TK-2004-0516

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## TRAFFIC TERMINATION AGREEMENT

Missouri Public Service Commission

This Agreement for the termination of traffic between Mid-Missouri Telephone

Company, an Incumbent Local Exchange Carrier (ILEC) certificated to provide local exchange services in the State of Missouri, and Cingular Wireless LLC, on behalf of its affiliates licensed by the FCC to provide commercial mobile radio service, with its headquarters at 5565 Glenridge Connector, Atlanta, Georgia 30342-4756 (collectively, "Cingular"), effective upon the 5th day of February, 2004 ("Effective Date"). This Agreement has been executed pursuant to Section 251(b)(5) of the Telecommunications Act of 1996. (ILEC and Cingular are also sometimes referred to herein as "Party" or, collectively, "Parties.")

ILEC is a local exchange carrier operating in Missouri. Cingular is a commercial mobile radio service carrier operating in Missouri. Cingular terminates traffic originated by its end user customers and terminating to ILEC through the facilities of another local exchange carrier in Missouri. ILEC may in the future elect to terminate traffic originated by its end user customers and terminating to Cingular through the facilities of another local exchange carrier in Missouri. Cingular and ILEC recognize their responsibilities to compensate the other pursuant to Section 4 of this Agreement for termination of the traffic originated by and under the responsibility of each Party, and which terminates to the other Party through the facilities of another local exchange carrier in Missouri.

In consideration of the mutual covenants contained in this Agreement, the Parties agree as follows:

### **SECTION 1 - SCOPE OF AGREEMENT**

1.1 This Agreement shall cover traffic originated by, and under the responsibility of, one of the Parties and terminated to the other Party without the direct interconnection of the Parties'

networks, and which terminates to the other Party through the facilities of another local exchange carrier in Missouri. "Traffic originated by and under the responsibility of," a Party means traffic that is originated by a Party pursuant to that Party's rate schedules, tariffs, or contract with the end-user customer. This Agreement does not cover traffic for which the originating party has contracted with an Interexchange Carrier ("IXC") to assume responsibility for terminating the traffic, or traffic originated by an IXC pursuant to the IXC's rate schedules, tariffs, end-users contracts, or presubscription rules. This Agreement shall cover both Local and Non-local Traffic as those terms are defined in Section 2 of this Agreement. This Agreement shall not apply to traffic or calls completed by either Party in compliance with any obligation to port numbers of the former customers of one Party when that customer takes service from the other Party.

### **SECTION 2 - DEFINITIONS**

Certain terms used in this Agreement shall have the meanings as defined below. Other terms used but not defined herein will have the meanings ascribed to them in the Act or in the Rules and Regulations of the FCC or the Missouri Public Service Commission. The Parties acknowledge that other terms appear in this Agreement that are not defined or ascribed as stated above. The Parties agree that any such terms shall be construed in accordance with their customary usage in the telecommunications industry as of the Effective Date of this Agreement.

- 2.1 "Act" the Communications Act of 1934, as amended by the Telecommunications Act of 1996, and as further amended from time to time and as interpreted in the duly authorized rules and regulations and Orders of the Federal Communication Commission or a state regulatory commission.
- 2.2 "CMRS" Commercial Mobile Radio Service, as defined in the Act.
- 2.3 "Commission" Missouri Public Service Commission.

- 2.4 "CTUSR" Cellular Transiting Usage Summary Report, provided by Southwestern Bell Telephone Company, tracks the minutes of Transiting Traffic for calls originating from CMRS providers and terminating to LECs.
- 2.5 "FCC" Federal Communications Commission.
- 2.6 "LEC" local exchange carrier, includes any provider of local exchange telecommunications service that holds a certificate of public convenience and necessity or certificate of service authority from the Missouri Public Service Commission.
- 2.7 "Local Traffic" Local Traffic under this Agreement is traffic between ILEC and Cingular that, at the beginning of the call, originates and terminates within the same Major Trading Area. For ILEC, the origination or termination point of a call shall be the end office switch that serves, respectively, the calling or called party at the beginning of the call. For Cingular, the origination or termination point of a call shall be the cell site/base station that serves, respectively, the calling or called party at the beginning of the call.
- 2.8 "MTA" Major Trading Area as defined in 47 C.F.R. 24 of the FCC Rules and Regulations.
- 2.9 "Non-local Traffic" Non-local Traffic under this Agreement is traffic between ILEC and Cingular that is not Local Traffic. Non-local Traffic may be either interstate or intrastate traffic, depending on the locations where the call originates and terminates.

### **SECTION 3 - TRAFFIC EXCHANGE**

3.1 Each Party shall be responsible for provisioning its traffic, if any, exchanged under this Agreement. Each Party shall be responsible for establishing appropriate contractual or tariff relationships with the third-party LEC(s), if any, that Party selects for transiting traffic to the other Party. Each Party shall be responsible for providing the trunks from its network to the

point of interconnection with the network(s) of any such third-party LEC(s), and for paying such third-party LEC(s) for the costs of transiting calls that the Party originates.

### **SECTION 4 - COMPENSATION**

- 4.1 Compensation for traffic originated by, and under the responsibility of, a Party and terminated to the other Party's network shall be based upon the specific type and jurisdiction of the call as follows:
- 4.1.1 Local Traffic Local Traffic calls as defined in Section 2 of this Agreement shall be compensated based on the local termination rate established in Appendix 1.
- 4.1.2 Non-local Intrastate Traffic Non-local Traffic (as defined in Section 2 of this Agreement) originated by Cingular and terminating to ILEC within the same State will be compensated based upon the rate for termination of non-local intrastate traffic identified in Appendix 1. Compensation for Non-local Intrastate Traffic originated by, and under the responsibility of, ILEC and terminating to Cingular, if any, shall be based on the rate for termination of non-local intrastate traffic identified in Appendix 1.
- 4.1.3 Non-local Interstate Traffic Non-local Traffic (as defined in Section 2 of this Agreement) originated by Cingular and terminating to ILEC within different States will be compensated based upon the rate for termination of non-local interstate traffic identified in Appendix 1. Compensation for Non-local Interstate Traffic originated by, and under the responsibility of, ILEC and terminating to Cingular, if any, shall be based on the rate for termination of non-local interstate traffic identified in Appendix 1.
- 4.2 Factors For the purposes of this Agreement, the Parties agree to use the percentages referenced in Appendix 2 as a fair estimate of the proportions of the total amount of traffic originated by Cingular that is assignable to each of the three different jurisdictions identified in

Section 4.1 above. This percentage shall remain in effect until amended as provided in Section 5.2 below.

## SECTION 5 - RECORD EXCHANGES AND BILLING

- CTUSRs currently report volumes of traffic originated by Cingular and terminating to ILEC. The Parties will work cooperatively to provide or exchange billing records in industry standard formats containing available detail, if any, about call jurisdictions, for calls they originate that terminate on the other Party's network, and which are subject to this Agreement. The Party terminating traffic under this Agreement (*i.e.*, the "Billing Party") shall issue bills based on the best information then available including, but not limited to, records of terminating traffic created by the Party at its end office or tandem switch. Records should be provided at an individual call detail record, if possible, with sufficient information to identify the specific date and time of the call, the call duration, and the originating and terminating numbers or locations. Neither Party shall be obligated as a result of this Agreement to develop or create new billing formats or records to satisfy any duty or obligation hereunder, or to pay for the services of transiting ILECs or other entities for billing format or record creation to satisfy any duty or obligation hereunder. Until more detailed records are reasonably available, CTUSRs will be considered a sufficient billing record.
- 5.2 If either Party provides to the other a valid traffic study, or a valid study of interMTA traffic by access jurisdiction, the Parties shall use such traffic study or reexamination to negotiate in good faith a mutually acceptable revised local traffic factor, or interMTA or access jurisdiction percentage.

For purposes of this Agreement, a "valid interMTA traffic study" may be based upon, but not necessarily limited to, calling and called party information (e.g, originating and terminating

NPA NXX, minutes of use, available detail, if any, identifying location of Cingular calling or called customer, or available detail, if any, identifying the location of the cell tower serving Cingular calling or called customers, etc.) which, for at least three consecutive billing periods, indicates an amount of interMTA traffic that is at least five percentage points greater or lesser than the interMTA percentage amount to which the Parties previously agreed. Either Party initiating an interMTA traffic study for the purpose of proposing changes to this Agreement will provide the other Party not less than thirty (30) days' notice of intent to conduct the study, and the opportunity for the other Party to participate in the establishment, conduct, and results of the study. The Parties agree to cooperate in good faith to amend this Agreement to reflect this revised interMTA percentage, and such revised percentage will be effective upon amendment of this Agreement, including any state commission approval, if required. Such studies or reexaminations shall be conducted no more frequently than once annually.

For purposes of this Agreement, a "valid study of interMTA traffic by access jurisdiction" may be based upon, but not necessarily limited to, calling and called party information (e.g., originating and terminating NPA NXX, minutes of use, available detail, if any, identifying location of Cingular calling or called customer, or available detail, if any, identifying the location of the cell tower serving Cingular calling or called customers, etc.) which, for at least three consecutive billing periods, indicates an amount of interMTA traffic by access jurisdiction that is at least five percentage points greater or lesser than the interMTA access jurisdiction percentage amount to which the Parties previously agreed. Either Party initiating an interMTA traffic study by access jurisdiction for the purpose of proposing changes to this Agreement will provide the other Party not less than thirty (30) days' notice of intent to conduct the study, and the opportunity for the other Party to participate in the establishment, conduct, and

results of the study. The Parties agree to cooperate in good faith to amend this Agreement to reflect this revised traffic by access jurisdiction percentage, and such revised percentage will be effective upon amendment of this Agreement, including any state commission approval, if required. Such studies or reexaminations shall be conducted no more frequently than once annually.

- The originating Party shall pay the Billing Party for all charges properly listed on the bill. Such payments are to be received within thirty (30) days from the effective date of the billing statement. The originating Party shall pay a late charge on any undisputed charges that are not paid within the thirty (30) day period. The rate of the late charge shall be the lesser of 1% per month or the maximum amount allowed by law. Normally, neither Party shall bill the other Party for traffic that is more than ninety days old. However, in those cases where billing cannot be performed within that time frame because of record unavailability, inaccuracies, corrections, etc., billing can be rendered or corrected for periods beyond ninety days. In no case, however, will billing be made for traffic that is more than one year old.
- 5.4 At the same time that the Parties execute this Agreement, they are entering into a confidential agreement to settle all claims related to traffic exchanged between the Parties prior to the effective date of this Agreement. Each Party represents that this settlement agreement completely and finally resolves all such past claims.

### **SECTION 6 - AUDIT PROVISIONS**

6.1 As used herein, "Audit" shall mean a comprehensive review of services performed under this Agreement. Either Party (the "Requesting Party") may perform one (1) Audit per 12-month period commencing with the Effective Date.

- Open thirty (30) days written notice by the Requesting Party to the other "Audited Party", the Requesting Party shall have the right, through its authorized representative(s), to perform an Audit, during normal business hours, of any records, accounts and processes which contain information bearing upon the services provided, and performance standards agreed to, under this Agreement. Within the above-described 30-day period, the Parties shall reasonably agree upon the scope of the Audit, the documents and processes to be reviewed, and the time, place and manner in which the Audit shall be performed. The Audited Party agrees to provide Audit support, including reasonable access to and use of the Audited Party's facilities (e.g., conference rooms, telephones, copying machines).
- Each party shall bear the cost of its own expenses in connection with the conduct of the Audit. The reasonable cost of special data extraction required by the Requesting Party to conduct the Audit will be paid for by the Requesting Party. For purposes of this Section 6.3, "Special Data Extraction" shall mean the creation of an output record or information report (from existing data files) that is not created in the normal course of business by the Audited Party. If any program is developed to the Requesting Party's specifications and at the Requesting Party's expense, the Requesting Party shall specify at the time of request whether the program is to be retained by the Audited Party for reuse during any subsequent Audit.
- 6.4 Adjustments, credits or payments shall be made, and any correction action shall commence, within thirty (30) days from the Requesting Party's receipt of the final audit report to compensate for any errors or omissions which are disclosed by such Audit and are agreed to by the Parties. One and one-half (1 1/2) percent or the highest interest rate allowable by law for commercial transactions, whichever is lower, shall be assessed and shall be computed on any adjustments, credits or payments if the audit establishes an overpayment or underpayment of

greater than two percent (2%) of the actual amount due by compounding monthly from the time of the error or omission to the day of payment or credit.

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- Neither the right to Audit, nor the right to receive an adjustment, shall be affected by any statement to the contrary appearing on checks or otherwise, unless such statement expressly waiving such right appears in writing, is signed by the authorized representative of the Party having such right and is delivered to the other Party in a manner provided by this Agreement.
- 6.6 This Section 6 shall survive expiration or termination of this Agreement for a period of two (2) years after expiration or termination of this Agreement.

### **SECTION 7 - DISPUTE RESOLUTION**

- 7.1 The Parties agree to resolve disputes arising out of this Agreement with a minimum amount of time and expense. Accordingly, the Parties agree to use the following dispute resolution procedure as a sole remedy with respect to any controversy or claim arising out of or relating to this Agreement, except for an action seeking to compel compliance with the confidentiality provision of Section 8 or this dispute resolution process (venue and jurisdiction for which would be in Kansas City, Missouri).
- 7.2 At the written request of a Party commencing the dispute resolution process described herein, each Party will appoint a representative to meet and negotiate in good faith for a period of sixty (60) days (unless it becomes clear that a voluntary resolution is unlikely) after the request to resolve any dispute arising under this Agreement. The Parties intend that these negotiations be conducted by nonlawyer business representatives, but nothing prevents either Party from also involving an attorney in the process. The location, format, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon mutual agreement of the representatives, the representatives may utilize other alternative dispute resolution

procedures such as mediation to assist in the negotiations. Discussion and correspondence among the representatives for purposes of these negotiations shall be treated as settlement discussions and confidential information developed for purposes of settlement, exempt from discovery and production, which shall not be admissible in the Commission proceeding or arbitration described below or in any lawsuit without concurrence of both Parties.

7.3 If the negotiations do not resolve the dispute within sixty (60) days (or sooner if the parties agree that a voluntary resolution will not occur) after the initial written request, the dispute may be brought in any lawful forum for resolution unless the Parties mutually agree to submit the dispute to binding arbitration by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association or such other rules to which the Parties may agree. If the Parties mutually agree to submit the dispute to binding arbitration, the arbitration hearing shall be commenced within forty-five (45) days after the agreement for arbitration and shall be held in Kansas City, Missouri, or any other location to which the Parties mutually agree. The arbitrator shall control the scheduling so as to process the matter expeditiously. The Parties may submit written briefs. The arbitrator shall rule on the dispute by issuing a written opinion within thirty (30) days after the close of hearing. The times specified in this section may be extended upon mutual agreement of the Parties or by the arbitrator upon a showing of good cause. The decision of the arbitrator shall be final and binding upon the Parties, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. Each party shall bear its own costs and attorneys' fees of the arbitration procedures set forth in this Section and shall equally split the fees and costs of the arbitration and the arbitrator.

7.4 In addition to the foregoing Dispute Resolution process, if any portion of an amount due to the Billing Party under this Agreement is subject to a bona fide dispute between the parties, the Party billed (the "Non-Paying Party") shall, within thirty (30) days of its receipt of the invoice containing such disputed amount, give notice to the Billing Party of the amounts in dispute ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. The Non-Paying Party shall pay when due all undisputed amounts to the Billing Party. The balance of the Disputed Amount shall thereafter be paid, with late charges as provided in Section 5.3, if appropriate, upon final determination of such dispute. Late charges assessed on those amounts that were unpaid but disputed after thirty (30) days from the receipt of the invoice, shall be credited to the non-paying Party for any disputed amounts which were ultimately found to be not due and payable.

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7.5 No cause of action, regardless of form, arising out of the subject matter of this Agreement may be brought by either Party more than two years after the cause of action has accrued. The Parties waive the right to invoke any different limitation on the bringing of actions provided under state or federal law unless such waiver is otherwise barred by law.

### **SECTION 8 - CONFIDENTIAL INFORMATION**

8.1 The Parties recognize that they or their authorized representatives may come into possession of confidential and/or proprietary data about each other's business as a result of this Agreement. Each Party agrees to treat all such data as strictly confidential and to use such data only for the purpose of performance under this Agreement. Each Party agrees not to disclose data about the other Party's business, unless such disclosure is required by lawful subpoena or order, to any person without first securing the written consent of the other party. If a Party is obligated to produce, divulge, or otherwise disclose the other Party's confidential information as

the result of an order or subpoena issued by a court or other tribunal of competent jurisdiction, then the Party to which such demand is being made shall notify the other Party as soon as possible of the existence of such demand, and shall provide all necessary and appropriate assistance as the Party whose information is sought to be disclosed may reasonably request in order to preserve the confidential nature of the information sought.

### **SECTION 9 - LIABILITY AND INDEMNIFICATION**

- 9.1 Neither Party assumes any liability for any act or omission of the other Party in the furnishing of its services to its subscribers solely by virtue of entering into the Agreement. To the extent not prohibited by law or inconsistent with the other terms of this Agreement, each Party shall indemnify the other Party and hold it harmless against any loss, costs, claims, injury or liability relating to any third-party claim arising out of any act or omission of the indemnifying Party in connection with the indemnifying Party's performance under this Agreement. Furthermore, the Parties agree to arrange their own interconnection arrangements with other telecommunications carriers, and each Party shall be responsible for any and all of its own payments thereunder. Neither Party shall be financially or otherwise responsible for the rates, terms, conditions, or charges between the other Party and another telecommunications carrier.
- 9.2 NEITHER PARTY MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, FOR ANY HARDWARE, SOFTWARE, GOODS, OR SERVICES PROVIDED UNDER THIS AGREEMENT. ALL WARRANTIES, INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY DISCLAIMED AND WAIVED.

9.3 In any event, each Party's liability for all claims arising under this Agreement, or under the provision of the service provided under this Agreement, shall be limited to the amount of the charges billed to the Party making a claim for the month during which the claim arose.

### SECTION 10 - TERM OF AGREEMENT

10.1 This Agreement shall commence on the Effective Date, and shall terminate two years after the Effective Date. This Agreement shall renew automatically for successive one-year terms, commencing on the termination date of the initial term or latest renewal term. The automatic renewal shall take effect without notice to either Party, except that either Party may elect (1) not to renew by giving the other Party at least thirty (30) days written notice of the desire not to renew; or (2) to negotiate a subsequent agreement by giving the other Party at least thirty (30) days written notice of the desire to commence negotiations. If a Party elects to negotiate a subsequent agreement and a subsequent agreement has not been consummated prior to the termination date of the current Agreement, the current Agreement shall continue to be in effect until it is replaced by a new Agreement, or one hundred eighty (180) days beyond the termination date of the current Agreement, whichever is less.

### **SECTION 11 - INDEPENDENT CONTRACTORS**

11.1 The Parties to this Agreement are independent contractors. Neither Party is an agent, representative, or partner of the other Party. Neither Party shall have the right, power, or authority to enter into any agreement for or on behalf of, or incur any obligation or liability of, or to otherwise bind the other Party. This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties or to impose any partnership obligation or liability upon either Party.

### **SECTION 12 - THIRD PARTY BENEFICIARIES**

12.1 This Agreement is not intended to benefit any person or entity not a Party to it and no third Party beneficiaries are created by this Agreement.

### SECTION 13 - GOVERNING LAW, FORUM AND VENUE

13.1 The construction, validity, and enforcement of this Agreement shall be governed by the laws and regulations of the State of Missouri, except when Federal law may be controlling, in which case Federal law will govern.

### **SECTION 14 - ENTIRE AGREEMENT**

14.1 This Agreement, including all Parts and Attachments and subordinate documents attached hereto or referenced herein, all of which are hereby incorporated by reference, constitute the entire matter thereof, and supersede all prior oral or written agreements, representations, statements, negotiations, understandings, proposals, and undertakings with respect to the subject matter thereof.

#### **SECTION 15 - NOTICE**

15.1 Notices shall be sent via certified, registered, or overnight mail. Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent, in the case of Cingular to:

Cingular Wireless LLC 5565 Glenridge Connector, Suite 1700 Atlanta, Georgia 30342-4756 Attn: Legal/Interconnection

With a copy to:

Cingular Wireless LLC 5565 Glenridge Connector, Suite 1500 Atlanta, Georgia 30342-4756 Attn: Interconnection In the case of ILEC:

Chief Executive Officer Mid-Missouri Telephone Company P.O. Box 38 Pilot Grove, Missouri 65276

with a copy to:

Craig S. Johnson Andereck Evans Milne Peace & Johnson, LLC P.O. Box 1438 Jefferson City, Missouri 65102

or to such other location as the receiving Party may direct in writing.

### **SECTION 16 - FORCE MAJEURE**

16.1 The Parties shall comply with applicable orders, rules, or regulations of the FCC and the Commission and with applicable Federal and State law during the terms of this Agreement.

Notwithstanding anything to the contrary contained herein, a Party shall not be liable nor deemed to be in default for any delay or failure of performance under this Agreement resulting from acts of God, civil or military authority, acts of the public enemy, war, hurricanes, tornadoes, storms, fires, explosions, earthquakes, floods, government regulation, strikes, lockouts, or other work interruptions by employees or agents not within the control of the non-performing Party.

### **SECTION 17 - TAXES**

17.1 The Party collecting revenues shall be responsible for collecting, reporting, and remitting all taxes associated therewith, provided that the tax liability shall remain with the Party upon whom it is originally imposed.

**SECTION 18 - ASSIGNMENT** 

charges (based on the highest previous month of service from the Billing Party) prior to resuming service to the non-paying Party after disconnection for nonpayment.

### **SECTION 20 - MISCELLANEOUS**

- 20.1 This Agreement is not an interconnection agreement under 47 U.S.C. 251(c), but rather a reciprocal compensation agreement under 47 U.S.C. 251(b)(5). The Parties acknowledge that ILEC may be entitled to a rural exemption as provided by 47 U.S.C.251(f), and ILEC does not waive such exemption by entering into this Agreement.
- 20.2 In the event that any effective legislative, regulatory, judicial, or other legal action affects any material terms of this Agreement, or the ability of the Parties to perform any material terms of this Agreement, either Party may, on thirty (30) days' written notice, require that such items be renegotiated, and the Parties shall renegotiate in good faith such mutually acceptable new terms as may be required. In the event that such new terms are not renegotiated within ninety (90) days after such notice, either Party may terminate this Agreement or the dispute may be referred to the Dispute Resolution procedure set forth in Section 7 of this agreement.

This Agreement is executed this 31 day of March, 2004.

Signatures:

Cingular Wireless LLC

5565 Glenridge Connector, Suite 1700

Atlanta, Georgia 30342-4756

Approved os to form - MWW

Nenese M. Day, Co-President

Mid-Missouri Telephone Company

P.O. Box 38

Pilot Grove, Missouri 65276

### **APPENDIX 1**

Pursuant to Section 4.1:

Rates for termination of Local Traffic via an indirect interconnection:

Local Termination Rate \$0.035 per minute

Rates for termination of Non-Local Interstate Traffic shall be taken from ILEC's access tariff for interstate intraLATA traffic:

Rates for termination of Non-Local Intrastate Traffic shall be taken from ILEC's access tariff for intrastate intraLATA traffic:

# APPENDIX 2

Pursuant to Section 4.2:

80.0% of traffic shall be deemed to be Local

20.0% of traffic shall be deemed to be InterMTA

Of the InterMTA traffic:

20% shall be deemed to be Interstate

80% shall be deemed to be Intrastate