2 The Indemnifying Party shall have the right to defend against such liability or assertion, in which event the Indemnifying Party shall give written notice to the Indemnified Party of acceptance of the defense of such claim and the identity of counsel selected by the Indemnifying Party.
- 14.8.3 Until such time as Indemnifying Party provides written notice of acceptance of the defense of such claim, the Indemnified Party shall defend such claim, at the expense of the Indemnifying Party, subject to any right of the Indemnifying Party to seek reimbursement for the costs of such defense in the event that it is determined that Indemnifying Party had no obligation to indemnify the Indemnified Party for such claim.
- 14.8.4 Upon accepting the defense, the Indemnifying Party shall have exclusive right to control and conduct the defense and settlement of any such claims, subject to consultation with the Indemnified Party. So long as the Indemnifying Party is controlling and conducting the defense, the Indemnifying Party shall not be liable for any settlement by the Indemnified Party unless such Indemnifying Party has approved such

settlement in advance and agrees to be bound by the agreement incorporating such settlement.

- 14.8.5 At any time, an Indemnified Party shall have the right to refuse a compromise or settlement, and, at such refusing Party's cost, to take over such defense; provided that, in such event the Indemnifying Party shall not be responsible for, nor shall it be obligated to indemnify the refusing Party against, any cost or liability in excess of such refused compromise or settlement.
- 14.8.6 With respect to any defense accepted by the Indemnifying Party, the Indemnified Party will be entitled to participate with the Indemnifying Party in such defense if the claim requests equitable relief or other relief that could affect the rights of the Indemnified Party, and shall also be entitled to employ separate counsel for such defense at such Indemnified Party's expense.
- 14.8.7 If the Indemnifying Party does not accept the defense of any indemnified claim as provided above, the Indemnified Party shall have the right to employ counsel for such defense at the expense of the Indemnifying Party.
- 14.8.8 In the event of a failure to assume the defense, the Indemnified Party may negotiate a settlement, which shall be presented to the Indemnifying Party. If the Indemnifying Party refuses to agree to the presented settlement, the Indemnifying Party may take over the defense. If the Indemnifying Party refuses to agree to the presented settlement and refuses to take over the defense, the Indemnifying Party shall be liable for any reasonable cash settlement not involving any admission of liability by the Indemnifying Party, though such settlement may have been made by the Indemnified Party without approval of the Indemnifying Party, it being the Parties' intent that no settlement involving a non-monetary concession by the Indemnifying Party, including an admission of liability by such Party, shall take effect without the written approval of the Indemnifying Party.
- 14.8.9 Each Party agrees to cooperate and to cause its employees and agents to cooperate with the other Party in the defense of any such claim and the relevant records of each Party shall be available to the other Party with respect to any such defense, subject to the restrictions and limitations set forth in Section 20.

15. PERFORMANCE MEASURES

- 15.1 Attachment Performance Measure provides monetary payments for failure to meet specified performance standards. The provisions of that Attachment constitute the

sole obligation of **SBC-13STATE** to pay damages or financial penalties for failure to meet specified performance standards identified in such Attachment and all other Attachments to this Agreement.

16. INTELLECTUAL PROPERTY

16.1 Any Intellectual Property originating from or developed by a Party shall remain in the exclusive ownership of that Party.

17. NOTICES

17.1 Subject to Section 17.2, notices given by one Party to the other Party under this Agreement shall be in writing (unless specifically provided otherwise herein), and unless otherwise expressly required by this Agreement to be delivered to another representative or point of contact, shall be

17.1.1 delivered personally;

17.1.2 delivered by express overnight delivery service;

17.1.3 mailed, via certified mail or first class U.S. Postal Service, with postage prepaid, and a return receipt requested; or

17.1.4 delivered by facsimile; provided that a paper copy is also sent by a method described in (a), (b) or (c) of this Section 17.

17.1.5 Notices will be deemed given as of the earliest of:

17.1.5.1 the date of actual receipt,

17.1.5.2 the next Business Day when sent via express overnight delivery service,

17.1.5.3 five (5) days after mailing in the case of first class or certified U.S. Postal Service, or

17.1.5.4 on the date set forth on the confirmation produced by the sending facsimile machine when delivered by facsimile prior to 5:00 p.m. in the recipient's time zone, but the next Business Day when delivered by facsimile at 5:00 p.m. or later in the recipient's time zone.

17.1.6 Notices will be addressed to the Parties as follows:

NOTICE CONTACT	<u>SPRINT</u> CONTACT	<u>SBC-13STATE</u> CONTACT
NAME/TITLE	Vice President State External Affairs	Contract Administration ATTN: Notices Manager
STREET ADDRESS	7301 College Blvd. Mailstop KSOPKV0214	311 S. Akard, 9 th Floor Four Bell Plaza
CITY, STATE, ZIP CODE	Overland Park, KS 66210	Dallas, TX 75202-5398
TELEPHONE NUMBER	913-534-6102	214-464-1933
FACSIMILE NUMBER	913-534-6237	214-464-2006

17.1.7 Either Party may unilaterally change its designated contact, address, telephone number and/or facsimile number for the receipt of notices by giving written notice to the other Party in compliance with this Section. Any notice to change the designated contact, address, telephone and/or facsimile number for the receipt of notices shall be deemed effective ten (10) days following receipt by the other Party.

- 17.2 **SBC-8STATE** communicates official information to **SPRINT** via its Accessible Letter notification process. This process covers a variety of subjects, including updates on products/services promotions; deployment of new products/services; modifications and price changes to existing products/services; cancellation or retirement of existing products/services; and operational issues.
- 17.3 In the **SBC-8STATES**, **SPRINT** may elect in writing to receive Accessible Letter notification via electronic mail ("e-mail") distribution, either in lieu of or in addition to United States Postal Service (postage prepaid) distribution. **SPRINT** acknowledges that United States Postal Service (postage prepaid) delivery will delay receipt of the information for a minimum of three (3) to five (5) days from the date the information is made available via e-mail. Accessible Letter notification via e-mail will be deemed given as of the earlier of the date of actual receipt and the date set forth on the e-mail receipt.
- 17.4 In **SBC-8STATE**, **SPRINT** may designate an unlimited number of recipients for Accessible Letter notification via e-mail, but **SPRINT** is limited to designating a maximum of four (4) recipients (in addition to the **SPRINT** contact designated in Section 17.1) for Accessible Letter notification via United States Postal Service (postage prepaid).
- 17.5 In **SBC-8STATE**, **SPRINT** shall submit a completed Notices / Accessible Letter Recipient Change Request Form (available on the applicable **SBC-8STATE**'s **SPRINT** Handbook website) to the individual specified on that form to designate

in writing each individual (other than the **SPRINT** contact designated in Section 17.1) to whom **SPRINT** requests Accessible Letter notification be sent, whether via e-mail or United States Postal Service. **SPRINT** shall submit a completed Notices / Accessible Letter Recipient Change Request Form to add, remove or change recipient information for any **SPRINT** recipient of Accessible Letters (other than the **SPRINT** contact designated in Section 17.1). Any completed Notices / Accessible Letter Recipient Change Request Form shall be deemed effective ten (10) days following receipt by **SBC-8STATE**.

17.6 **SBC-SWBT** only:

17.6.1 **SBC-SWBT** shall provide a toll free facsimile number to **SPRINT** for the submission of requests for Resale Services and Network Elements under this Agreement; **SPRINT** shall provide **SBC-SWBT** with a toll free facsimile number for notices from **SBC-SWBT** relating to requests for Resale Services and Network Elements under this Agreement.

17.7 **SBC-AMERITECH** only:

17.7.1 **SBC-AMERITECH** communicates official information to **SPRINT**'s via its TCNet notification process. This process covers a variety of subjects, including updates on products/services promotions; deployment of new products/services; modifications and price changes to existing products/services; cancellation or retirement of existing products/services; and operational issues.

18. PUBLICITY AND USE OF TRADEMARKS OR SERVICE MARKS

18.1 Neither Party nor its subcontractors or agents shall use in any advertising or sales promotion, press releases, or other publicity matters any endorsements, direct or indirect quotes, or pictures that imply endorsement by the other Party or any of its employees without such first Party's prior written approval. The Parties will submit to each other for written approval, prior to publication, all publicity matters that mention or display one another's name and/or marks or contain language from which a connection to said name and/or marks may be inferred or implied; the Party to whom a request is directed shall respond promptly. Nothing herein, however, shall be construed as preventing either Party from publicly stating the fact that it has executed this Agreement with the other Party.

18.2 Nothing in this Agreement shall grant, suggest, or imply any authority for one Party to use the name, trademarks, service marks, logos, proprietary trade dress or trade names of the other Party in any advertising, press releases, publicity matters, marketing and/or promotional materials or for any other commercial purpose without prior written approval from such other Party.

19. NO LICENSE

- 19.1 Except at otherwise expressly provided in this Agreement, no license under patents, copyrights or any other Intellectual Property right (other than the limited license to use consistent with the terms, conditions and restrictions of this Agreement) is granted by either Party or shall be implied or arise by estoppel with respect to any transactions contemplated under this Agreement.

20. CONFIDENTIALITY

- 20.1 All information, including specifications, microfilm, photocopies, magnetic disks, magnetic tapes, audit information, models, system interfaces, forecasts, computer programs, software, documentation, drawings, sketches, models, samples, tools, technical information, data, employee records, maps, financial reports, and market data shall be deemed "Confidential" or "Proprietary" (collectively "Proprietary Information") if :
- 20.1.1 Furnished or made available or otherwise disclosed by one Party (the "Disclosing Party") or its agent, employee, representative or Affiliate to the other Party (the "Receiving Party") or its agent, employee, representative or Affiliate dealing with End User-specific, facility-specific, or usage-specific information, other than End User information communicated for the purpose of publication or directory database inclusion, 911, call processing, billing or settlement or for such other purposes as mutually agreed upon;
 - 20.1.2 In written, graphic, electromagnetic, or other tangible form and marked at the time of delivery as "Confidential" or "Proprietary"; or
 - 20.1.3 Communicated orally and declared to the Receiving Party at the time of delivery to be "Confidential" or "Proprietary", and which shall be summarized in writing and marked "Confidential" or "Proprietary" and delivered to the Receiving Party within ten (10) days following such disclosure; and
 - 20.1.4 Any portion of any notes, analyses, data, compilations, studies, interpretations or other documents prepared by any Receiving Party to the extent the same contain, reflect, are derived from, or are based upon, any of the information described in this Section 20, unless such information contained or reflected in such notes, analyses, etc. is so commingled with the Receiving Party's information that disclosure could not possibly disclose the underlying proprietary or confidential information (such

portions of such notes, analyses, etc. referred to herein as "Derivative Information").

20.2 Proprietary Information Shall be Held in Confidence

20.2.1 Each Receiving Party agrees that:

- (a) all Proprietary Information communicated to it or any of its agents, employees, representatives and Affiliates in connection with this Agreement shall be held in confidence to the same extent as such Receiving Party holds its own confidential information of like importance; provided that such Receiving Party and its agents, employees, representatives and Affiliates shall not use less than a reasonable standard of care in maintaining the confidentiality of such information;
- (b) it will not, and it will not permit any of its agents, employees, representatives and Affiliates to disclose such Proprietary Information to any Third Party;
- (c) it will disclose Proprietary Information only to those of its agents, employees, representatives and Affiliates who have a need for it in connection with the use or provision of any services required to fulfill this Agreement; and

20.2.2 A Receiving Party may disclose Proprietary Information of a Disclosing Party to the Receiving Party's agents, employees, representatives and Affiliates who need to know such information to perform their obligations under this Agreement; provided that before disclosing any Proprietary Information to any agent, employee, representative or Affiliate, the Receiving Party shall notify such agent, employee, representative or Affiliate of such Party's obligation to comply with this Agreement. Any Receiving Party so disclosing Proprietary Information shall be jointly and severally liable for any breach of this Agreement by any of its agents, employees, representatives and Affiliates and such Receiving Party agrees, at its sole expense, to use its reasonable efforts (including court proceedings) to restrain its agents, employees, representatives and Affiliates from any prohibited or unauthorized disclosure or use of the Proprietary Information. Each Receiving Party making such disclosure shall notify the Disclosing Party as soon as possible if it has knowledge of a breach of this Agreement in any material respect. A Disclosing Party shall not disclose Proprietary Information directly to an agent, employee, representative or Affiliate of the Receiving Party without the prior written authorization of the Receiving Party.

- 20.2.3 Proprietary Information shall not be reproduced by any Receiving Party in any form except to the extent (i) necessary to comply with the provisions of Section 20.5 and (ii) reasonably necessary to perform its obligations under this Agreement. All such reproductions shall bear the same copyright and proprietary rights notices as are contained in or on the original.
- 20.3 Unless otherwise agreed, the obligations of confidentiality and non-use set forth in this Agreement do not apply to such Proprietary Information that:
- 20.3.1 Was at the time of receipt, already known to the Receiving Party, free of any obligation to keep confidential and evidenced by written records prepared prior to delivery by the Disclosing Party; or
- 20.3.2 Is, or becomes publicly known through no wrongful act of the Receiving Party; or
- 20.3.3 Is rightfully received from a Third Party having no direct or indirect secrecy or confidentiality obligation to the Disclosing Party with respect to such information; provided that such Receiving Party has exercised commercially reasonable efforts to determine whether such Third Party has any such obligation; or
- 20.3.4 Is independently developed by an agent, employee representative or Affiliate of the Receiving Party and such Party is not involved in any manner with the provision of services pursuant to this Agreement and does not have any direct or indirect access to the Proprietary Information; or
- 20.3.5 Is disclosed to a Third Party by the Disclosing Party without similar restrictions on such Third Party's rights; or
- 20.3.6 Is approved for release by written authorization of the Disclosing Party, but only to the extent of the authorization granted; or
- 20.3.7 Is required to be made public by the Receiving Party pursuant to Applicable Law or regulation, provided that such production or disclosure shall have been made in accordance with Section 20.5.

20.4 Proposed Disclosure of Proprietary Information to a Governmental Authority

20.4.1 If a Receiving Party desires to disclose or provide to a Commission, the FCC or any other governmental authority any Proprietary Information of the Disclosing Party, such Receiving Party shall, prior to and as a condition of such disclosure, (i) provide the Disclosing Party with written notice and the form of such proposed disclosure as soon as possible but in any event early enough to allow the Disclosing Party to protect its interests in the Proprietary Information to be disclosed and (ii) attempt to obtain in accordance with the applicable procedures of the intended recipient of such Proprietary Information an appropriate order for protective relief or other reliable assurance that confidential treatment shall be accorded to such Proprietary Information.

20.4.2 If a Receiving Party is required by any Governmental Authority or by Applicable Law to disclose any Proprietary Information, then such Receiving Party shall provide the Disclosing Party with written notice of such requirement as soon as possible, and in no event later than five (5) calendar days after receipt of such requirement, and prior to such disclosure. Upon receipt of written notice of the requirement to disclose Proprietary Information, the Disclosing Party at its expense, may then either seek appropriate protective relief in advance of such requirement to prevent all or part of such disclosure or waive the Receiving Party's compliance with this Section 20.4 with respect to all or part of such requirement.

20.4.3 The Receiving Party shall use all commercially reasonable efforts to cooperate with the Disclosing Party in attempting to obtain any protective relief which such Disclosing Party chooses to seek pursuant to this Section 20.4. In the absence of such relief, if the Receiving Party is legally compelled to disclose any Proprietary Information, then the Receiving Party shall exercise all commercially reasonable efforts to preserve the confidentiality of the Proprietary information, including cooperating with the Disclosing Party to obtain an appropriate order for protective relief or other reliable assurance that confidential treatment will be accorded the Proprietary Information.

20.5 Notwithstanding any of the foregoing, SBC-13STATE shall be entitled to disclose Proprietary Information on a confidential basis to regulatory agencies upon request for information as to SBC-13STATE's activities under the Act and SBC-13STATE need not provide prior written notice of such disclosure to SPRINT if SBC-13STATE has obtained an appropriate order for protective relief or other reliable assurance that confidential treatment shall be accorded to such Proprietary Information.

20.6 Return of Proprietary Information

- 20.6.1 All Proprietary Information, other than Derivative Information, shall remain the property of the Disclosing Party, and all documents or other tangible media delivered to the Receiving Party that embody such Proprietary Information shall be, at the option of the Disclosing Party, either promptly returned to Disclosing Party or destroyed, except as otherwise may be required from time to time by Applicable Law (in which case the use and disclosure of such Proprietary Information will continue to be subject to this Agreement), upon the earlier of (i) the date on which the Receiving Party's need for it has expired and (ii) the expiration or termination of this Agreement.
- 20.6.2 At the request of the Disclosing Party, any Derivative Information shall be, at the option of the Receiving Party, either promptly returned to the Disclosing Party or destroyed, except as otherwise may be required from time to time by Applicable Law (in which case the use and disclosure of such Derivative Information will continue to be subject to this Agreement), upon the earlier of (i) the date on which the Receiving Party's need for it has expired and (ii) the expiration or termination of this Agreement.
- 20.6.3 The Receiving Party may at any time either return the Proprietary Information to the Disclosing Party or destroy such Proprietary Information. If the Receiving Party elects to destroy Proprietary Information, all copies of such information shall be destroyed and upon the written request of the Disclosing Party, the Receiving Party shall provide to the Disclosing Party written certification of such destruction. The destruction or return of Proprietary information shall not relieve any Receiving Party of its obligation to continue to treat such Proprietary Information in the manner required by this Agreement.
- 20.7 Notwithstanding any other provision of this Agreement, the Proprietary Information provisions of this Agreement shall apply to all information furnished by either Party to the other in furtherance of the purpose of this Agreement, even if furnished before the date of this Agreement and each Party's obligation to safeguard Proprietary Information disclosed prior to expiration or termination of this Agreement will survive such expiration or termination.
- 20.8 Pursuant to Section 222(b) of the Act, both Parties agree to limit their use of Proprietary Information received from the other to the permitted purposes identified in the Act.

- 20.9 Each Party has the right to refuse to accept any Confidential Information under this Agreement, and nothing herein shall obligate either Party to disclose to the other Party any particular information.
- 20.10 The Parties agree that an impending or existing violation of any provision of this Section 20 would cause the Disclosing Party irreparable injury for which it would have no adequate remedy at law, and agree that Disclosing Party shall be entitled to obtain immediate injunctive relief prohibiting such violation, in addition to any other rights and remedies available to it at law or in equity, including both specific performance and monetary damages. In the event of any breach of this Section 20 for which legal or equitable relief is sought, all reasonable attorney's fees and other reasonable costs associated therewith shall be recoverable by the prevailing Party.

21. INTERVENING LAW

- 21.1 This Agreement is entered into as a result of both private negotiation between the Parties and the incorporation of some of the results of orders, rules and arbitration decisions by the Commissions, and/or orders and rules of the FCC. In the event that any of the rates, terms and/or conditions herein, or any of the laws or regulations that were the basis or rationale for such rates, terms and/or conditions in the Agreement, are invalidated, modified or stayed by any action of any state or federal regulatory or legislative bodies or courts of competent jurisdiction, including but not limited to any decision by the Eighth Circuit relating to any of the costing/pricing rules adopted by the FCC in its First Report and Order, In re: Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, 11 FCC Rcd 15499 (1996)(e.g., Section 51.501, et seq.), upon review and remand from the United States Supreme Court, in *AT&T Corp. v. Iowa Utilities Bd.*, 119 S. Ct. 721 (1999) or *Ameritech v. FCC*, No 98-1381, 1999 WL 116994, 1999 Lexis 3671 (June 1, 1999), the affected provision shall be immediately invalidated, modified, or stayed, consistent with the action of the legislative body, court, or regulatory agency upon the written request of either Party. In such event, the Parties shall expend diligent efforts to arrive at an agreement regarding the appropriate conforming modifications to the Agreement. If negotiations fail, disputes between the Parties concerning the interpretation of the actions required or provisions affected by such governmental actions shall be resolved pursuant to the Dispute Resolution process provided for in this Agreement. Without limiting the general applicability of the foregoing, the Parties acknowledge that on January 25, 1999, the United States Supreme Court issued its opinion in *AT&T Corp. v. Iowa Utilities Bd.*, 119 S. Ct. 721 (1999) and on June 1, 1999, the United States Supreme Court issued its opinion in *Ameritech v. FCC*, No. 98-1381, 1999 WL 116994, 1999 Lexis 3671 (1999). In addition, the Parties acknowledge that on November 5, 1999, the FCC issued its Third Report and Order and Fourth Further Notice of Proposed Rulemaking in CC Docket No. 96-96 (FCC

99-238), including the FCC's Supplemental Order issued In the Matter of the Local Competition Provisions of the Telecommunications Act of 1996, in CC Docket No. 96-98 (FCC 99-370) (rel. November 24, 1999), portions of which became effective thirty (30) days following publication of such Order in the Federal Register (February 17, 2000) and other portions of which become effective 120 days following publication of such Order in the Federal Register (May 117, 2000). The Parties further acknowledge and agree that by executing this Agreement, neither Party waives any of its rights, remedies, or arguments with respect to such decisions and any remand thereof, including its rights under this Intervening Law paragraph.

22. GOVERNING LAW

22.1 Unless otherwise provided by Applicable Law, this Agreement shall be governed by and construed in accordance with the Act, the FCC Rules and Regulations interpreting the Act and other applicable federal and/or State law. To the extent that federal law would apply state law in interpreting this Agreement, the domestic laws of the state in which the Interconnection, Resale Services, Network Elements, functions, facilities, products and services at issue are furnished or sought shall apply, without regard to that state's conflict of laws principles. The Parties submit to personal jurisdiction in Little Rock, Arkansas; San Francisco, California; New Haven, Connecticut; Chicago, Illinois; Indianapolis, Indiana; Topeka, Kansas; Detroit, Michigan; St. Louis, Missouri; Reno, Nevada; Columbus, Ohio; Oklahoma City, Oklahoma; Dallas, Texas and Milwaukee, Wisconsin, and waive any and all objection to any such venue.

23. REGULATORY APPROVAL

23.1 The Parties understand and agree that this Agreement and any amendment or modification hereto will be filed with the Commission for approval in accordance with Section 252 of the Act and may thereafter be filed with the FCC. The Parties believe in good faith and agree that the services to be provided under this Agreement are in the public interest. Each Party covenants and agrees to fully support approval of this Agreement by the Commission or the FCC under Section 252 of the Act without modification.

24. CHANGES IN END USER LOCAL EXCHANGE SERVICE PROVIDER SELECTION

24.1 Applies to SBC-12STATE only

24.1.1 Each Party will abide by applicable federal and state laws and regulations in obtaining End User authorization prior to changing an End User's Local Exchange Carrier to itself and in assuming responsibility for any

applicable charges as specified in the FCC's rules regarding Subscriber Carrier Selection Changes (47 CFR 64.1100 through 64.1170) and any applicable state regulation. Each Party shall deliver to the other Party a representation of authorization that applies to all orders submitted by a Party under this Agreement requiring a LEC change. A Party's representation of authorization shall be delivered to the other Party prior to the first order submitted to the other Party. Each Party shall retain on file all applicable letters and other documentation of authorization relating to its End User's selection of such Party as its LEC, which documentation shall be available for inspection by the other Party at its request during normal business hours and at no charge.

24.1.2 Only an End User can initiate a challenge to a change in its LEC. If an End User notifies one Party that the End User requests local exchange service, and the other Party is such End User's LEC, then the Party receiving such request shall be free to immediately access such End User's CPNI subject to the requirements of the applicable Appendix OSS restricting access to CPNI in order to immediately provide service to such End User.

24.1.3 When an End User changes or withdraws authorization from its LEC, each Party shall release End User-specific facilities belonging to the ILEC in accordance with the End User's direction or that of the End User's authorized agent. Further, when an End User abandons its premise (that is, its place of business or domicile), SBC-12STATE is free (as detailed in Section of Appendix UNE) to reclaim the unbundled Network Element facilities for use by another End User and is free to issue service orders required to reclaim such facilities.

24.1.4 Neither Party shall be obligated by this Agreement to investigate any allegations of unauthorized changes in local exchange service (slamming) at the request of the other Party; provided, however, that each Party shall cooperate with any investigation of a complaint alleging an unauthorized change in local exchange service at the request of the FCC or the applicable state Commission. If SBC-13STATE, at the request of SPRINT, agrees to investigate an alleged incidence of slamming, SBC-13STATE shall charge SPRINT an investigation fee as set forth in Appendix Pricing in the "Other (Resale)" category, listed as "Slamming Investigation Fee."

24.2 Applies to SNET only

24.2.1 The Parties agree that neither Party will submit a Local Exchange Carrier order for an End User to the Local Service Provider currently serving that

End User without proper authorization from that End User, as required by the FCC in Subpart K, Part 64 rules and regulations and by the DPUC in its applicable rules and regulations. SNET's wholesale tariff, Section 18, further documents requirements for Local Exchange Carrier changes and required End User authorizations.

24.2.2 The Parties agree to the re-use of existing network facilities when an End User changes its provider of local exchange service and the network facilities are provided by the same network provider.

25. COMPLIANCE AND CERTIFICATION

- 25.1 Each Party shall comply at its own expense with all Applicable Laws that relate to that Party's obligations to the other Party under this Agreement. Nothing in this Agreement shall be construed as requiring or permitting either Party to contravene any mandatory requirement of Applicable Law.
- 25.2 Each Party warrants that it has obtained all necessary state certification required in each state covered by this Agreement prior to ordering any Interconnection, Resale Services, Network Elements, functions, facilities, products and services from the other Party pursuant to this Agreement. Upon request, each Party shall provide proof of certification.
- 25.3 Each Party shall be responsible for obtaining and keeping in effect all approvals from, and rights granted by, Governmental Authorities, building and property owners, other carriers, and any other Third Parties that may be required in connection with the performance of its obligations under this Agreement.
- 25.4 Each Party represents and warrants that any equipment, facilities or services provided to the other Party under this Agreement comply with the CALEA.

26. LAW ENFORCEMENT

- 26.1 SBC-12 STATE and SPRINT shall reasonably cooperate with the other Party in handling law enforcement requests as follows:

26.1.1 Intercept Devices:

- 26.1.1.1 Local and federal law enforcement agencies periodically request information or assistance from local telephone service providers. When either Party receives a request associated with an End User of the other Party, it shall refer such request to the Party that serves such End User, unless the request directs the receiving Party to attach a pen register, trap-and-trace or form of intercept

on the Party's facilities, in which case that Party shall comply with any valid request.

26.1.2. Subpoenas:

26.1.2.1 If a Party receives a subpoena for information concerning an End User the Party knows to be an End User of the other Party, it shall refer the subpoena to the Requesting Party with an indication that the other Party is the responsible company, unless the subpoena requests records for a period of time during which the receiving Party was the End User's service provider, in which case that Party will respond to any valid request.

26.1.3 Emergencies:

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

26.2 **SNET** and **SPRINT** shall reasonably cooperate with the other Party in handling law enforcement requests as follows:

26.2.1 Each of the Parties agree to comply with the applicable state and federal law enforcement authorities, laws, and requirements, including but not limited to, the Communications Assistance for Law Enforcement Act (CALEA) and to report to applicable State and Federal law enforcement authorities as required by law, the Telecommunications Services and related information provided by each of the Parties in Connecticut.

27. RELATIONSHIP OF THE PARTIES/INDEPENDENT CONTRACTOR

27.1 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 and each Party's contractor(s) shall be solely responsible for all matters relating to payment of such employees, including the withholding or payment of all applicable federal, state and local

income taxes, social security taxes and other payroll taxes with respect to its employees, as well as any taxes, contributions or other obligations imposed by applicable state unemployment or workers' compensation acts and all other regulations governing such matters. Each Party has sole authority and responsibility to hire, fire and otherwise control its employees.

- 27.2 Nothing contained herein shall constitute the Parties as joint venturers, partners, employees or agents of one another, and neither Party shall have the right or power to bind or obligate the other. Nothing herein will be construed as making either Party responsible or liable for the obligations and undertakings of the other Party. Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.

28. NO THIRD PARTY BENEFICIARIES; DISCLAIMER OF AGENCY

- 28.1 This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein expressed or implied shall create or be construed to create any Third Party beneficiary rights hereunder. This Agreement shall not provide any Person not a party hereto with any remedy, claim, liability, reimbursement, cause of action, or other right in excess of those existing without reference hereto.

29. ASSIGNMENT

- 29.1 **SPRINT** may not assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third person without the prior written consent of **SBC-13STATE**; provided that **SPRINT** may assign or transfer this Agreement with notice, but without the prior written consent of **SBC-13 STATE**, to any entity that is certified as a Competitive Local Exchange Carrier by Commission or is otherwise authorized by the Commission to provide local exchange services or to its Affiliate by providing ninety (90) calendar days' prior written notice to **SBC-13STATE** of such assignment or transfer; provided, further, that such assignment is not inconsistent with Applicable Law (including the Transferee's obligation to obtain proper Commission certification and approvals) or the terms and conditions of this Agreement.
- 29.2 SBC may not assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third person without the

prior written consent of SPRINT, provided that SBC-13 STATE may assign or transfer this Agreement with notice, but without the prior consent of SPRINT, to any entity provided that SBC-13 STATE and such assignee or transferee provide SPRINT in advance of any such assignment or transfer, a written warranty that such entity is and shall, for the remainder of the term of this Agreement, be a successor or assign of SBC-13 STATE pursuant to § 252(h)(ii) of the ACT, subject to all the same §§ 251 and 252 obligations as SBC-13 STATE is.

- 29.3 If during the Term, SBC-13STATE sells, assigns or otherwise transfers any ILEC Territory or ILEC Assets to a person other than an Affiliate or subsidiary, SBC-13STATE shall provide SPRINT not less than ninety (90) days prior written notice of such sale, assignment or transfer. Upon the consummation of such sale, assignment or transfer, SPRINT acknowledges that SBC-13STATE shall have no further obligations under this Agreement with respect to the ILEC Territories and/or ILEC Assets subject to such sale, assignment or transfer, and that SPRINT must establish its own Section 251 and 252 arrangement with the successor to such ILEC Territory and/or ILEC Assets.

30. DELEGATION TO AFFILIATE

- 30.1 Each Party may without the consent of the other Party fulfill its obligations under this Agreement by itself or may cause its Affiliate(s) to take some or all of such actions to fulfill such obligations. Upon such delegation, the Affiliate shall become a primary obligor hereunder with respect to the delegated matter, but such delegation shall not relieve the delegating Party of its obligations as co-obligor hereunder. Any Party which elects to perform its obligations through an Affiliate shall cause its Affiliate to take all action necessary for the performance of such Party's obligations hereunder. Each Party represents and warrants that if an obligation under this Agreement is to be performed by an Affiliate, such Party has the authority to cause such Affiliate to perform such obligation and such Affiliate will have the resources required to accomplish the delegated performance.

31. SUBCONTRACTING

- 31.1 If either Party retains or engages any subcontractor to perform any of that Party's obligations under this Agreement, 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.
- 31.2 Each Party will be solely responsible for payments due that Party's subcontractors.
- 31.3 No subcontractor will be deemed a Third Party beneficiary for any purposes under this Agreement.

- 31.4 No contract, subcontract or other agreement entered into by either Party with any Third Party in connection with the provision of Interconnection, Resale Services, Network Elements, functions, facilities, products and services hereunder will provide for any indemnity, guarantee or assumption of liability by the other Party to this Agreement with respect to such arrangement, except as consented to in writing by the other Party.
- 31.5 Any subcontractor that gains access to CPNI or Proprietary Information covered by this Agreement shall be required by the subcontracting Party to protect such CPNI or Proprietary Information to the same extent the subcontracting Party is required to protect such CPNI or Proprietary Information under the terms of this Agreement.

32. HAZARDOUS SUBSTANCES AND RESPONSIBILITY FOR ENVIRONMENTAL CONTAMINATION

- 32.1 Each Party will be solely responsible at its own expense for the proper handling, storage, transport, treatment, disposal and use of all Hazardous Substances by such Party and its contractors and agents. "Hazardous Substances" includes those substances:
- 32.1.1 included within the definition of hazardous substance, hazardous waste, hazardous material, toxic substance, solid waste or pollutant or contaminant under any Applicable Law, and
 - 32.1.2 listed by any governmental agency as a hazardous substance.
- 32.2 **SPRINT** will in no event be liable to **SBC-13STATE** for any costs whatsoever resulting from the presence or release of any environmental hazard, including Hazardous Substances, that **SPRINT** did not introduce to the affected work location. **SBC-13STATE** will indemnify, defend (at **SPRINT**'s request) and hold **SPRINT** and each of its officers, directors and employees harmless from and against any Loss that arises out of or results from:
- 32.2.1 Any Environmental Hazard that **SBC-13STATE**, its contractors or agents introduce to the work locations, or
 - 32.2.2 The presence or Release of any Environmental Hazard for which **SBC-13STATE** is responsible under Applicable Law.
- 32.3 **SBC-13STATE** will in no event be liable to **SPRINT** for any costs whatsoever resulting from the presence or Release of any Environmental Hazard that **SBC-13STATE** did not introduce to the affected work location. **SPRINT** will indemnify, defend (at **SBC-13STATE**'s request) and hold **SBC-13STATE** and

each of its officers, directors and employees harmless from and against any Loss that arises out of or results from:

32.3.1 any Environmental Hazard that SPRINT, its contractors or agents introduce to the work location, or

32.3.2 the presence or Release of any Environmental Hazard for which SPRINT is responsible under Applicable Law.

33. FORCE MAJEURE

33.1 No Party shall be responsible for delays or failures in performance of any part of this Agreement (other than an obligation to make money payments) resulting from acts or occurrences beyond the reasonable control of such Party, including acts of nature, acts of civil or military authority, any law, order, regulation, ordinance of any Governmental Authority, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, hurricanes, floods, work stoppages, equipment failures, cable cuts, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities or acts or omissions of transportation carriers (individually or collectively, a "Force Majeure Event") or any Delaying Event caused by the other Party or any other circumstances beyond the Party's reasonable control. If a Force Majeure Event shall occur, the Party affected shall give prompt notice to the other Party of such Force Majeure Event specifying the nature, date of inception and expected duration of such Force Majeure Event, whereupon such obligation or performance shall be suspended to the extent such Party is affected by such Force Majeure Event during the continuance thereof or be excused from such performance depending on the nature, severity and duration of such Force Majeure Event (and the other Party shall likewise be excused from performance of its obligations to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use its reasonable efforts to avoid or remove the cause of nonperformance and the Parties shall give like notice and proceed to perform with dispatch once the causes are removed or cease. In the event of a Force Majeure event the affected Party shall perform its obligations hereunder at a performance level no less than that which it uses for its own operations. Notwithstanding the foregoing, SBC-13 STATE shall not rely on this section to forego providing service hereunder to SPRINT to the extent SBC-13 STATE continues to provide Telecommunications Services to SBC-13STATE end users and in the event of such performance delay or failure by SBC-13STATE, SBC-13STATE agrees, subject to any specific resumption of service obligations set forth in this Agreement or established by applicable law or regulation, to resume performance hereunder in a nondiscriminatory manner and to not favor its own provision of Telecommunications Services to its own similarly situated end users above that of

providing services hereunder to **SPRINT** provided however, **SPRINT** acknowledges that **SBC-13STATE** has restoral prioritization procedures which it follows with any outage and will continue to follow upon occurrence of any Force Majeure event.

34. TAXES

- 34.1 Each Party purchasing Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, municipal fees, transfer, transaction or similar taxes, fees, or surcharges (hereinafter "Tax") imposed on, or with respect to, the Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement provided by or to such Party, except for (a) any Tax on either party's corporate existence, status, or income or (b) any corporate franchise Taxes. Whenever possible, these Taxes shall be billed as a separate item on the invoice.
- 34.2 With respect to any purchase of Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement if any Tax is required or permitted by Applicable Law and tariffs to be collected from the purchasing Party by the providing Party, then: (i) the providing Party shall bill the purchasing Party for such Tax; (ii) the purchasing Party shall remit such Tax to the providing Party; and (iii) the providing Party shall remit such collected Tax to the applicable taxing authority. Failure to include Taxes on an invoice or to state a Tax separately shall not impair the obligation of the purchasing Party to pay any Tax. Nothing shall prevent the providing Party from paying any tax to the appropriate taxing authority prior to the time: (1) it bills the purchasing Party for such Tax; or (2) it collects the Tax from the purchasing Party. Notwithstanding anything in this Agreement to the contrary, the purchasing Party shall be liable for and the providing Party may collect Taxes which were assessed by or paid to an appropriate taxing authority within the statute of limitations period but not included on an invoice within four (4) years after the Tax otherwise was owed or due.
- 34.3 With respect to any purchase hereunder of Interconnection, Resale Services, Network Elements, functions, facilities, products and services under this Agreement that are resold to a third party, if any Tax is imposed by Applicable Law as reflected in appropriate tariff(s) on the End User in connection with any such purchase, then: (i) the purchasing Party shall be required to impose and/or collect such Tax from the End User; and (ii) the purchasing Party shall remit such Tax to the applicable taxing authority. The purchasing Party agrees to indemnify and hold harmless the providing Party for any costs incurred by the providing Party as a result of actions taken by the applicable taxing authority to collect the

tax from the providing Party due to the failure of the purchasing Party to pay or collect and remit such tax to such authority.

- 34.4 If the providing Party fails to bill or to collect any Tax as required herein, then, as between the providing Party and the purchasing Party: (i) the purchasing Party shall remain liable for such uncollected Tax; and (ii) the providing Party shall be liable for any penalty and interest assessed with respect to such uncollected Tax by such authority. However, if the purchasing Party fails to pay any Taxes properly billed, then, as between the providing Party and the purchasing Party, the purchasing Party will be solely responsible for payment of the Taxes, penalty and interest.
- 34.5 If the purchasing Party fails to impose and/or collect any Tax from End Users as required herein, then, as between the providing Party and the purchasing Party, the purchasing Party shall remain liable for such uncollected Tax and any interest and penalty assessed thereon with respect to the uncollected Tax by the applicable taxing authority. With respect to any Tax that the purchasing Party has agreed to pay or impose on and/or collect from End Users, the purchasing Party agrees to indemnify and hold harmless the providing Party for any costs incurred by the providing Party as a result of actions taken by the applicable taxing authority to collect the Tax from the providing Party due to the failure of the purchasing Party to pay or collect and remit such Tax to such authority.
- 34.6 If either Party is audited by a taxing authority or other Governmental authority, 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.
- 34.7 To the extent a sale is claimed to be for resale tax exemption, the purchasing Party shall furnish the providing Party a proper resale tax exemption certificate as authorized or required by statute or regulation of the jurisdiction providing said resale tax exemption. Failure to timely provide said resale tax exemption certificate will result in no exemption being available to the purchasing Party for any period prior to the date that the purchasing Party presents a valid certificate. If Applicable Law excludes or exempts a purchase of Interconnection, Resale Services, Network Elements, functions, facilities, products and 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 (a) furnishes the providing Party with a letter signed by an officer of the purchasing Party claiming an exemption and identifying the Applicable Law that both allows such exemption and does not require an exemption certificate; and (b) supplies the providing Party with an indemnification agreement, reasonably acceptable to the providing Party, which holds the providing Party harmless from any tax, interest, penalties, loss, cost or expense with respect to forbearing to collect such Tax.

- 34.8 With respect to any Tax or Tax controversy covered by this Section 34, the purchasing Party is entitled to contest with the imposing jurisdiction, pursuant to Applicable Law and as reflected in appropriate tariff(s) and at its own expense, any Tax that it previously billed, or was billed that it is ultimately obligated to pay or collect. The purchasing Party will ensure that no lien is attached to any asset of the providing Party as a result of any contest. The purchasing party shall be entitled to the benefit of any refund or recovery of amounts that it had previously paid resulting from such a contest. Amounts previously paid by the providing Party shall be refunded to the providing Party. The providing Party will cooperate in any such contest.
- 34.9 All notices, affidavits, exemption certificates or other communications required or permitted to be given by either Party to the other under this Section 34 shall be sent in accordance with Section 17 hereof.

35. NON-WAIVER

- 35.1 Except as otherwise specified in this Agreement, no waiver of any provision of this Agreement and no consent to any default under this Agreement shall be effective unless the same is in writing and properly executed by or on behalf of the Party against whom such waiver or consent is claimed. Waiver by either Party of any default by the other Party shall not be deemed a waiver of any other default. Failure of either Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right or privilege. No course of dealing or failure of any Party to strictly enforce any term, right, or condition of this Agreement in any instance shall be construed as a general waiver or relinquishment of such term, right or condition.

36. NETWORK MAINTENANCE AND MANAGEMENT

- 36.1 The Parties will work cooperatively to implement this Agreement. The Parties will exchange appropriate information (for example, maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the Government, escalation processes, etc.) to achieve this desired result.
- 36.2 Each Party will administer its network to ensure acceptable service levels to all users of its network services. Service levels are generally considered acceptable only when End Users are able to establish connections with little or no delay encountered in the network. Each Party will provide a 24-hour contact number for Network Traffic Management issues to the other's surveillance management center.

- 36.3 Each Party maintains the right to implement protective network traffic management controls, such as "cancel to", "call gapping" or 7-digit and 10-digit code gaps, to selectively cancel the completion of traffic over its network, including traffic destined for the other Party's network, when required to protect the public-switched network from congestion as a result of occurrences such as facility failures, switch congestion or failure or focused overload. Each Party shall immediately notify the other Party of any protective control action planned or executed.
- 36.4 Where the capability exists, originating or terminating traffic reroutes may be implemented by either Party to temporarily relieve network congestion due to facility failures or abnormal calling patterns. Reroutes shall not be used to circumvent normal trunk servicing. Expansive controls shall be used only when mutually agreed to by the Parties.
- 36.5 The Parties shall cooperate and share pre-planning information regarding cross-network call-ins expected to generate large or focused temporary increases in call volumes to prevent or mitigate the impact of these events on the public-switched network, including any disruption or loss of service to the other Party's End Users. Facsimile (FAX) numbers must be exchanged by the Parties to facilitate event notifications for planned mass calling events.
- 36.6 Neither Party shall use any Interconnection, Resale Service, Network Element, function, facility, product or service provided under this Agreement or any other service related thereto or used in combination therewith in any manner that interferes with or impairs service over any facilities of **SBC-13STATE**, its affiliated companies or other connecting telecommunications carriers, prevents any carrier from using its Telecommunications Service, impairs the quality of Telecommunications Service to other carriers or to either Party's End Users, causes electrical hazards to either Party's personnel, damage to either Party's or any connecting carrier's facilities or equipment. Including any malfunction of ordering or billing systems or equipment. Upon such occurrence either Party may discontinue or refuse service, but only for so long as the other Party is violating this provision. Upon such violation, either Party shall provide the other Party notice of the violation at the earliest practicable time.

37. SIGNALING

- 37.1 The Parties will Interconnect their networks using SS7 signaling as defined in GR-000317-CORE and GR-000394-CORE, including ISDN User Part (ISUP) for trunk signaling and Transaction Capabilities Application Part (TCAP) for CCS-based features in the Interconnection of their networks. Each Party may establish CCS interconnections either directly and/or through a Third Party. If CCS

interconnection is established through a Third Party, the rates, terms, and conditions of the Parties' respective tariffs will apply. If CCS interconnection is established directly between SPRINT and SBC-13STATE, the rates, terms, and conditions of Appendix SS7 will apply.

- 37.2 The Parties will cooperate in the exchange of TCAP messages to facilitate full interoperability of CCS-based features between their respective networks, including all CLASS features and functions, to the extent each Party offers such features and functions to its own End Users. All CCS signaling parameters deployed by both Parties will be provided including CPN. All privacy indicators will be honored.

38. TRANSMISSION OF TRAFFIC TO THIRD PARTIES

- 38.1 SPRINT will not send to SBC-13STATE local traffic that is destined for the network of a Third Party unless SPRINT has the authority to exchange traffic with that Third Party.

39. CUSTOMER INQUIRIES

- 39.1 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.
- 39.2 Each Party will ensure that all of its representatives who receive inquiries regarding the other Party's services:
- 39.2.1 Provide the number described in Section 39.1 to callers who inquire about the other Party's services or products; and
- 39.2.2 Do not in any way disparage or discriminate against the other Party or its products or services.
- 39.3 Except as otherwise provided in this Agreement, SPRINT shall be the primary point of contact for SPRINT's End Users with respect to the services SPRINT provides such End Users.
- 39.4 SPRINT acknowledges that SBC-13STATE may, upon End User request, provide services directly to such End User similar to those offered to SPRINT under this Agreement.

40. EXPENSES

- 40.1 Except as expressly set forth in this Agreement, each Party will be solely responsible for its own expenses involved in all activities related to the matters covered by this Agreement.

41. CONFLICT OF INTEREST

- 41.1 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 negotiation of this Agreement or any associated documents.

42. SURVIVAL

- 42.1 The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement. Without limiting the general applicability of the foregoing, the following terms and conditions of the General Terms and Conditions are specifically agreed by the Parties to continue beyond the termination or expiration of this Agreement: Section 5.5; Section 5.6, Section 7.3; Section 8.1; Section 8.4; Section 8.5; Section 8.6; Section 8.7; Section 10, Section 11; Section 13; Section 14; Section 15; Section 16.1; Section 18; Section 19; Section 20; Section 22; Section 25.4; Section 26.1.3; Section 32; Section 34 and Section 42.

43. SCOPE OF AGREEMENT

- 43.1 This Agreement is intended to describe and enable specific Interconnection and compensation arrangements between the Parties. This Agreement is the arrangement under which the Parties may purchase from each other the products and services described in Section 251 of the Act and obtain approval of such arrangement under Section 252 of the Act. Except as agreed upon in writing, neither Party shall be required to provide the other Party a function, facility, product, service or arrangement described in the Act that is not expressly provided herein.
- 43.2 Except as specifically contained herein or provided by the FCC or any Commission within its lawful jurisdiction, nothing in this Agreement shall be deemed to affect any access charge arrangement.

44. AMENDMENTS AND MODIFICATIONS

- 44.1 No provision of this Agreement shall be deemed amended or modified by either Party unless such an amendment or modification is in writing, dated, and signed by an authorized representative of both Parties. The rates, terms and conditions contained in the amendment shall become effective upon approval of such amendment by the appropriate Commissions.
- 44.2 Neither Party shall be bound by any preprinted terms additional to or different from those in this Agreement that may appear subsequently in the other Party's form documents, purchase orders, quotations, acknowledgments, invoices or other communications.

45. IN-REGION MOST FAVORED NATIONS (MFN) BETWEEN SBC STATES

- 45.1 Subject to the conditions and limitations specified in Paragraph 43 of the SBC/Ameritech Merger Conditions, SBC-13STATE shall make available to any requesting telecommunication carrier in the SBC/Ameritech Area within any SBC-AMERITECH State any interconnection arrangement or UNE in the SBC/Ameritech Service Area within any SBC/Ameritech state that (1) was negotiated with a telecommunications carrier, pursuant to 47 U.S.C., 252(a)(1), by SBC-13STATE (that at all times during the interconnection agreement negotiations was an SBC owned ILEC) and (2) has been made under an agreement to which SBC-13STATE is a party.
- 45.2 The Parties acknowledge and agree that it may require additional time to implement an interconnection arrangement or UNE ported from one SBC owned ILEC state to another SBC owned ILEC state pursuant to Paragraph 43 of the SBC/Ameritech Merger Conditions. Thus, when SPRINT exercises its option to adopt an interconnection arrangement or UNE in accordance with Paragraph 43 of the SBC/Ameritech Merger Conditions, the Parties shall meet within thirty (30) calendar days of state commission approval of the interconnection agreement or amendment containing such interconnection arrangement and/or UNE to agree upon an implementation schedule for such interconnection arrangement and/or UNE.
- 45.3 Paragraph 43 of the SBC/Ameritech Merger Conditions as well as this Section 45 shall expire the earliest of October 8, 2002 or the termination date outlined in section 5 of the General Terms and Conditions of this Agreement, whichever is earlier.

46. APPENDICES INCORPORATED BY REFERENCE

- 46.1 ACCESS TO RIGHTS OF WAY—SECTION 251(b)(4)

- 46.1.1 SBC-13STATE shall provide to SPRINT access to Poles, Conduits and Rights of Way pursuant to the applicable Appendix Structure Access, which is/are attached hereto and incorporated herein by reference.

46.2 COLLOCATION—SECTION 251(c)(6)

- 46.2.1 Subject to the provisions hereof, SBC-13STATE shall provide SPRINT physical collocation in Illinois pursuant to SBC-13STATE's intrastate physical collocation tariff. With respect to any physical collocation arrangements that were purchased by SPRINT from SBC-13STATE via Applications submitted by SPRINT to SBC-13STATE prior to the Effective Date of this Agreement ("Pre-Existing Arrangements"), the terms and conditions of such SBC-13STATE physical collocation tariff shall apply as of the Effective Date of this Agreement, except that such arrangements shall continue to be subject to the nonrecurring and recurring rates set forth in the prior interconnection agreement between the Parties. In the event SPRINT elects to convert the Pre-existing Arrangements to the rates in SBC-13STATE's applicable physical collocation intrastate tariff, SPRINT shall pay SBC-13STATE's actual cost to convert such arrangements including, but not limited to, the following: 1) a NRC reflecting the actual cost to perform a billing table update of the new rates, 2) a one-time charge to recover any differences between the NRCs and MRCs of the original collocation ordering/provisioning method to NRCs/MRCs of the other method, if applicable, 3) the applicable Ameritech-Illinois project management fee to coordinate and manage the transition. The performance measures and remedies applicable to initial collocation installations shall not apply to the transition work described in this Section.

46.3 DATABASE ACCESS

- 46.3.1 SBC-13STATE shall provide to SPRINT nondiscriminatory access to databases and associated signaling necessary for call routing and completion pursuant to the applicable Appendix UNE, which is/are attached hereto and incorporated herein by reference.

46.4 DIALING PARITY—SECTION 251(b)(3)

- 46.4.1 The Parties shall provide Local Dialing Parity to each other as required under Section 251(b)(3) of the Act.
- 46.4.2 SBC-12STATE shall provide IntraLATA Dialing Parity in accordance with Section 271(e)(2) of the Act.

46.5 INTERCONNECTION PURSUANT TO SECTION 251(c)(2)(A),(B),(C); 47 CFR § 51.305(a)(1)

46.5.1 **SBC-13STATE** shall provide to **SPRINT** Interconnection of the Parties' facilities and equipment for the transmission and routing of Telephone Exchange Service traffic and Exchange Access traffic pursuant to the applicable Appendix ITR, which is/are attached hereto and incorporated herein by reference. Methods for Interconnection and Physical Architecture shall be as defined in the applicable Appendix NIM, which is/are attached hereto and incorporated herein by reference.

46.6 NUMBER PORTABILITY -- SECTIONS 251(b)(2)

46.6.1. The Parties shall provide to each other Permanent Number Portability (PNP) on a reciprocal basis as outlined in the applicable Appendix Number Portability, which is/are attached hereto and incorporated herein by reference.

46.7 OTHER SERVICES

46.7.1. 911 and E911 Services

46.7.1.1 **SBC-13STATE** will make nondiscriminatory access to 911 and E911 services available under the terms and conditions of the applicable Appendix 911, which is/are attached hereto and incorporated herein by reference.

46.7.2 Directory Assistance (DA)

46.7.2.1 **SBC-13STATE** will provide nondiscriminatory access to Directory Assistance services under the terms and conditions identified in the applicable Appendix DA, which is/are attached hereto and incorporated herein by reference.

46.7.3 Operator Services (OS)

46.7.3.1 **SBC-13STATE** shall provide nondiscriminatory access to Operator Services under the terms and conditions identified in the applicable Appendix OS, which is/are attached hereto and incorporated herein by reference.

46.7.4 Signaling System 7 Interconnection

46.7.4.1 At SPRINT's request, SBC-13STATE shall perform SS7 interconnection services for SPRINT pursuant to the applicable Appendix SS7, which is/are attached hereto and incorporated herein by reference.

46.7.5 Publishing and Directory

46.7.5.1 SBC-13STATE will make nondiscriminatory access to Publishing and Directory service available under the terms and conditions of the applicable Appendix White Pages, which is/are attached hereto and incorporated herein by reference.

46.8 RESALE SECTIONS 251(b)(1)

46.8.1 SBC-13STATE shall provide to SPRINT Telecommunications Services for resale at wholesale rates pursuant to the applicable Appendix Resale, which is/are attached hereto and incorporated herein by reference.

46.9 TRANSMISSION AND ROUTING OF SWITCHED ACCESS TRAFFIC PURSUANT TO 251(c)(2)

46.9.1 SBC-13STATE shall provide to SPRINT certain trunk groups (Meet Point Trunks) under certain parameters pursuant to the applicable Appendix ITR, which is/are attached hereto and incorporated herein by reference.

46.10 TRANSMISSION AND ROUTING OF TELEPHONE EXCHANGE SERVICE TRAFFIC PURSUANT TO SECTION 251(c)(2)(D); 252(d)(1) and (2); 47 CFR § 51.305(a)(5).

46.10.1 The applicable Appendix Reciprocal Compensation, which is/are attached hereto and incorporated herein by reference, prescribe traffic routing parameters for Local Interconnection Trunk Group(s) the Parties shall establish over the Interconnections specified in the applicable Appendix ITR, which is/are attached hereto and incorporated herein by reference

46.11 UNBUNDLED NETWORK ELEMENTS -- SECTIONS 251(c)(3)

46.11.1 Pursuant to the applicable Appendix UNE, which is/are attached hereto and incorporated herein by reference, SBC-13STATE will

provide **SPRINT** access to Unbundled Network elements for the provision of Telecommunications Service as required by Sections 251 and 252 of the Act and in the Appendices hereto. **SPRINT** agrees to provide access to its Network Elements to **SBC-13STATE** under the same terms, conditions and prices contained herein and in the applicable Appendices hereto.

- 46.12 INW
- 46.13 PRICES
- 46.14 NIM
- 46.15 NUMBERING
- 46.16 PERFORMANCE MEASURES
- 46.17 CUSTOMER USAGE DATA
- 46.18 RECIPROCAL COMPENSATION
- 46.19 xDSL
- 46.20 800
- 46.21 BFR
- 46.22 LIDB SVC
- 46.23 LIDB-AS
- 46.24 OSS
- 46.25 BILLING, COLLECTING AND REMITTING
- 46.26 DAL
- 46.27 DIRECT
- 46.28 FEATURE GROUP A
- 46.29 RECORDING – FACILITIES BASED

47. AUTHORITY

- 47.1 Each of the SBC owned ILEC(s) for which this Agreement is executed represents and warrants that it is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation. Each of the SBC owned ILEC(s) for which this Agreement is executed represents and warrants that SBC Telecommunications, Inc. has full power and authority to execute and deliver this Agreement as agent for that SBC owned ILEC. Each of the SBC owned ILEC(s) for which this Agreement is executed represents and warrants that it has full power and authority to perform its obligations hereunder.
- 47.2 **SPRINT** represents and warrants that it is a Limited Partnership duly organized, validly existing and in good standing under the laws of the State of Delaware and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder. **SPRINT** represents and warrants that it has been or will be certified as a LEC by the Commission(s) prior to submitting any orders hereunder and is or will be authorized to provide the Telecommunications

Services contemplated hereunder in the territory contemplated hereunder prior to submission of orders for such Service.

- 47.3 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.

48. COUNTERPARTS

- 48.1 This Agreement may be executed in counterparts. Each counterpart shall be considered an original and such counterparts shall together constitute one and the same instrument.

49. ENTIRE AGREEMENT

49.1 SBC-12STATE

- 49.1.1 The terms contained in this Agreement and any Appendices, Attachments, Exhibits, Schedules, and Addenda constitute the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written.

49.2 SNET

- 49.2.1 The terms contained in this Agreement and any Appendices, Attachments, Exhibits, Schedules, Addenda, Commission approved tariffs and other documents or instruments referred to herein and incorporated into this Agreement by reference constitute the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written.

50. GENERAL TERMS AND CONDITIONS APPLICABLE TO ATTACHMENT 6: UNBUNDLED NETWORK ELEMENTS (INCLUDING APPENDICES AND EXHIBITS THERETO) MO (M2A); ATTACHMENT 7: ORDERING AND PROVISIONING – UNE MO (M2A); ATTACHMENT 8: MAINTENANCE – UNE MO (M2A); ATTACHMENT 9: CONNECTIVITY BILLING – OTHER MO (M2A); ATTACHMENT 10: PROVISION OF CUSTOMER USAGE DATA -UNE MO (M2A), INCLUDING ASSOCIATED PRICING AND ATTACHMENT 26: LEGITIMATELY RELATED PROVISIONS - MO (M2A)

The following terms and conditions are legitimately related and only apply to Attachment 6: Unbundled Network Elements-MO (M2A) including the following appendices to Attachment 6: Unbundled Network Elements MO (M2A), Appendix Pricing –UNE and Exhibit 1 to Appendix Pricing-UNE MO (M2A); Attachment 7: Ordering And

Provisioning – UNE MO (M2A); Attachment 8: Maintenance – UNE MO (M2A); Attachment 9: Connectivity Billing – Other MO (M2A); Attachment 10: Provision Of Customer Usage Data -UNE MO (M2A); Attachment 26: Legitimately Related Provisions – MO (M2A) and Appendix Pricing (but with respect to the Appendix Pricing, such terms and condition shall only be legitimately related to the UNE rates from the M2A incorporated into the revised Appendix Pricing of this Agreement pursuant to Amendment No. 1, under which CLEC exercised its rights pursuant to Section 252(i) of the Act, to sectionally adopt the above-referenced Attachments from the Missouri 271 Agreement. In the event that any of the legitimately related terms and conditions set forth below conflict with any of the other General Terms and Conditions in this Agreement, the legitimately related terms and conditions set forth below shall control and shall supersede any conflicting terms, but only with respect to Attachment 6: UNE-MO (M2A) including the following appendices to Attachment 6: Appendix Pricing –UNE and Exhibit 1 to Appendix Pricing-UNE MO (M2A); Attachment 7: Ordering And Provisioning – UNE MO (M2A); Attachment 8: Maintenance – UNE MO (M2A); Attachment 9: Connectivity Billing – Other MO (M2A); Attachment 10: Provision Of Customer Usage Data -UNE MO (M2A); Attachment 26: Legitimately Related Provisions - MO (M2A), and Appendix Pricing (but only as to the UNE rates incorporated from the M2A).

- 2.1 Any CLEC that wants to accept this entire Agreement (after the Missouri Public Service Commission has issued an order finding that this Agreement satisfies the competitive checklist under 47 U. S. C. Section 271(c) and supporting SWBT's application for in-region intraLATA relief for the State of Missouri), shall notify SWBT in writing. Within 5 business days of such notification, SWBT shall present the CLEC with a signed Interconnection Agreement substantively identical to this Agreement. Within 5 business days of receipt of the SWBT signed Interconnection Agreement, the CLEC shall sign the Interconnection Agreement and file it with this Commission. The signed Interconnection Agreement between SWBT and the CLEC shall become effective by operation of law immediately upon filing with the Commission (the "Effective Date").
- 4.1 This Agreement will become effective as of the Effective Date stated above, and will expire March 6, 2002, unless the Federal Communications Commission (FCC) approves SWBT's application to provide in-region interLATA service in Missouri under 47 U.S.C. § 271 by June 29, 2001, in which event the terms of this Agreement will automatically be extended until March 6, 2005. In the event the FCC approves SWBT's application to provide in-region interLATA service in Missouri under 47 U.S.C. § 271 after June 29, 2001, but prior to March 6, 2002, SWBT shall have the option of extending the Agreement until March 6, 2005. In such event, SWBT will provide notice to the Commission and to CLEC, within five business days of FCC approval, of its agreement to extend the Agreement until March 6, 2005. If either party desires to negotiate a successor agreement to this Agreement, such party must provide the other party with a written request to negotiate such successor agreement (Request to Negotiate) not later than 180 days prior to the expiration of this Agreement. A Request to Negotiate does not

activate the negotiation timeframe set forth in this Agreement, nor does it shorten the life of this Agreement. The noticing Party will delineate the items desired to be negotiated. Not later than 30 days from receipt of said Notice to Negotiate, the receiving Party will notify the sending Party of additional items desired to be negotiated, if any. The Parties will begin negotiations not later than 135 days prior to expiration of this Agreement. If the FCC approves SWBT's application to provide in-region interLATA service in Missouri after June 29, 2001 and SWBT provides notice of its agreement under this Section to extend the Agreement until March 6, 2005 CLEC may withdraw its Request to Negotiate.

4.1.1 This Agreement will not go into effect until the Missouri Public Service Commission has issued an Order finding that this Agreement satisfies the competitive checklist under 47 U.S.C. Section 271(c) and supporting SWBT's application for in-region interLATA relief for the State of Missouri. SWBT's offering of this Agreement and all sections, attachments and offerings therein are expressly conditioned upon the Missouri Public Service Commission's support for SWBT's application for in-region interLATA relief for the State of Missouri. If the Missouri Public Service Commission does not support SWBT's application for in-region interLATA relief for the State of Missouri, then SWBT's offering of this Agreement and all sections, attachments and offerings therein is immediately withdrawn and this Agreement will not go into effect.

4.1.2 Should CLEC opt to incorporate any provision of another interconnection agreement into this Agreement pursuant to Section 252(i) of the Act, such incorporated provision shall expire on the date it would have expired under the interconnection agreement from which it was taken. Should CLEC opt to incorporate any provision of this Agreement into another interconnection agreement pursuant to Section 252(i) of the Act, the provision from this Agreement shall expire on the date provided in Section 4.1 above and shall not control the expiration date of the provisions of the other interconnection agreement.

4.2 If either party has served a Notice to Negotiate pursuant to paragraph 4.1 above then, notwithstanding the expiration of the Agreement in accordance with paragraph 4.1 above, the terms, conditions, and prices of this Agreement will remain in effect for a maximum of 135 days after expiration of the Agreement for completion of said negotiations and any necessary arbitration. The Parties agree to resolve any impasse by submission of the disputed matters to the Missouri PSC for arbitration. Should the Missouri PSC decline jurisdiction, the Parties will resort to a commercial provider of arbitration services.

4.2.1 Pursuant to Sections 18.2 and 18.3, SWBT and CLEC agree not to challenge the lawfulness of any provision of this Agreement. In the event that one of the Parties to this Agreement nonetheless challenges the

lawfulness of any provision of this Agreement in a judicial, dispute resolution, or regulatory proceeding, then the other Party, at its option, may terminate this Agreement immediately. In such event, the Parties shall have a period not to exceed 135 days in which to negotiate, and 135 additional days to arbitrate any disputes for, a replacement interconnection agreement. However, should a non-party successfully challenge the lawfulness of any provision of this Agreement, SWBT and CLEC agree that, despite such challenge, the terms and conditions of this Agreement will continue to apply and be effective between SWBT and CLEC. Nothing in this Section 4.2.1 is intended to imply that pursuit of resolution of disputes concerning a Party's clarifications or interpretations of the provisions of this Agreement, as provided in Sections 18.2 and 18.3, is a challenge to the lawfulness of this Agreement.

- 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.
- 18.2 Pursuant to Attachment 6, Section 14.8 of the M2A, which is incorporated herein by this reference, and for the time periods specified in Attachment 6, Section 14 of the M2A, which is incorporated herein by this reference, SWBT expressly waives its right to assert that it need not provide pursuant to the "necessary and impair" standard of FTA Section 251(d)(2) a network element set forth in Attachment 6, Unbundled Network Elements, Sections 3-11 of the M2A, which are incorporated herein by this reference, and/or its rights with regard to the combination of any such network elements that are not already assembled pursuant to the provisions in Attachment 6, Section 14 of the M2A. By entering into this Agreement to obtain the benefits set forth herein in whole or in part, SWBT expressly waives its right to challenge the terms of this Agreement in any judicial, dispute resolution or regulatory proceeding, except that SWBT expressly reserves the right to seek clarification or interpretation of the terms of this Agreement through the dispute resolution process established by the Commission or challenge in any judicial, dispute resolution or regulatory proceeding the interpretation of this agreement or any agreement containing the same or substantively similar language to this Agreement; such right to seek clarification or interpretation or challenge the interpretation also includes the right to appeal the final judicial, dispute resolution or regulatory decision and to continue to pursue pending appeals. When any final decision is rendered by the appellate court, the affected contract provision shall be revised to reflect the result of such appeal except those relating to the prices and other terms and conditions at issue in SWBT vs. Missouri Public Service Commission, et al., Case Nos. 99-3833 and

99-3908 in the United States Court of Appeals for the 8th Circuit. Any dispute between the Parties regarding the manner in which this Agreement should be modified to reflect the affect of the appellate court decision shall be resolved by the Commission. SWBT also expressly reserves the right to contest any order or decision requiring the payment of reciprocal compensation for ISP traffic, including the right to seek refunds or to implement an alternate approach to such reciprocal compensation pursuant to regulatory or judicial approval. Except as provided in this section, SWBT reserves the right to pursue pending appeals and to appeal any other state or federal regulatory decision, but, absent a stay or reversal, will comply with any such final decision. Nothing in this Agreement limits SWBT's right or ability to participate in any proceedings regarding the proper interpretation and/or application of the FTA.

- 18.3 By entering into this Agreement to obtain the benefits set forth herein in whole or in part, CLEC expressly waives its right to challenge the terms of this Agreement in any judicial, dispute resolution or regulatory proceeding, except that CLEC expressly reserves the right to seek clarification or interpretation of the terms of this Agreement through the dispute resolution process established by the Commission or challenge in any judicial, dispute resolution or regulatory proceeding the interpretation of this agreement or any agreement containing the same or substantially similar language to this agreement; such right to seek clarification or interpretation or challenge the interpretation also includes the right to appeal the final judicial, dispute resolution or regulatory decision and to continue to pursue pending appeals. When a final decision is rendered by the appellate court, the affected contract provision shall be revised to reflect the result of such appeal. Any dispute between the Parties regarding the manner in which this Agreement should be modified to reflect the effect of the appellate court decision shall be resolved by the Commission. CLEC expressly reserves the right to contest any order or decision requiring the payment of reciprocal compensation for ISP traffic, including the right to seek refunds or to implement an alternate approach to such reciprocal compensation pursuant to regulatory or judicial approval. Except as provided in this section, CLEC reserves the right to pursue pending appeals and to appeal any other state or federal regulatory decision, but, absent a stay or reversal, will comply with any such final decision. Nothing in this Agreement limits CLEC's right or ability to participate in any proceedings regarding the proper interpretation and/or application of the FTA.
- 31.1 Any ruling by the Commission interpreting the same or substantively similar language in another Interconnection Agreement is applicable to the same or substantively similar language in this Agreement.
- 43.1 Except as otherwise specifically provided in Sections 4.2.1, 18.1, 18.2 and 18.3 of the General Terms & Conditions, 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 of the M2A, which is incorporated herein by this reference.

**SBC-13STATE Agreement
Signatures**

Sprint Communications Company, L.P.

**Southwestern Bell Telephone, L.P. d/b/a
Southwestern Bell Telephone Company,
By SBC Telecommunications, Inc.,
Its Authorized agent.**

Signature: W. Richard Morris

Signature: Mike Auinbauh

Name: W. Richard Morris
(Print or Type)

Name: Mike Auinbauh

Title: Vice President State External Affairs
(Print or Type)

Title: President - Industry Markets

Date: NOV 12 2002

Date: NOV 20 2002

Missouri

AECN/OCN# 8712
(Facility Based – if applicable)