

The Public Utilities Commission of Ohio
TELECOMMUNICATIONS APPLICATION FORM
for
ILECs Not Subject to Alternative Regulation
(Effective November 14, 2008)

In the Matter of the Application of Kalida Telephone)
Company, Inc. for Approval of a Negotiated Agreement)

TRF Docket No. **90-5024-TP-TRF**

with Alltel Communications, LLC Pursuant to Section 252 of)
the Telecommunications Act.)

Case No. **09 - 200 - TP - NAG**

NOTE: Unless you have reserved a Case # or are filing a Contract,
leave the "Case No" fields BLANK.

Name of Company Kalida Telephone Company, Inc.

Address of Company 121 E. Main Street, P. O. Box 267, Kalida, Ohio 45853

Company Web Address _____

Regulatory Contact Person(s) Carolyn S. Flahive Phone 614-469-3294 Fax 614-469-3361

Regulatory Contact Person's Email Address Carolyn.Flahive@ThompsonHine.com

Date _____

Motion for protective order included with filing? ☐ Yes ☒ No

Motion for waiver(s) filed affecting this case? ☐ Yes ☒ No [Note: waiver(s) tolls any automatic timeframe]

NOTE:

1) Not-For-Profit companies must use the NFP application Form (See 05-1303-TP-COI (No not use this App Form)).

2) For requirements for various applications, see the identified section of Ohio Administrative Code Section 4901.

3) Information regarding the number of copies required by the Commission may be obtained from the Commission's web site at www.puco.ohio.gov under the docketing information system section, by calling the docketing division at 614-466-4095, or by visiting the docketing division at the offices of the Commission.

4) This form must accompany:

- ✓ All automatic approval/notice applications filed by incumbent local exchange companies (ILECs) not subject to a qualifying alternative regulation plan when making an application pursuant to Case Nos. 84-944-TP-COI, 86-1144-TP-COI, 89-564-TP-COI, or 99-563-TP-COI.
- ✓ All non-automatic approval applications filed by incumbent local exchange companies (ILECs) not subject to a qualifying alternative regulation plan when making an application pursuant to Section 4909.18, Ohio Revised Code.

I. Please indicate the reason for submitting this form (check one)

Retail Filings

- ☐ 1 (AEC) Application For Approval Of A Customer Contract For Competitive Services (pursuant to 84-944-TP-COI & 86-1144-TP-COI)
☐ a. Stand-Alone Contract (90-day approval, 7 copies)
☐ b. Pre-Approved Contract (0-day notice, 7 copies)
- ☐ 2 (ACO) ILEC Application for Change in Ownership Pursuant to 4905.402, Ohio Revised Code (30-day approval, 10 copies)
- ☐ 3 (ALI) Small, For-Profit, ILEC Application For A Limited Increase In Non-Basic Rates (60-day approval, 10 copies)
- ☐ 4 (ATA) Application For Tariff Amendment - Retail Tariff - That Does Not Result In An Increase In Rates
Small, for-profit ILECs (45-day approval, 10 copies)
- ☐ 5 (ZTA) Tariff Notification Not For An Increase In Rates Involving Message Toll, Toll-Free Service, 900 And 900-Like Services, 500 Service, Calling Card, Prepaid Calling Card, Private Line, and Speed Dialing In Accordance With Waiver Granted in 99-563-TP-COI (5/11/2000 and 11/21/2002) (0-day notice, 7 copies)
NOTE: Notifications do not require or imply Commission Approval.
- ☐ 6 (Non-Auto) All Others (non-automatic approval, indicate appropriate 3 letter code for case type in Case No. above)

Carrier to Carrier Filings

- ☐ 7 (ATA) Application For Tariff Amendment - Access Tariff Applications pursuant to Rule 4901:1-7-14(B) of O.A.C. (30-day approval)
- ☒ 8 (NAG) Negotiated Carrier-to-Carrier Interconnection Agreement under Sections 251 and 252 of the Telecommunications Act (90-day approval) & Rule 4901:1-7 of O.A.C
- ☐ 9 (ARB) Request for Arbitration of a Carrier-to-Carrier Interconnection Agreement under Section 252 of the Telecommunications Act. (non-automatic) & Rule 4901:1-7 of O.A.C

II. The following exhibits corresponding to the list of cases above, at a minimum, are required to be filed:

<input type="checkbox"/>	3, 4, 5, 6, 7	Current Tariff Sheets (to be superseded), if applicable
<input type="checkbox"/>	3, 4, 5, 6, 7	Proposed Tariff Sheets
<input type="checkbox"/>	2, 3, 4, 5, 6, 7	Rationale or Explanation for Change
<input type="checkbox"/>	1	Justification for Competitive Treatment
<input type="checkbox"/>	2, 3, 4, 5, 6, 7	Customer Notice to customers affected by proposal, and statement as to the form and timing of the notice
<input checked="" type="checkbox"/>	1, 8	Copy of Contract
<input type="checkbox"/>	9	Filing Requirements are specified in 4901:1-7-09(D) of the Ohio Administrative Code

III. Applicant is filing this application under the regulatory requirements:

- ☒ Established by the Commission in Case No. 89-564-TP-COL.
☐ Established in 4909.18 Ohio Revised Code.

IV. Applicant respectfully requests the Commission to permit the filing of the proposed tariff sheets, to become effective on the date shown on the proposed tariff sheets (which is a date no earlier than the day after the applicable automatic approval date), modified by any further revisions that have become effective prior to the effective date of the proposed schedule sheets.

Respectfully submitted,

KALIDA TELEPHONE COMPANY, INC.

By: /s/ Carolyn S. Flahive

Thomas E. Lodge (0015741)

Carolyn S. Flahive (0072404

THOMPSON HINE LLP

41 South High Street, Suite 1700

Columbus, OH 43215-6101

Telephone: 614-469-3200

Facsimile: 614-469-3361

Its Attorneys

VERIFICATION

I verify that all of the information submitted herein, and all additional information submitted in connection with this case, is true and correct to the best of my knowledge.

/s/ Carolyn S. Flahive, Attorney

*(Signature and Title)

3/12/09

(Date)

*Verification is required for every filing, and need **not** be notarized except for Applications for a Limited Increase in Rates (ALIs). The verification may be signed by an officer of the applicant, its counsel, or an authorized agent of the applicant, except for ALIs. ALI applications must be signed by an officer of the company and be notarized.

Sworn to and subscribed before me this _____ day of _____ 200_.

Notary Public, State of Ohio

My commission expires _____

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Kalida Telephone)	
Company, Inc. for Approval of a Negotiated)	
Agreement with Alltel Communications, LLC Pursuant)	Case No. 09- 200 -TP-NAG
to Section 252 of the Telecommunications Act Of 1996)	

APPLICATION FOR APPROVAL OF A NEGOTIATED AGREEMENT
PURSUANT TO THE TELECOMMUNICATIONS ACT OF 1996

Kalida Telephone Company, Inc. ("Kalida") hereby files the attached agreement deemed effective September 1, 2008, subject to the approval of the Commission ("the Agreement"), between Kalida and Alltel Communications, LLC by Management Trust ("the Parties") for review and approval by the Commission pursuant to the provisions of Section 252(e) of the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996) (codified at 47 U.S.C. 151 et. seq.) ("the Act"). The Agreement has been arrived at through good faith negotiations between the Parties as contemplated by Section 252(a) of the Act.

The Agreement is filed pursuant to the procedures set forth in Section 252(e) of the Act. Under Sections 252(e)(1) and (2), the Commission must approve the Agreement unless the Agreement or a portion thereof ". . . discriminates against a telecommunications carrier not a party to the agreement" or ". . . implementation of such agreement or portion is not consistent with the public interest, convenience, and necessity." The Agreement does not discriminate against other telecommunications carriers. The Agreement is in the public interest, convenience and necessity because it describes and enables specific traffic exchange and reciprocal compensation arrangements between the Parties.

Since the Agreement is the result of voluntary negotiations between the Parties, the Agreement is not subject to review under the standards set forth in Sections 252(b), 252(c) and 252(d) of the Act. In accordance with Section 252(e)(4) of the Act, the Agreement will be deemed

approved if the Commission does not act to approve or reject the Agreement within 90 days from the date of this Application.

WHEREFORE, Kalida Telephone Company, Inc. requests that the Commission approve the Agreement.

Respectfully submitted,

KALIDA TELEPHONE COMPANY, INC.

By: /s/ Carolyn S. Flahive

Thomas E. Lodge (0015741)

Carolyn S. Flahive (0072404)

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Its Attorneys

TRAFFIC EXCHANGE AGREEMENT

BETWEEN

KALIDA TELEPHONE COMPANY INC.

AND

ALLTEL COMMUNICATIONS, LLC by Management Trust

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I. Article I

1. INTRODUCTION

This traffic exchange and compensation agreement (“Agreement”) is by and between Kalida Telephone Company Inc. (“Kalida”) with offices at 121 E. Main St., Kalida, Ohio 45853, and Alltel Communications, LLC by Management Trust (“Alltel”) a Delaware corporation, for itself and its wireless affiliates and solely with respect to its operations as a CMRS provider with offices at One Allied Drive, Little Rock, Arkansas 72202. Hereinafter, “Party” means either Kalida or Alltel and “Parties” means Kalida and Alltel. This Agreement shall be deemed effective as of September 1, 2008 subject to execution of the Agreement and approval of the Commission (the “Effective Date”).

2. RECITALS

WHEREAS, Kalida is an incumbent Local Exchange Carrier in the State of Ohio; and

WHEREAS, Alltel is a Commercial Mobile Radio Service provider of two-way mobile communications services operating within the State of Ohio as such two-way mobile service is defined in 47 U.S.C. § 153(27); and

WHEREAS, the Parties acknowledge that Kalida is entitled to maintain that it is a rural telephone company (as defined in 47 U.S.C. 153) as provided by 47 U.S.C. 251(f). By entering into this Agreement, Kalida is not waiving its right to maintain that it is a rural telephone company and its right to maintain that it is exempt from § 251(c) under 47 U.S.C. 251 (f) of the Act;

WHEREAS, Kalida and Alltel exchange traffic between their networks and wish to establish traffic exchange and compensation arrangements for exchanging traffic as specified below; and

WHEREAS, Kalida and Alltel seek to establish an interconnection arrangement for the mutual exchange and reciprocal compensation of telecommunications traffic.

NOW, THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Kalida and Alltel hereby agree as follows:

II. Article II

1. DEFINITIONS

Special meanings are given to common words in the telecommunications industry, and coined words and acronyms are common in the custom and usage in the

industry. Words used in this contract are to be understood according to the custom and usage of the telecommunications industry, as an exception to the general rule of contract interpretation that words are to be understood in their ordinary and popular sense. In addition to this rule of interpretation, the following terms used in this Agreement shall have the meanings as specified below:

- 1.1 “Act” means the Communications Act of 1934, as amended.
- 1.2 “As Defined in the Act” means as specifically defined by the Act, as may be interpreted by the FCC, the Commission, Ohio state courts, or federal courts.
- 1.3 “As Described in the Act” means as described in or required by the Act, as may be interpreted by the FCC, the Commission, Ohio state courts, or federal courts.
- 1.4 “Affiliate” means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term “own” means to own an equity interest (or the equivalent thereof) of more than 10 percent.
- 1.5 “Applicable Law” means all effective laws, administrative rules and regulations, and any court orders, rulings and decisions from courts of competent jurisdiction, applicable to each Party’s performance of its obligations under this Agreement.
- 1.6 “Central Office Switch” means a switch used to provide Telecommunications Services, including, but not limited to:
 - (a) “End Office Switch” is a switch in which the subscriber station loops are terminated for connection to either lines or trunks. The subscriber receives terminating, switching, signaling, transmission, and related functions for a defined geographic area by means of an End Office Switch.
 - (b) “Remote End Office Switch” is a switch in which the subscriber station loops are terminated. The control equipment providing terminating, switching, signaling, transmission, and related functions would reside in a relevant host office. Local switching capabilities may be resident (intra-nodal switching, if so equipped) in a Remote End Office Switch.
 - (c) “Host Office Switch” is a switch with centralized control over the functions of one or more subtending Remote End Office Switches. A Host Office Switch can serve as an end office as well as providing services to other remote end offices requiring terminating, signaling, transmission, and related functions including local switching.
 - (d) “Tandem Office Switch” is a switching system that establishes trunk-to-trunk connections. Local tandems switch traffic from one end office to another

within the same geographic area, and access tandems switch traffic from End Offices to and from an Interexchange Carrier.

- 1.7 “Commercial Mobile Radio Services” or “CMRS” has the meaning given to the term in the Part 20, FCC Rules.
- 1.8 “Commission” means the Ohio Public Utilities Commission.
- 1.9 “Extended Area Service” or “EAS” is as defined and specified in Kalida’s then current General Subscriber Services Tariff.
- 1.10 “Effective Date” means the date that the Agreement was filed with the Commission.
- 1.11 “FCC” means the Federal Communications Commission.
- 1.12 “Interconnection” has the meaning given the term in the Act and refers to the services, equipment, facilities, or platforms between or within networks for the purpose of transmission and routing of Telecommunications Traffic. “Interexchange Carrier” or “IXC” means a carrier that provides or carries, directly or indirectly, toll Traffic. This term does not include the Transport and Termination of Recip Comp Traffic.
- 1.13 “InterMTA Traffic” is Traffic that originates in one MTA and terminates in a different MTA.
- 1.14 Local Exchange Routing Guide or “LERG” means the Telcordia Technologies reference customarily used to identify NPA-NXX routing and homing information, as well as network element and equipment designation.
- 1.15 “Local Service Area” means, for Alltel originated traffic, all intraMTA traffic and for Kalida originated traffic, its local calling area inclusive of Extended Area Service (EAS), Extended Local Calling (ELC), Metropolitan Calling Area (MCA) or similar expanded local calling areas that identify a rate center where the originating caller has mandatory local calling to any NPANXX in that rate center contained in Kalida’s then current General Subscriber Services Tariff.
- 1.16 “Reciprocal Compensation Traffic” or “Recip Comp Traffic” is traffic that is originated and terminated between Kalida and a CMRS provider within the same Major Trading Area (MTA), regardless of whether it is transported by a third party. Reciprocal Compensation Traffic includes Local Service Area traffic that originates or terminates in the same MTA.
- 1.17 “Local Exchange Carrier” or “LEC” is as defined in the Act.

- 1.18 “Major Trading Area” or “MTA” means the Major Trading Area designated by the FCC which is the service area based on the Rand McNally 1992 Commercial Atlas & Marketing Guide, 123rd edition, at pages 38-39, as further specified or modified by 47 C.F.R. § 24.202(a) or other applicable law.
- 1.19 “Mobile Station” means a radio-communication station capable of being moved and which ordinarily does move. 47 U.S.C. § 153(28).
- 1.20 “NPA” or the “Number Plan Area” also referred to as an “area code” refers to the three-digit code which precedes the NXX in a dialing sequence and identifies the general calling area within the North American Numbering Plan scope to which a call is routed to (*i.e.*, NPA/NXX-XXXX).
- 1.21 “NXX” means the three-digit code, which appears as the first three digits of a seven-digit telephone number within a valid NPA or area code.
- 1.22 “Party” means either Kalida or Alltel, and “Parties” means Kalida and Alltel.
- 1.23 “Point of Interconnection” or “POI” means the mutually agreed upon point on Kalida’s network where an originating Party’s traffic is deemed to be handed off to the terminating Party’s network.
- 1.24 “Rate Center” means the specific geographic point and corresponding geographic area that is associated with one or more NPA-NXX codes that have been assigned to an incumbent LEC for its provision of exchange services.
- 1.25 “Reciprocal Compensation” means an arrangement between two carriers in which each receives the same compensation rate from the other carrier for the transport and termination on each carrier’s network of Recip Comp Traffic, as defined in § 1.18 above, that originates on the network facilities of the other carrier. Compensation, regardless of the Party that receives it, is symmetrical.
- 1.26 “Telecommunications” means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received. 47 U.S.C. § 153(43)
- 1.27 “Telecommunications Act” means the Communications Act of 1934, as amended.
- 1.28 “Telecommunications Carrier” means any provider of Telecommunications services, except that such term does not include aggregators of telecommunications services (as defined in 47 U.S.C. Section 226(a)(2)).
- 1.29 “Telecommunications Services” means the offering of Telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.

- 1.30 “Termination” means the switching of Recip Comp Traffic at the terminating carrier’s end office switch, or equivalent facility, and delivery of such traffic to the called Party’s premises or mobile handset.
- 1.31 “Transiting Traffic” is traffic that originates from one provider’s network, “transits” one or more other provider’s network substantially unchanged, and terminates to yet another provider’s network.
- 1.32 “Transport” means the transmission and any necessary tandem switching of Recip Comp Traffic subject to § 251(b)(5) of the Act from the Point of Interconnection between the two carriers to the terminating carrier’s End Office Switch that directly serves the called party, or equivalent facility provided by a carrier other than an incumbent LEC.
- 1.33 “Type 2 Service” often referred to as a trunk side connection, is a service that involves interconnection to a telephone company end office (Type 2-B) or tandem (Type 2-A).

2.0 INTERPRETATION AND CONSTRUCTION

- 2.1 All references to Sections, Exhibits and Schedules shall be deemed to be references to Sections of, and Exhibits and Schedules to, this Agreement unless the context shall otherwise require. The headings of the Sections and the terms are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning of this Agreement. Unless the context shall otherwise require, any reference to any agreement, other instrument or other third party offering, guide or practice, statute, regulation, rule or tariff is for convenience of reference only and is not intended to be a part of or to affect the meaning of a rule or tariff as amended and supplemented from time-to-time (and, in the case of a statute, regulation, rule or tariff, to any successor provision).

3.0 SCOPE

- 3.1 This Agreement is intended, *inter alia*, to describe and enable specific traffic exchange and Reciprocal Compensation arrangements between the Parties. This Agreement does not obligate either Party to provide arrangements not specifically provided for herein.
- 3.2 This Agreement sets forth the terms, conditions, and rates under which the Parties agree to interconnect the CMRS network of Alltel and Kalida network for purposes of exchanging Local Service Area traffic, and 1+ land to mobile intraMTA toll traffic where Kalida is the presubscribed service provider to the end user and the dialed Alltel number is homed to the connecting Alltel switch. Unless otherwise agreed in writing by the Parties, this Agreement does not cover and the Parties shall not exchange non-CMRS traffic (traffic that is not intended

to originate or terminate to a mobile station using CMRS frequency); Alltel one-way paging service traffic or third party traffic. In the event Kalida does not route land to mobile intraMTA toll traffic where Kalida is the presubscribed service provider over direct Alltel trunks, Kalida will compensate Alltel for such traffic, as though it had been directly routed to Alltel trunks, at Reciprocal Compensation rates included in this Agreement.

- 3.3 This Agreement relates to exchange of traffic between Kalida and Alltel. Alltel represents that it is a CMRS provider of telecommunications services to subscribers in the State of Ohio. Additions or changes to Alltel's NPA/NXXs will be as listed in Telcordia's Local Exchange Routing Guide ("LERG") under Operating Company Numbers ("OCN"): 6460, 6293, and 6722.
- 3.4 This Agreement is limited to Kalida end user customers' traffic for which Kalida has tariff authority to carry. Kalida's NPA/NXX(s) are listed in the LERG under OCN 0625.
- 3.5 Any amendment, modification, or supplement to this Agreement must be in writing and signed by an authorized representative of each Party.

4.0 INTERCONNECTION METHODS AND FACILITIES

This Section describes the methods with which the Parties to this Agreement may interconnect their respective networks for the Transport and Termination of Traffic.

- 4.1 Indirect Method of Interconnection ("Indirect Interconnection"). Either Party may choose to deliver traffic from its network through a third party LEC tandem ("Third Party Provider"), which tandem shall be the tandem Kalida rate centers subtend as defined in the LERG and thus be indirectly connected with the other Party for the delivery of its originated traffic.
 - 4.1.1 When traffic is indirectly exchanged via a Third Party Provider, the originating Party shall be responsible for the cost to deliver that Party's originated Traffic to the point where the terminating Party's network interconnects with the network of the carrier that delivers the Traffic to the terminating Party.
 - 4.1.2 Each Party is individually responsible for establishing their own arrangements with any Third Party Provider. This arrangement for Indirect Interconnection will be subject to renegotiation if by change of law or for any other reason the Third Party Provider no longer offers the transiting service.
- 4.2 Direct Interconnection.
 - 4.2.1 Direct Interconnection facilities provide a physical trunk side connection between the Parties' networks ("Direct Interconnection"). Unless

otherwise agreed, either Party may request an interconnection facility directly connecting the Parties networks once the traffic exchanged by the Parties exceeds 300,000 conversation minutes of use per month for three consecutive months. The Parties will establish a single Direct Interconnection POI for the delivery of traffic from one Party's network for termination to the other Party's network.

- 4.2.2 Upon mutual agreement of the Parties, the Parties may establish Direct Interconnection using one-way trunk groups, two-way trunk groups or through a meet point arrangement. Where mutually beneficial to the Parties, the Parties may agree to provision voluntary arrangements not otherwise required under Applicable Law; provided however that nothing in this sentence shall require any party to negotiate or enter into any such arrangements not otherwise required under Applicable Law.
- 4.2.3 Prior to establishing Direct Interconnection, the Parties agree to conduct a joint planning meeting to agree on the type of interconnection interface and trunking requirements. Thereafter, the Parties shall provide each other a forecast of projected traffic volume for each POI when significant changes in traffic patterns are anticipated. The Parties agree to work cooperatively to determine the number of trunks needed to handle the estimated traffic.
- 4.3 POI Locations. The Parties agree to interconnect at one or more POIs in accordance with the following:
 - 4.3.1 A POI at a mid-span meet point established between the Parties at a point on the network of Kalida; or
 - 4.3.2 any other technically feasible and mutually-agreed to arrangement, as negotiated by the Parties.
 - 4.3.3 Each Party shall be operationally and financially responsible for the provisioning of facilities to the agreed-to POI(s). Further, each Party shall be responsible to deliver its originated traffic and receive the other Party's traffic at the agreed-to POI(s).
- 4.4 Additional Direct Interconnection Methods Available to Alltel. Alltel may provide its own facilities and transport for the delivery of traffic from its network to the POI(s). Alternatively, Alltel may purchase direct trunked transport from a third party or, if Kalida offers such transport pursuant to an applicable tariff, from Kalida for the delivery of such traffic. Rates for direct trunked transport purchased from Kalida are specified in Kalida's Interstate Access Service Tariff.
- 4.5 Technical Requirements and Standards. Each Party will provide the services in this Agreement to the other Party at a standard at least equal in quality and performance to that which the Party provides itself and others. Either Party may

request services from the other Party that are superior or lesser in quality than the providing Party provides to itself, provided, however, that such services shall be considered special requests and will be handled on a case-by-case basis.

4.6 Impairment of Service.

4.6.1 The characteristics and methods of operation of any circuits, facilities or equipment of either Party connected with the services, facilities or equipment of the other Party pursuant to this Agreement shall not interfere with or impair service over any facilities of the other Party, its affiliated companies, or its connecting and concurring carriers involved in its services, cause damage to their plant, violate Applicable Law or regulation regarding the invasion of privacy of any communications carried over the Party's facilities or create hazards to the employees of either Party or to the public ("Impairment of Service").

4.6.2 If either Party causes an Impairment of Service, the Party whose network or service is being impaired (the "Impaired Party") shall promptly notify the Party causing the Impairment of Service (the "Impairing Party") of the nature and location of the problem and that, unless promptly rectified, a temporary discontinuance of the use of any circuit, facility or equipment may be required. The Impairing Party and the Impaired Party agree to work together to attempt to promptly resolve the Impairment of Service. If the Impairing Party is unable to promptly remedy the Impairment of Service, then the Impaired Party may at its option temporarily discontinue the use of the affected circuit, facility or equipment.

5.0 ROUTING OF TRAFFIC

This Section provides the terms and conditions for the proper routing exchange of Traffic between the Parties' respective networks.

5.1 Indirect Interconnection via a Third Party Provider. As an alternative to routing Local Traffic covered by this agreement through a Direct Interconnection, either Party may choose to route traffic from its network through a Third Party Provider to the terminating Party's POI with the Third Party Provider. Notwithstanding the foregoing, once the Parties implement a Direct Interconnection pursuant to §§ 4.2, 4.3 and 4.4 of this Agreement, traffic shall be routed via an Indirect Interconnection only in the case of a temporary network blockage, a network outage or failure of the Direct Interconnection, unless otherwise agreed by the Parties.

5.2 Mobile to Land Traffic – Direct Interconnection. Alltel shall be responsible for the delivery of its originated traffic to the appropriate POI for the transport and termination of such traffic by Kalida.

- 5.3 Land to Mobile Traffic – Direct Interconnection. Kalida shall be responsible for the delivery of its originated traffic to the appropriate POI for the transport and termination of such traffic by Alltel.
- 5.4 Dialing Parity and N-1 Carrier Obligations. Both Parties agree to adhere to dialing parity obligations including ‘N-1 carrier’ database query and routing obligations. Each Party agrees to perform local number portability (“LNP”) database queries on its originated traffic, and to only route traffic over the direct interconnection facilities to the extent the local routing number (“LRN”) returned from such queries belongs to the other Party.
- 5.5 For any NPANXX line numbers assigned to Alltel that have a rate center associated with a Local, EAS, ELC, MCA exchange or similar program, Kalida will route all land-to-mobile traffic to Alltel utilizing End User dialing patterns undifferentiated from those provided to any carrier’s number assigned to the same rate center.
- 5.6 Transiting Traffic: The Parties acknowledge and agree that this Agreement is intended to govern the exchange of traffic to and from the Parties’ respective networks. Kalida and Alltel shall not perform a Transiting Traffic function pursuant to this Agreement. If a Transiting Traffic function is desired by either Party, that Party will request an amendment to this Agreement and the Parties agree that they will negotiate such amendment in good faith assuming such Transit Traffic function is required by Applicable Law; provided, however, that in the event the Parties cannot agree on the terms and conditions of the amendment, either Party may seek resolution of any unresolved or disputed issues pursuant to the Dispute Resolution procedures identified in § 17 of this Agreement.
- 5.7 Each Party agrees that it will not provision any of its services to permit the arbitrage or circumvention of state or interstate access charges. Traffic that originates from or terminates to Kalida’s network, and that originates from or terminates to the Alltel’s network within the MTA, is considered to be Kalida originated or terminated Recip Comp Traffic and subject to Reciprocal Compensation at rates set forth in Attachment A. Traffic to or from end users that originate or terminate in more than one MTA shall be deemed InterMTA Traffic.

6.0 COMPENSATION

- 6.1 Traffic Subject to Reciprocal Compensation. Reciprocal Compensation is applicable for Transport and Termination of Reciprocal Compensation Traffic as defined in § 1.16 and is related to the exchange of traffic under arrangements as described in § 4. For the purposes of billing compensation for Reciprocal Compensation Traffic, billed minutes will be based upon actual usage recorded and/or records/reports provided by the third party transiting carrier, where indirect interconnection is deployed. Measured usage begins when the terminating recording switch receives answer supervision from the called end-user and ends

when the terminating recording switch receives or sends disconnect (release message) supervision, whichever occurs first. The measured usage is aggregated at the end of the measurement cycle and rounded to a whole minute. Billing for Reciprocal Compensation Traffic shall be based on the aggregated measured usage less traffic recorded as local that is deemed InterMTA Traffic based on the default factor provided in Attachment A, §2.0.

6.1.1 The rate for Reciprocal Compensation is contained in Attachment A, §1.0.

6.2 The Parties agree to bill each other for Recip Comp Traffic as described in this Agreement unless the Recip Comp Traffic exchanged between the Parties is balanced and falls within an agreed upon threshold ("Traffic Balance Threshold"). The Parties agree that for purposes of this Agreement, the Traffic Balance Threshold is reached when the Recip Comp Traffic exchanged, both directly and indirectly, falls between 55% / 45% in either the wireless-to-landline or landline-to-wireless direction. When the actual usage data for three (3) consecutive months indicates that the Recip Comp Traffic exchanged, both directly and indirectly, falls within the Traffic Balance Threshold, then either Party may provide the other Party a written request, along with verifiable information supporting such request, to eliminate billing for Reciprocal Compensation. Upon written consent by the Party receiving the request, which shall not be withheld unreasonably, there will be no billing for Reciprocal Compensation on a going forward basis. Notwithstanding the foregoing, either Party may subsequently request in writing to reinstate billing for Reciprocal Compensation if verifiable usage data for three (3) consecutive months reflects the traffic is no longer within the Traffic Balance Threshold. The Parties' agreement to eliminate billing for Reciprocal Compensation carries with it the precondition regarding the Traffic Balance Threshold discussed above. As such, the two points have been negotiated as one interrelated term containing specific rates and conditions, which are non-separable for purposes of § 11, hereof.

6.3 Traffic Subject to Switched Access Compensation. The Parties contemplate that they may exchange InterMTA Traffic under this Agreement. Alltel shall compensate Kalida for wireless to wireline InterMTA Traffic as prescribed herein. The Parties have developed an InterMTA factor to determine the amount of Traffic that shall be treated as InterMTA traffic. The factor is identified in Attachment A §2.0.

6.3.1 The Parties acknowledge and agree that some Alltel Wireless traffic routed to Kalida pursuant to this Agreement may include Inter-MTA Traffic. This is because CMRS licensing territories do not exactly match the geographical boundaries of an MTA or Kalida's Local Service Area. Further the Kalida has exchanges that either cross MTA boundaries or have Local Service Areas in one MTA that borders another MTA.

6.3.2 The Parties agree that InterMTA Traffic shall be subject to the then existing rates, terms and conditions of Kalida's then current applicable

federal or state access tariff. To the extent that any provision of this Agreement and an applicable tariff cannot be reasonably construed or interpreted to avoid conflict, the Parties agree that the provision contained in Kalida's then current tariff shall prevail.

- 6.3.3 Upon request from Alltel, which shall not be more often than reasonably necessary to confirm invoiced amounts for InterMTA Traffic under this Agreement, the Kalida agrees to provide the then current and applicable federal or state access rates, as a composite rate, within ten (10) business days of such request.

6.4 Calculation of Payments and Billing.

- 6.4.1 Kalida will compensate Alltel for Recip Comp Traffic originated by Kalida customers on Kalida's network and delivered to Alltel, for termination to its customers, as prescribed in §§ 6.1 and 6.2, as applicable, and at the rate provided in Attachment A, §1.0. Alltel will compensate Kalida for Recip Comp Traffic delivered to Kalida for termination to its customers, as prescribed in §§ 6.1 and 6.2, as applicable, and at the rate provided in Attachment A, §1.0; and for InterMTA Traffic exchanged between Alltel and Kalida, as prescribed and at the rates provided in § 6.3, above.
- 6.4.2 Alltel shall prepare a monthly billing statement to Kalida, reflecting the calculation of Reciprocal Compensation due Alltel. Kalida shall prepare a monthly billing statement to Alltel, which will separately reflect the calculation of Reciprocal Compensation and Switched Access Compensation due Kalida. The billing Party shall rely on actual measured usage (including usage records received from the Third Party Provider), when available and shall use the information within the usage record to determine the call jurisdiction and apply the appropriate rate for Recip Comp Traffic and, in the case of Kalida, access charges for InterMTA Traffic. If Alltel does not measure or cannot obtain the landline-to-wireless usage data from the Third Party Provider, then Alltel may elect to use a net-billing arrangement for billing Reciprocal Compensation in which Kalida renders a bill to Alltel with a credit of the amount owed by Alltel ("Reciprocal Compensation Credit") in lieu of submitting invoices to Kalida for Reciprocal Compensation. It is agreed that the Traffic Factors set forth on Attachment A, §3.0 represent a reasonable estimate of the ratio of Recip Comp Traffic originated and terminated by the Parties, considering the anticipated mix of Recip Comp Traffic routed between the parties. Either Party may, at its option, request modification of the Traffic Factors, on a going forward basis, based on the results of a traffic study conducted for Recip Comp Traffic originated by or terminating to the Party's End Users. These factors may be modified, but no more than once

annually. If the Parties are unable to reach agreement for modification of the Traffic Factors, either Party may request resolution of the dispute pursuant to §17 of this Agreement.

6.4.2.1 Alltel shall provide Kalida not less than sixty (60) days prior written notice when changing its election to use actual recorded MOU to bill Kalida rather than receive the Reciprocal Compensation Credit. In such event, Alltel will be then responsible for measuring the monthly Recip Comp Traffic, measured by minutes of use, terminating into its network from Kalida's network and shall bill Kalida on a going forward basis using the rates set forth in Attachment A, § 1.0.

6.4.2.2 The Reciprocal Compensation Credit amount shall be determined by Kalida monthly, and reflected on Kalida's invoice to Alltel as a credit against the amounts due and payable from Alltel to Kalida.

6.4.2.3 The Reciprocal Compensation Credit will be calculated as follows: Divide the total number of monthly Recip Comp Traffic measured minutes of use originated by Alltel and terminated on Kalida's network by the wireless-to-landline Traffic Factor. The total calculation will then be multiplied by the landline-to-wireless Traffic Factor to arrive at the total minutes of use terminated on Alltel's network per month. This monthly total will be multiplied by the rates set forth in Section 6.1 to obtain the Reciprocal Compensation Credit for the month.

By way of example, Kalida determines that 10,000 minutes of Alltel originated Traffic has been delivered to it in a given billing period and assuming the InterMTA Factor is 6% and the Traffic Factor is 80% wireless to landline, the Parties will assume that 2,350 minutes of land originated calls were delivered by Kalida to Alltel for termination, calculated as follows:

$$10,000 * 6\% = 600 \text{ InterMTA MOUs}$$

$$10,000 - 600 = 9,400 \text{ Recip Comp Traffic MOUs terminated by Kalida.}$$

$$9,400 / .80 \text{ (wireless to landline factor)} = 11,750 \text{ Total Recip Comp MOUs}$$

$$11,750 - 9,400 = 2,350 \text{ landline to wireless MOUs}$$

6.4.2.4 For purposes of calculation of the Recip Comp Traffic measured minutes of use originated by Alltel and terminated on Kalida's

network, the wireless-to-landline Recip Comp Traffic minutes of use shall be the total Alltel to Kalida traffic minutes of use less minutes of use determined to be Inter-MTA Traffic pursuant to § 6.6 below.

6.4.3 Kalida will prepare its bill in accordance with its existing CABS / SECABS billing systems. Alltel will prepare its bill in accordance with its existing process for billing Reciprocal Compensation. The Parties will make an effort to conform to current and future OBF (CABS BOS) standards, insofar as is reasonable.

6.5 Invoices under this Agreement shall be sent to:

To Alltel	To Kalida
ALLTEL Communications LLC c/o Control Point Solutions P.O. Box 7395 East Rutherford, NJ, 07073	Kalida Telephone Company Inc. Accounts Payable P.O. Box 267 Kalida, Ohio 45853

Billing inquiries. All bill inquiries by one Party to the other Party under this Agreement shall be directed to the following locations.

To Alltel	To Kalida
ALLTEL Communications, LLC Wholesale Billing Services Phone: 1-866-479-2401 Email: ALLTEL.CABS@ALLTEL.COM	Kalida Telephone Company Inc. Accounts Payable Phone: 419-532-3218

6.6 Recognizing that Kalida may not be able to measure InterMTA Traffic, and in the event that Alltel does not track the usage information required to identify the InterMTA Traffic originated or terminated by Kalida, it shall be assumed that a percent of the total traffic (as measured by minutes of use) exchanged between the Parties is InterMTA Traffic. The percentage is contained in Attachment A, § 2.0. The actual recorded usage shall be the basis for billing, when available and verifiable. Notwithstanding the foregoing, to the extent that either party can provide usage records that justify a change in these factors, the Parties agree to renegotiate such factors under this Agreement, but no more than once annually.

6.7 Either Party may conduct an audit of the other Party's books and records pertaining to the services provided under this Agreement no more than once per twelve (12) month period to evaluate the other Party's implementation of this Agreement and/or accuracy of billing, data and invoicing in accordance with this

Agreement. Any audit shall be performed as follows: (a) following at least thirty (30) business days prior written notice to the audited Party, (b) subject to the reasonable scheduling requirements and limitations of the audited Party, (c) at the auditing Party's sole expense, (d) of a reasonable scope and duration, (e) when applicable, based on requested billing records that do not exceed twelve (12) months in age from the date the monthly bill containing said record information was issued; (f) in a manner so as not to interfere with the audited Party's business operations, and (g) in compliance with the audited Party's security rules.

- 6.8 Although it is the intent of both Parties to submit timely statements of charges, failure by either Party to present statements to the other Party in a timely manner shall not constitute a breach or default, or a waiver of the right to payment of the incurred charges, by the billing Party under this Agreement. Except for assertion of a provision of Applicable Law that limits the period in which a suit or other proceeding can be brought before a court or other governmental entity of appropriate jurisdiction to collect amounts due, the billed Party shall not be entitled to dispute the billing Party's statement(s) based on the billing Party's failure to submit them in a timely fashion.
- 6.9 The Parties agree that for purposes of true-up, charges will be invoiced for payment pursuant to the terms contained in this Agreement for traffic exchanged beginning on December 12, 2007, the date Carrier received a Bona Fide Request for negotiations from Kalida.
- 6.10 Bill Payment and Disputes. The Parties agree that disputed and undisputed amounts due under this Agreement shall be handled as follows:
- 6.10.1 If any portion of an amount due to a Party (the "Billing Party") under this Agreement is withheld, subject to a bona fide dispute between the Parties, the Party billed (the "Billed Party") shall, prior to the Due Date per § 6.10.3, give written notice to the Billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. The Billed Party shall pay when due all undisputed amounts to the Billing Party, pursuant to § 6.10.3 below. The Parties will work together in good faith to resolve issues relating to the Disputed Amounts. If the dispute is resolved such that payment of a previously withheld Disputed Amount is required, whether for the original full amount or for the settlement amount, the Billed Party shall pay the full disputed or settlement amounts with interest at the lesser of (i) 0.000292 compounded daily (10.65% APR) or (ii) the highest rate of interest that may be charged under Ohio applicable law. In addition, the Billing Party may initiate a complaint proceeding with the appropriate regulatory or judicial entity, if unpaid undisputed amounts become more than ninety (90) days past due, provided the Billing Party gives an additional thirty (30) days notice and opportunity to cure the default.

6.10.2 Any undisputed amounts not paid when due shall accrue interest from the date such amounts were due at the lesser of (i) 0.000292 compounded daily (10.65% APR) or (ii) the highest rate of interest that may be charged under Ohio applicable law.

6.10.3 Undisputed amounts shall be paid within thirty-one (31) days after the invoice bill date or by the next bill date (i.e., the same date in the following month as the bill date), whichever is the shortest interval ("Due Date"). Provided however, if the Billed Party does not receive the invoice from the Billing Party at least twenty (20) days prior to the Due Date, then the invoice shall be considered delayed. When the invoice has been delayed, upon request of the Billed Party, including proof of late invoice receipt, the Due Date will be extended by the number of days the invoice was delayed.

7.0 NOTICE OF CHANGES

If a Party contemplates a change in its network, which it believes will materially affect the inter-operability of its network with the other Party, the Party making the change shall provide at least ninety (90) days advance written notice of such change to the other Party, provided, however, that this provision shall not apply to changes necessitated by emergencies or other circumstances outside the control of the party modifying its network.

8.0 GENERAL RESPONSIBILITIES OF THE PARTIES

8.1 Each Party is individually responsible to provide facilities within its network which are necessary for routing, transporting and, consistent with § 6, measuring and billing traffic from the other Party's network and for delivering such traffic to the other Party's network in an acceptable industry standard format, and to terminate the traffic it receives in that acceptable industry standard format to the proper address on its network. The Parties are each solely responsible for participation in and compliance with national network plans, including The National Network Security Plan and The Emergency Preparedness Plan. Neither Party shall use any service related to or use any of the Services provided in this Agreement in any manner that prevents other persons from using their service or destroys the normal quality of service to other carriers or to either Party's customers, and subject to notice and a reasonable opportunity of the offending Party to cure any violation, either Party may discontinue or refuse service if the other Party violates this provision.

8.2 Each Party is solely responsible for the services it provides to its customers and to other Telecommunications Carriers.

8.3 Each Party is responsible for obtaining Local Exchange Routing Guide ("LERG") listings of the Common Language Location Identifier ("CLLI") assigned to its switches.

- 8.4 SS7 Out of Band Signaling (CCS/SS7) shall be the signaling of choice for interconnecting trunks where technically feasible for both Parties. Use of a third-party provider of SS7 trunks for connecting Alltel to Kalida SS7 system is permitted. Such connections will meet generally accepted industry technical standards. Each Party is responsible for its own SS7 signaling and therefore, neither Party will bill the other SS7 signaling charges for traffic exchanged under this Agreement.
- 8.5 Each Party shall be responsible for its own independent connections to the 911/E911 network.
- 8.6 The Parties agree that where feasible, traffic will be delivered to each involved network with CCS/SS7 protocol and the appropriate ISUP message to facilitate full interoperability and billing functions. The Parties agree to follow industry standards. Altering of data parameters within the IAM shall not be permitted.
- 8.7 The Parties agree to comply with the Communications Assistance for Law Enforcement Act ("CALEA"). Each Party shall solely be responsible for its CALEA enforcement-related activity. Each Party shall also respond to any CALEA and/or other law enforcement-related inquiry related to the originating/terminating traffic from an End User it serves and that such actions are completed in a timely manner. Where a Party fails (the "Failing Party") to comply with any one or more of these obligations and an action is brought or costs imposed upon the other Party (the "Non-Failing Party"), the Failing Party shall indemnify the Non-Failing Party pursuant to the requirements of § 11 of this Agreement.

9.0 TERM AND TERMINATION

- 9.1 Subject to the provisions of § 14, the initial term of this Agreement shall be for a one (1) year term ("Term"), which shall commence on the Effective Date. This Agreement shall automatically renew for successive month to month periods, unless not less than ninety (90) days prior to the end of the Term or any renewal term, either Party notifies the other Party in writing of its intent to renegotiate a new agreement. In the event of such renegotiations, this Agreement shall remain in effect until such time that a new agreement becomes effective.
- 9.2 Failure of either Party to pay undisputed charges shall be grounds for termination of this Agreement. If either Party fails to pay when due any undisputed charges billed to them under this Agreement, and any portion of such charges remain unpaid more than thirty (30) days after the due date of such undisputed charges, the Billing Party may notify the billed Party in writing that in order to avoid having service discontinued, the billed Party must remit all undisputed unpaid charges to the Billing Party within thirty (30) days after receipt of said notice.
- 9.3 Upon termination or expiration of this Agreement in accordance with this Section:

- (a) Each Party shall comply immediately with its obligations as set forth above;
- (b) Each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement;
- (c) Each Party's indemnification obligations shall survive termination or expiration of this Agreement.

- 9.4 Either Party may terminate this Agreement in whole or in part in the event of a default of the other Party, provided, however, that the non-defaulting Party notifies the defaulting Party in writing of the alleged default and the defaulting Party does not implement mutually acceptable steps to remedy such alleged default within thirty (30) days after receipt of written notice thereof.

10.0 CANCELLATION CHARGES

Except as provided herein, no cancellation charges shall apply.

11.0 NON-SEVERABILITY

- 11.1 The services, arrangements, terms and conditions of this Agreement were mutually negotiated by the Parties as a total arrangement and are intended to be non-severable.
- 11.2 Nothing in this Agreement shall be construed as requiring or permitting either Party to contravene any mandatory requirement of federal or state law, or any regulations or orders adopted pursuant to such law.
- 11.3 If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be unenforceable, the rest of the Agreement shall remain in full force and effect and shall not be affected unless removal of that provision results in a material change to this Agreement. If a material change as described in this paragraph occurs as a result of action by a court or regulatory agency, the Parties shall negotiate in good faith for replacement language. If replacement language cannot be agreed upon within a reasonable time period, either Party may invoke dispute resolution procedures as set forth in this Agreement.

12.0 INDEMNIFICATION

12.1 Each Party (the “Indemnifying Party”) shall indemnify and hold harmless the other Party (“Indemnified Party”) from and against loss, cost, claim liability, damage, and expense (including reasonable attorney's fees) to customers and other third parties for:

- (1) damage to tangible personal property or for personal injury proximately caused by the negligence or willful misconduct of the Indemnifying Party, its employees, agents or contractors;
- (2) claims for libel, slander, or infringement of copyright arising from the material transmitted over the Indemnified Party's facilities arising from the Indemnifying Party's own communications or the communications of such Indemnifying Party's customers; and
- (3) claims for infringement of patents arising from combining the Indemnified Party's facilities or services with, or the using of the Indemnified Party's services or facilities in connection with, facilities of the Indemnifying Party.

Notwithstanding this indemnification provision or any other provision in the Agreement, neither Party, nor its parent, subsidiaries, affiliates, agents, servants, or employees, shall be liable to the other for Consequential Damages (as defined in § 12.3).

12.2 The Indemnified Party will notify the Indemnifying Party promptly in writing of any claims, lawsuits, or demands by customers or other third parties for which the Indemnified Party alleges that the Indemnifying Party is responsible under this Section, and, if requested by the Indemnifying Party, will tender the defense of such claim, lawsuit or demand.

- (1) In the event the Indemnifying Party does not promptly assume or diligently pursue the defense of the tendered action, then the Indemnified Party may proceed to defend or settle said action and the Indemnifying Party shall hold harmless the Indemnified Party from any loss, cost liability, damage and expense.
- (2) In the event the Party otherwise entitled to indemnification from the other elects to decline such indemnification, then the Party making such an election may, at its own expense, assume defense and settlement of the claim, lawsuit or demand.
- (3) The Parties will cooperate in every reasonable manner with the defense or settlement of any claim, demand, or lawsuit. Neither Party shall accept terms of a settlement that involves or references the other Party in any manner without the other Party's approval.

13.0 LIMITATION OF LIABILITY

- 13.1 No liability shall attach to either Party, its parents, subsidiaries, affiliates, agents, servants, employees, officers, directors, or partners for damages arising from errors, mistakes, omissions, interruptions, or delays in the course of establishing, furnishing, rearranging, moving, terminating, changing, or providing or failing to provide services or facilities (including the obtaining or furnishing of information with respect thereof or with respect to users of the services or facilities) in the absence of gross negligence or willful misconduct.
- 13.2 Except as otherwise provided in § 11.0, no Party shall be liable to the other Party for any loss, defect or equipment failure caused by the conduct of the first Party, its agents, servants, contractors or others acting in aid or concert with that Party, except in the case of gross negligence or willful misconduct.
- 13.3 In no event shall either Party have any liability whatsoever to the other Party for any indirect, special, consequential, incidental or punitive damages, including but not limited to loss of anticipated profits or revenue or other economic loss in connection with or arising from anything said, omitted or done hereunder (collectively, "Consequential Damages"), even if the other Party has been advised of the possibility of such damages.

14.0 DISCLAIMER

EXCEPT AS OTHERWISE PROVIDED HEREIN, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR INTENDED OR PARTICULAR PURPOSE WITH RESPECT TO SERVICES PROVIDED HEREUNDER. ADDITIONALLY, NEITHER PARTY ASSUMES ANY RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY THE OTHER PARTY WHEN THIS DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD-PARTY.

15.0 REGULATORY APPROVAL

- 15.1 The Parties understand and agree that this Agreement will be filed with the Commission, and to the extent required by FCC rules may thereafter be filed with the FCC. Each Party covenants and agrees to fully support approval of this Agreement by the Commission or the FCC under § 252(e) of the Act without modification. The Parties, however, reserve the right to seek regulatory relief and otherwise seek redress from each other regarding performance and implementation of this Agreement. In the event the Commission or FCC rejects this Agreement in whole or in part, the Parties agree to meet and negotiate in good faith to arrive at a mutually acceptable modification of the rejected portion(s).

Further, this Agreement is subject to change, modification, or cancellation as may be required by a regulatory authority or court in the exercise of its lawful jurisdiction.

- 15.2 The Parties agree that their entrance into this Agreement is without prejudice to any positions they may have taken previously, or may take in future, in any legislative, regulatory, judicial or other public forum addressing any matters, including, but not limited to, matters related to the same types of arrangements covered in this Agreement.

16.0 CHANGE IN LAW

The Parties acknowledge that the respective rights and obligations of each Party as set forth in this Agreement are based on the text of the Act and the rules and regulations promulgated thereunder by the FCC and the Commission as of the Effective Date ("Applicable Rules"). In the event of any amendment to the Act, any effective legislative action or any effective regulatory or judicial order, rule, regulation, arbitration award, dispute resolution procedures under this Agreement or other legal action purporting to apply the provisions of the Act to the Parties or in which the FCC or the Commission makes a generic determination that is generally applicable which revises, modifies or reverses the Applicable Rules (individually and collectively, Amended Rules), either Party may, by providing written notice to the other party, require that the affected provisions of this Agreement be renegotiated in good faith and this Agreement shall be amended accordingly to reflect the pricing, terms and conditions of each such Amended Rules relating to any of the provisions in this Agreement. In the event that such new terms are not renegotiated within ninety (90) days after such notice, either Party may invoke Dispute Resolution procedures as set forth in § 17 of this Agreement.

17.0 DISPUTE RESOLUTION

- 17.1 Except as provided under § 252 of the Act with respect to the approval of this Agreement by the Commission, the Parties desire to resolve disputes arising out of or relating to this Agreement without, to the extent possible, litigation. Accordingly, except for an action seeking a temporary restraining order or an injunction related to the purposes of this Agreement, suit to compel compliance with this dispute resolution process, or an action arising out of Kalida's then current access tariff, the Parties agree to use the following dispute resolution procedures with respect to any controversy or claim arising out of or relating to this Agreement or its breach.
- 17.2 Informal Resolution of Disputes. At the written request of a Party, each Party will appoint a knowledgeable, responsible representative, empowered to resolve such dispute, to meet and negotiate in good faith to resolve any dispute arising out of or relating to this Agreement. The Parties intend that non-lawyer, business representatives conduct these negotiations. The location, format, frequency,

duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as Confidential Information developed for purposes of settlement, exempt from discovery, and shall not be admissible in the arbitration described below or in any lawsuit without the concurrence of all Parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise discoverable, be discovered or otherwise admissible, be admitted in evidence, in the arbitration or lawsuit.

17.3 **Formal Dispute Resolution.** If negotiations fail to produce an agreeable resolution within ninety (90) days of the discussion referenced in § 17.2, then either Party may proceed with any remedy available to it pursuant to law, equity or agency mechanisms; provided, that upon mutual agreement of the Parties such disputes may also be submitted to binding arbitration. In the case of an arbitration, each Party shall bear its own costs. The Parties shall equally split the fees of any mutually agreed upon arbitration procedure and the associated arbitrator.

17.4 **Continuous Service.** The Parties shall continue providing services to each other during the pendency of any dispute resolution procedure, and the Parties shall continue to perform their payment obligations including making payments in accordance with this Agreement.

18.0 MISCELLANEOUS

18.1 Authorization

18.1.1 Kalida is a corporation duly organized, validly existing and in good standing under the laws of the State of Ohio and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to any necessary regulatory approval.

18.1.2 Alltel is a Limited Liability Corporation, which is 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, subject to any necessary regulatory approval.

18.2 **Compliance.** Each Party shall comply with all applicable federal, state, and local laws, rules, and regulations applicable to its performance under this Agreement. Nothing in this Agreement shall be construed as requiring or permitting either Party to contravene any mandatory requirement of federal or state law, or any regulations or orders adopted pursuant to such law.

18.3 **Most Favored Nation Provision.** In accordance with Section 252(i) of the Act, Alltel shall be entitled to obtain from Kalida any Interconnection/Compensation

arrangement provided by Kalida to any other CMRS provider that has been filed and approved by the Commission, for services described in such agreement, on the same terms and conditions.

- 18.4 Independent Contractors. Neither this Agreement, nor any actions taken by Alltel or Kalida in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between Alltel and Kalida, or any relationship other than that of co-carriers. Neither this Agreement, nor any actions taken by Alltel or Kalida in compliance with this Agreement, shall create a contractual, agency, or any other type of relationship or third party liability between Alltel and Kalida end users or others. 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.
- 18.5 Force Majeure. Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, equipment failure, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions or any other circumstances beyond the reasonable control and without fault or negligence of the Party affected. (collectively, a "Force Majeure Event"). If any Force Majeure condition occurs, the Party delayed or unable to perform shall give immediate notice to the other Party and shall take all reasonable steps to correct the Force Majeure condition. During the pendency of the Force Majeure, the duties of the Parties under this Agreement affected by the Force Majeure condition shall be abated and shall resume without liability thereafter.
- 18.6 Confidentiality.
- 18.6.1 Any information such as specifications, drawings, sketches, business information, forecasts, models, samples, data, computer programs, customer account data and Customer Proprietary Network Information ("CPNI") (as that term is defined by the Communications Act of 1934, as amended, and the rules and regulations of the FCC), and other software and documentation of one Party (a Disclosing Party) that is furnished or made available or otherwise disclosed to the other Party or any of its employees, contractors, or agents (its "Representatives" and with a Party, a "Receiving Party") pursuant to this Agreement ("Proprietary Information") shall be deemed the property of the Disclosing Party. Proprietary Information, if written, shall be clearly and conspicuously marked "Confidential" or "Proprietary" or other similar notice, and, if oral or visual, shall be confirmed in writing as confidential by the Disclosing Party to the Receiving Party within ten (10) days after disclosure; provided, however, that CPNI shall always be deemed Proprietary Information regardless of whether it is identified as such. Unless Proprietary Information was previously known by the Receiving Party free of any

obligation to keep it confidential, or has been or is subsequently made public by an act not attributable to the Receiving Party, or is explicitly agreed in writing not to be regarded as confidential, such information: (i) shall be held in confidence by each Receiving Party; (ii) shall be disclosed to only those persons who have a need for it in connection with the provision of services required to fulfill this Agreement and shall be used by those persons only for such purposes; and (iii) may be used for other purposes only upon such terms and conditions as may be mutually agreed to in advance of such use in writing by the Parties. Notwithstanding the foregoing sentence, a Receiving Party shall be entitled to disclose or provide Proprietary Information as required by any governmental authority or applicable law, upon advice of counsel, only in accordance with § 18.6.2 of this Agreement.

18.6.2 If any 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 prior to such disclosure. The Disclosing Party may then seek appropriate protective relief from all or part of such requirement. 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 obtain.

18.6.3 In the event of the expiration or termination of this Agreement for any reason whatsoever, each Party shall return to the other Party or destroy all Proprietary Information and other documents, work papers and other material (including all copies thereof) obtained from the other Party in connection with this Agreement and shall use all reasonable efforts, including instructing its employees and others who have had access to such information, to keep confidential and not to use any such information, unless such information is now, or is hereafter disclosed, through no act, omission or fault of such Party, in any manner making it available to the general public.

18.7 Governing Law. This Agreement shall be governed by the domestic laws of the State of Ohio without reference to conflict of law provisions. Notwithstanding the foregoing, the Parties may seek resolution of disputes under this Agreement by the FCC, the Commission, or the Ohio state court, or federal court, as appropriate.

18.8 Taxes. Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, transaction or similar taxes, fees or surcharges levied against or upon such purchasing Party (or the providing Party when such providing Party is permitted to pass along to the purchasing Party such taxes, fees or surcharges), except for any tax on either Party's corporate existence, status or income. Whenever possible, these amounts shall be billed as a separate item on the invoice. 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 by the jurisdiction providing said resale tax exemption. Failure to timely provide such sale for resale tax exemption certificate will result in no exemption being available to the purchasing Party.

- 18.9 Assignment. This Agreement shall be binding upon the Parties and shall continue to be binding upon all such entities regardless of any subsequent change in their ownership. Except as provided in this paragraph, neither Party may assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third party without the prior written consent of the other Party which consent will not be unreasonably withheld; provided that either Party may assign this Agreement to a corporate Affiliate or an entity under its common control or an entity acquiring all or substantially all of its assets or equity of that Party by providing prior written notice to the other Party of such assignment or transfer. Any attempted assignment or transfer that is not permitted is void *ab initio*. Without limiting the generality of the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties' respective successors and assigns.
- 18.10 Non-Waiver. 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.
- 18.11 Notices. Notices given by one Party to the other Party under this Agreement shall be in writing and shall be: (i) delivered personally; (ii) delivered by express delivery service; (iii) mailed, certified mail, return receipt requested to the following addresses of the Parties:

To: Alltel	To: Kalida
ALLTEL Communications LLC Attn: Director – Wireless Interconnection One Allied Drive Mailstop: 1269-B1-F03-C Little Rock, Arkansas 72202 Phone: 501-905-8000 Fax: 501-905-6307	Kalida Telephone Company Inc. Manager 121 E. Main St. P.O. Box 267 Kalida, Ohio 45853 Phone: 419-532-3218 Fax: 419-532-3300
With a copy to:	With a copy to:

Or to such other address as either Party shall designate by proper notice. Notices will be deemed given as of the earlier of: (i) the date of actual receipt; (ii) the next business day when notice is sent *via* express mail or personal delivery; (iii) three (3) days after mailing in the case of certified U.S. Mail.

- 18.11 Publicity and Use of Trademarks or Service Marks. Neither Party nor its subcontractors or agents shall use the other Party's trademarks, service marks, logos or other proprietary trade dress in any advertising, press releases, publicity matters or other promotional materials without such Party's prior written consent.
- 18.12 Joint Work Product. This Agreement is the joint work product of the Parties and has been negotiated by the Parties and their respective counsel and shall be fairly interpreted in accordance with its terms. In the event of any ambiguities, no inferences shall be drawn against either Party.
- 18.13 No Third Party Beneficiaries; Disclaimer of Agency. 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. 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, in the name of, 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.
- 18.14 No License. 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.
- 18.15 Technology Upgrades. Nothing in this Agreement shall limit either Parties' ability to upgrade its network through the incorporation of new equipment, new software or otherwise, provided it is to industry standards, and that the Party initiating the upgrade shall provide the other Party written notice at least ninety (90) days prior to the incorporation of any such upgrade in its network which will materially impact the other Party's service. Each Party shall be solely responsible for the cost and effort of accommodating such changes in its own network.
- 18.16 Foreign Based Services. Kalida represents, warrants, and covenants that no service performed by Kalida pursuant to this Agreement shall be provided, directed, controlled, supervised, or managed, and no data or Alltel customer communication (voice or data) relating to any such service shall be stored or transmitted, at, in, or through, a site located outside of the United States without the advance written consent of Alltel.
- 18.17 Entire Agreement. The terms contained in this Agreement and any Schedules, Exhibits, tariffs and other documents or instruments referred to herein are hereby

incorporated into this Agreement by reference as if set forth fully herein, and 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. 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. This Agreement may only be modified by a writing signed by an officer of each Party.

18.18 Headings. The headings of the Sections of this Agreement are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning of the Agreement.

18.19 Expenses. Except as specifically set out in this Agreement, each Party shall be solely responsible for its own expenses involved in all activities related to the subject of this Agreement.

18.20 Survival. Any provision of this Agreement or Attachment, that by its nature should survive the expiration or termination of the Agreement, shall so survive.

(Signature Page Follows)

Traffic Exchange Agreement between Kalida Telephone Company Inc. and Alltel Communications, LLC
by Management Trust

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of
the dates listed below.

Alltel Communications LLC by Management Trust	Kalida
By: <u>Barbara Bonds</u>	By: <u>Chris J. Phillips</u>
Name: <u>Barbara Bonds</u>	Name: <u>Chris J. Phillips</u>
Title: <u>Trust Counsel</u>	Title: <u>GM/Treasurer</u>
Date: <u>2/25/09</u>	Date: <u>March 2, 2009</u>

Attachment A

1.0 Reciprocal Compensation

\$0.015 per minute of use for traffic exchanged via direct interconnection
\$0.020 per minute of use for traffic exchanged via indirect interconnection

2.0 Percent InterMTA

1%

3.0 Traffic Factor

Landline to Wireless	15%
Wireless to Landline	85%

Attachment B

Reserved for Future Use

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

3/12/2009 9:39:47 AM

in

Case No(s). 09-0200-TP-NAG

Summary: Agreement approval of a negotiated agreement electronically filed by Carolyn S Flahive on behalf of Kalida Telephone Company