

December 23, 2008

Via Electronic Filing

Reneé J. Jenkins, Secretary
The Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

RE: In the Matter of the Application of Ayersville Telephone Company for Approval of a Negotiated Agreement with Sprint Spectrum L.P., Nextel West Corp. Pursuant to Section 252 of the Telecommunications Act of 1996; PUCO Case No. 08-1318-TP-NAG

Dear Ms. Jenkins:

Ayersville Telephone Company submits an Application for electronic filing in connection with the above-referenced matter.

Thank you for your assistance. If you have any questions, please do not hesitate to call.

Very truly yours,

/s/ Carolyn S. Flahive

Enclosures

The Public Utilities Commission of Ohio
TELECOMMUNICATIONS APPLICATION FORM
for
ILECs Not Subject to Alternative Regulation
(Effective July 25, 2008)

In the Matter of the Application of Ayersville Telephone)
Company for Approval of a Negotiated Agreement) Case No. 08-1318-TP-NAG
with Sprint Spectrum L.P., Nextel West Corp. Pursuant to)
Section 252 of the Telecommunications Act of 1996)

Name of Company Ayersville Telephone Company
Address of Company 27932 Watson Road, Defiance, Ohio 43512
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 _____ TRF Docket No. _____

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: 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
☐ 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 That Does Not Result In An Increase In Rates
☐ a. Large ILEC, Competitive Offerings Other Than Those Listed Under 5., Below (60-day approval, 7 copies)
☐ b. Small, for-profit ILECs (45-day approval, 10 copies) (Not-for-profit, see item 6, NFP, below)
- ☐ 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 (NFP) Small, not-for-profit ILEC tariff amendment
☐ a. Tariff Change Not Resulting In An Increase In Rates (0-day notice, 7 copies)
☐ b. Tariff Application Resulting In An Increase In Non-Basic Rates (45-day notice, 7 copies)
☐ c. Tariff Application Resulting In An Increase In Basic Rates (60-day notice, 10 copies)
- ☐ 7 (Non-Auto) All Others (non-automatic approval, indicate appropriate 3 letter code for case type in Case No. above)

THE FOLLOWING ARE TRF FILINGS ONLY, NOT NEW CASES

- ☐ 8 Introduction or Extension of Promotional Offering (10-day notice, 3 copies)
- ☐ 9 New Price List Rate Within an Approved Rate Range for Existing Competitive Service (0-day notice, 3 copies)

Carrier to Carrier Filings

- ☒ 10 (NAG) Negotiated Carrier-to-Carrier Interconnection Agreement under Sections 251 and 252 of the Telecommunications Act (90-day approval, 7 copies)
- ☐ 11 (ARB) Request for Arbitration of a Carrier-to-Carrier Interconnection Agreement under Section 252 of the Telecommunications Act. (non-automatic, 2 copies)

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.a., 4.a.	Justification for Competitive Treatment
<input type="checkbox"/>	1.a., 4.a.	Cost support for non-MTS service
<input type="checkbox"/>	2, 3, 4, 5, 6, 7, 9	Customer Notice to customers affected by proposal, and statement as to the form and timing of the notice
<input checked="" type="checkbox"/>	1, 10	Copy of Contract
<input type="checkbox"/>	11	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-COI.
☐ 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,

AYERSVILLE TELEPHONE COMPANY

By: /s/ Carolyn S. Flahive

Thomas E. Lodge (0015741)

Carolyn S. Flahive (0072404)

THOMPSON HINE LLP

41 South High Street, Suite 1700

Columbus, Ohio 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 12/23/08

*(Signature and Title)

(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 Ayersville Telephone)	
Company for Approval of a Negotiated Agreement with)	
Sprint Spectrum L.P., Nextel West Corp. Pursuant to)	Case No. 08-1318-TP-NAG
Section 252 of the Telecommunications Act Of 1996)	

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

Ayersville Telephone Company ("Ayersville") hereby files the attached agreement deemed effective August 1, 2008 ("the Agreement") between Ayersville and Sprint Spectrum L.P., Nextel West Corp. ("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, Ayersville Telephone Company requests that the Commission approve the Agreement.

Respectfully submitted,

AYERSVILLE TELEPHONE COMPANY

By: /s/ Carolyn S. Flahive

Thomas E. Lodge (0015741)

Carolyn S. Flahive (0072404)

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41 South High Street

Suite 1700

Columbus, Ohio 43215-6101

Telephone: 614-469-3200

Fax: 614-469-3361

Its Attorneys

**INTERCONNECTION AND RECIPROCAL COMPENSATION
AGREEMENT**

BETWEEN

Ayersville Telephone Company

AND

**Sprint Spectrum L.P.
Nextel West Corp.**

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I. Article I

1. INTRODUCTION

This Interconnection and Reciprocal Compensation Agreement, ("Agreement"), is entered into by and between Ayersville Telephone Company ("Ayersville") with offices at 27932 Watson Road, Defiance, Ohio 43512, and Sprint Spectrum L.P., a Delaware limited partnership, Nextel West Corp., a Delaware corporation all d/b/a Sprint Nextel ("Sprint"), with offices at 6200 Sprint Parkway, Overland Park, Kansas 66251 (each referred to as a "Party" and collectively as "Parties"). This Agreement shall be deemed effective as of August 1, 2008 subject to execution of the Agreement and approval of the Commission (the "Effective Date").

2. RECITALS

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

WHEREAS, Sprint is a Commercial Mobile Radio Service provider licensed by the FCC; and

WHEREAS, Ayersville asserts it 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, Ayersville 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, Ayersville and Sprint exchange traffic between their networks and wish to establish traffic exchange and compensation arrangements for exchanging traffic as specified below; and

WHEREAS, Ayersville and Sprint 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, Ayersville and Sprint 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

Traffic Exchange Agreement between Ayersville and Sprint

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.

Traffic Exchange Agreement between Ayersville and Sprint

- 1.7 “Commercial Mobile Radio Services” or “CMRS” means a radio communication service between mobile stations or receivers and land stations, or by mobile stations communicating among themselves that is provided for profit and that makes interconnected service available to the public or to such classes of eligible users as to be effectively available to a substantial portion of the public 47 CFR § 20.
- 1.8 “Commission” means the Public Utilities Commission of Ohio.
- 1.9 “Extended Area Service” or “EAS” is as defined and specified in Ayersville’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” is direct or indirect connection through automatic or manual means (by wire, microwave, or other technologies such as store and forward) to permit the transmission or reception of messages or signals to or from points in the public switched network. 47 U.S.C. § 20.3
- 1.13 “Local Exchange Carrier” or “LEC” means any person or business that is engaged in the provision of telephone exchange service or exchange access. Such term does not include a person or business insofar as such person or business is engaged in the provision of a commercial mobile service under § 332(c) of the Act, except to the extent that the Federal Communications Commission finds that such service should be included in the definition of such term. 47 U.S.C. § 153(26).
- 1.14 “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.
- 1.15 “InterMTA Traffic” means telecommunications traffic that originates in one Major Trading Area but terminates in a different Major Trading Area. The origination or termination point on Ayersville’s network shall be the end office serving Ayersville’s end user. The origination or termination point on Sprint’s network shall be the cell site serving the Sprint’s end user at the beginning of the call.
- 1.16 “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).

Traffic Exchange Agreement between Ayersville and Sprint

- 1.17 "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.
- 1.18 "Party" means either Ayersville or Sprint, and "Parties" means Ayersville and Sprint.
- 1.19 "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.
- 1.20 "Reciprocal Compensation" means a compensation 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 facilities of Telecommunications Traffic that originates on the network facilities of the other carrier. 47 C.F.R. § 51.701(E).
- 1.21 "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)
- 1.22 "Telecommunications Act" means the Communications Act of 1934, as amended.
- 1.23 "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. § 226(a)(2)). A Telecommunications Carrier shall be treated as a common carrier under this chapter only to the extent that it is engaged in providing telecommunications services, except that the Federal Communications Commission shall determine whether the provision of fixed and mobile satellite service shall be treated as common carriage. 47 U.S.C. § 153(44)
- 1.24 "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.
- 1.25 "Telecommunications Traffic" for the purpose of this agreement is that traffic which originates and terminates within the same MTA. For purposes of determining whether traffic originates and terminates within the same MTA, and therefore whether the traffic is subject to reciprocal compensation, the location of the point of interconnection between the two carriers at the beginning of the call shall be used to determine the location of the mobile caller or called party.
- 1.26 "Termination" means the switching of Telecommunications 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.

- 1.27 "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.
- 1.28 "Transport" means the transmission and any necessary tandem switching of Telecommunications 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.
- 1.29 "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 Sprint and the Ayersville network for purposes of exchanging IntraMTA Traffic. This Agreement does not cover Sprint one-way paging service traffic or fixed wireless. Sprint does not currently provide fixed wireless services in Ayersville's Local Service Area. Sprint agrees that it will provide Ayersville prior notice of its intent to launch fixed wireless services in Ayersville's Local Service Area. Upon Ayersville's receipt of such notice, the Parties agree to negotiate in good faith an appropriate agreement or an Amendment to this Agreement, which will address the exchange of such traffic; provided, however, that in the event that the Parties cannot reach resolution of the terms and conditions of such agreement or Amendment, either Party may seek

resolution of any unresolved or disputed issues pursuant to the Dispute Resolution procedures identified in § 16 of this Agreement.

- 3.3 This Agreement relates to exchange of traffic between Ayersville and Sprint. Sprint represents that it is a CMRS provider of telecommunications services to subscribers in MTA No. 3 (Chicago). Additions or changes to Sprint's NPA/NXXs will be as listed in Telcordia's Local Exchange Routing Guide ("LERG") under Operating Company Numbers ("OCN") 6664, 8568 and 6232.
- 3.4 This Agreement is limited to Ayersville end user customers' IntraMTA traffic. Ayersville's NPA/NXX(s) are listed in the LERG under OCN 0588.
- 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 SERVICE AGREEMENT

- 4.1 Description of Arrangements. This Section describes the methods with which the Parties to this Agreement may interconnect their respective networks for the Transport and Termination of Traffic. Additional arrangements that may be agreed to in the future will be delineated in Attachment B to this Agreement or reflected in an amendment to this Agreement. The Parties agree that the exchange of traffic on LEC's extended area calling service (EAS) routes shall be considered Telecommunications Traffic and compensation for the Termination of such traffic shall be paid pursuant to the terms of this Agreement. An NXX assigned to Carrier that is associated with a LEC rate center shall be included in any EAS optional calling scope, or similar program to the same extent as any other NXX in the same rate center. EAS routes are those exchanges within a telephone exchange's local calling area, as defined in LEC's general subscriber tariff. Routing of Telecommunications Traffic shall be as described in this Section, except that, alternatives mutually agreed upon by the Parties may be employed in the event of emergency or temporary equipment failure.
 - 4.1.1 Indirect Interconnection. Traffic that originates on either Parties' network and terminates on the other Parties' network via a third party LEC tandem ("Third Party Tandem Provider") shall be permitted under this Agreement, which tandem shall be the tandem Ayersville rate centers subtend as defined in the LERG. The originating Party agrees to pay any transit charges that may be assessed by the Third Party Tandem Provider for delivery of their originating traffic to the terminating Party.
 - 4.1.1.1 Each Party is individually responsible for establishing their own arrangement with any Third Party Tandem Provider.
 - 4.1.1.2 This arrangement for indirect interconnection will be subject to renegotiation if by change of law or for any other reason the Third Party Tandem Provider no longer offers the transiting service.

- 4.1.2 Direct Interconnection. Direct Interconnection provides a physical connection between the Parties' networks for the exchange of Telecommunications Traffic. The Parties agree that at the time of the signing of the Agreement, the Parties will exchange Telecommunications Traffic using Indirect Interconnection pursuant to § 4.1.1. Upon request by either Party, which request shall not unreasonably be denied, the Parties agree to enter into good faith negotiations to amend this Agreement with terms and conditions for Direct Interconnection pursuant to Applicable Law. To the extent the Parties cannot agree on the terms and conditions for Direct Interconnection, either Party may seek resolution of any unresolved or disputed issues pursuant to the Dispute Resolution procedures identified in § 16 of this Agreement.
- 4.2 Transit Traffic: The Parties acknowledge and agree that this Agreement is intended to govern the exchange of traffic to and from the Parties' respective networks. Ayersville and Sprint 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 such Transit Traffic function is required by Applicable Law and 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 § 16 of this Agreement.
- 4.3 Each Party agrees that it will not intentionally provision any of its services to permit the arbitrage or circumvention of state or interstate access charges. Traffic that originates from or terminates to the Ayersville's network, and that originates from or terminates to the Sprint's network within the MTA, is considered to be Ayersville originated or terminated Telecommunications Traffic and subject to Reciprocal Compensation at rates set forth in Attachment A. Ayersville will use the InterMTA Factor in Attachment A to assess access charges on traffic terminated to it. No other access charges will apply hereunder. The Parties acknowledge that the issue of compensation for VoIP traffic is currently under consideration by the FCC. Upon an effective order from the FCC, the Parties will amend the Agreement consistent with such order.
- 4.4 The Parties agree that the terms of this Agreement, including traffic factors and reciprocal compensation arrangements have been negotiated based on traffic usage volumes being exchanged at the time of the Agreement execution and with the expectation that growth in actual usage will occur consistent with market trends for such traffic. Any time following the initial six (6) months from the effective date of the Agreement, if the actual usage data for any three consecutive month period indicates that the Telecommunications Traffic exchanged between the parties, both directly and indirectly, has increased in volume by five hundred percent (500%) or more from the monthly traffic volume for the first month following execution of the agreement, either Party may provide the other Party a written request to renegotiate reciprocal compensation rates under the Act. If the

Parties are unable to reach agreement in writing within thirty (30) days of the request to renegotiate reciprocal compensation rates, either Party may invoke the Dispute Resolution procedures outlined in §16 of this Agreement. Notwithstanding anything contrary in the Dispute Resolution procedures, during the pendency of the dispute the Parties will invoice each other for Telecommunications Traffic pursuant to this Section. Until the dispute is resolved and agreement is reached between the Parties in writing, such charges for Telecommunications Traffic will not exceed the monthly average of usage charges over the six (6) months preceding the first month in which the traffic increase occurred, until a successor arrangement is reached, either through voluntary negotiations or through the Dispute Resolution procedures.

5.0 COMPENSATION

5.1 Traffic Subject to Reciprocal Compensation. Reciprocal Compensation is applicable for Transport and Termination of Reciprocal Compensation Traffic as defined in § 1.20 and is related to the exchange of traffic under arrangements as described in § 4 and in Attachment B, as applicable. For the purposes of billing compensation for Telecommunications 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 Telecommunications Traffic shall be based on the aggregated measured usage less traffic recorded as local that is deemed InterMTA Traffic based on the InterMTA Factor provided in Attachment A § 2.0.

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

5.1.2 The Parties agree to bill each other for Reciprocal Compensation as described in this Agreement unless the Telecommunications 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 Telecommunications 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 Telecommunications 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 § 10, hereof.

5.2 Traffic Subject to Switched Access Compensation. Switched access charges apply to all InterMTA Traffic originated on Sprint's network and delivered to Ayersville for termination to its customers under arrangements as described in § 4 and Attachment B, as applicable. Sprint shall compensate Ayersville at Ayersville's then current applicable access tariff rates for all Sprint-originated InterMTA Traffic only to the extent that such Sprint-originated InterMTA Traffic is not handed off to an Interexchange Carrier for delivery to Ayersville.

5.2.1 The Parties acknowledge and agree that some Sprint wireless traffic routed to Ayersville pursuant to this Agreement may include InterMTA Traffic. This is because CMRS licensing territories do not exactly match the geographical boundaries of an MTA or the Ayersville's Local Service Area.

5.3 Calculation of Payments and Billing.

5.3.1 Ayersville will compensate Sprint for IntraMTA Traffic originated on Ayersville's network and delivered to Sprint, for termination to its customers, as prescribed in §§ 3.2 and 4 and at the rate provided in Attachment A §1.0. Sprint will compensate Ayersville for Telecommunications Traffic delivered to Ayersville for termination to its customers, as prescribed in § 4 and in Attachment B, as applicable, and at the rate provided in Attachment A §1.0; and for InterMTA Traffic exchanged between Sprint and Ayersville, as prescribed and at the rates provided in § 5.2 above.

5.3.2 Sprint shall prepare a monthly billing statement to Ayersville, reflecting the calculation of Reciprocal Compensation due Sprint. Ayersville shall prepare a monthly billing statement to Sprint, which will separately reflect the calculation of Reciprocal Compensation and Switched Access Compensation due Ayersville. The billing Party shall rely on actual measured usage (including usage records received from the Third Party Tandem Provider). Alternatively, Sprint may elect to use a net-billing arrangement in which the Ayersville renders a monthly invoice to Sprint with a credit against the amounts owed by Sprint ("Reciprocal Compensation Credit") on the basis of the Traffic Factor, reflecting the agreed upon balance of Wireless to Landline ("W2L") and Landline to Wireless ("L2W") traffic, contained in Attachment A § 3.0. Following the initial term of the contract, the Traffic Factor may be updated on a periodic basis by the results of a mutually agreed to traffic study, but no more frequently than once every six months. If the Parties are unable to reach agreement for modification of the Traffic Factor, either Party may request resolution of the dispute pursuant to §16 of this Agreement. The

Parties acknowledge and agree that at the time of the execution of this Agreement, Sprint has requested a net billing arrangement as provided herein. Compensation for Telecommunications Traffic shall be determined by the compensation calculations as follows:

5.3.2.1 For purposes of calculation of the Telecommunications Traffic minutes of use originated by Sprint and terminated on Ayersville's network, the Wireless-to-Landline Telecommunications Traffic minutes of use shall be the total Sprint to Ayersville traffic minutes of use less minutes of use determined to be Inter-MTA Traffic pursuant to § 5.3.6 below and calculated using the formula as follows:

$$\text{Total W2L Traffic} * \text{InterMTA Factor} = \text{InterMTA Traffic}$$

$$\text{W2L Traffic} - \text{InterMTA Traffic} = \text{W2L Telecommunications Traffic}$$

5.3.2.2 The Reciprocal Compensation Credit will be calculated as follows:

$$\text{W2L Telecommunications Traffic} / \text{W2L Traffic Factor} = \text{Total Telecommunications Traffic}$$

$$\text{Total Telecommunications Traffic} * \text{L2W Traffic Factor} = \text{L2W Telecommunications Traffic}$$

$$\text{L2W Telecommunications Traffic} * \text{Reciprocal Compensation Rate} = \text{Reciprocal Compensation Credit}$$

5.3.2.3 For example, Ayersville determines that 100,000 minutes of W2L traffic was delivered to it in a given billing period. The Parties will assume that 23,750 minutes were delivered to Sprint by the Ayersville and the Reciprocal Compensation Credit will be \$593.75 per the following calculation:

$$\begin{aligned} 100,000 * .05 &= 5,000 \\ 100,000 - 5,000 &= 95,000 \\ 95,000 / .80 &= 118,750 \\ 118,750 * .20 &= 23,750 \\ 23,750 * \$0.025 &= \$593.75 \end{aligned}$$

5.3.3 Ayersville will prepare its bill in accordance with its existing CABS / SECABS billing systems. Sprint will not send a monthly invoice to ILEC. The Parties will make an effort to conform to current and future OBF (CABS BOS) standards, insofar as is reasonable.

5.3.4 Sprint shall provide Ayersville not less than sixty (60) days prior written notice when changing its election to use actual recorded MOU to bill Ayersville rather than receive the Reciprocal Compensation Credit. In such

event, Sprint will be then responsible for measuring the monthly Telecommunications Traffic, measured by minutes of use, terminating into its network from Ayersville's network and shall bill ILEC on a going forward basis using the rates set forth in Attachment A, § 1.0.

5.3.5 Invoices under this Agreement shall be sent to:

To Sprint	To Ayersville
Sprint Nextel Access Verification PO Box 6827 Shawnee Mission, KS 66206	Ayersville Telephone Company 27932 Watson Road Defiance, Ohio 43512

5.3.6 Recognizing that Ayersville may not be able to measure InterMTA Traffic, and in the event that Sprint does not track the usage information required to identify the InterMTA Traffic by Ayersville, it shall be assumed that a percent of the total traffic (as measured by minutes of use) exchanged between the Parties is InterMTA Traffic and that percent will be used for the calculation of switched access compensation. The percentage, referred to as the InterMTA Factor, is contained in Attachment A § 2.0. The actual recorded usage shall be the basis for billing, when available and verifiable, however the Parties recognize there is no accepted industry standard which allows for a LEC to measure InterMTA Traffic as of the execution of this Agreement.

5.3.6.1 If Ayersville can provide actual usage data demonstrating that InterMTA Traffic is being routed incorrectly such that the InterMTA Factor does not properly compensate Ayersville, upon notice by Ayersville, Sprint will take action to correct the routing error(s) within thirty (30) days of the notice ("Routing Change Notice Period"). If, by the end of the Routing Change Notice Period, the routing has not been corrected Ayersville shall have the right to begin invoicing switched access compensation for incorrectly routed InterMTA Traffic for the period of time following the Routing Change Notice Period until such InterMTA Traffic is routing correctly.

5.3.6.2 If either party can provide usage records that justify a change in the InterMTA factor, the Parties agree to renegotiate such factor under this Agreement, not to be done more often than once every six months, except as may be required temporarily to invoice switched access compensation pursuant to § 5.3.6.1.

5.3.6.3 In the event that the Parties are unable to agree on the jurisdiction and compensation of the traffic pursuant to the terms in the above §§ 5.3.6.1 and 5.3.6.2, either Party may invoke Dispute Resolution procedures as set forth in § 16 of this Agreement, subject to true-up upon resolution of the dispute.

- 5.3.7 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.
- 5.3.8 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. Charges for all services provided pursuant to this Agreement may be billed by the billing Party for up to twelve (12) months after the initial date service was furnished, but in no event shall back billing pursuant to this Agreement occur for services provided prior to the Effective Date of this Agreement, except as may be agreed by the Parties in writing.
- 5.4 Bill Payment and Disputes. The Parties agree that disputed and undisputed amounts due under this Agreement shall be handled as follows:
- 5.4.1 All billing disputes under this agreement are subject to a twelve (12) month limitation from the date of invoice.
- 5.4.2 If any portion of an amount due to a Party (the "Billing Party") under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the "Billed Party") shall, within thirty (30) days of its receipt of the invoice containing such disputed amount, give written notice to the Billing Party of the amounts it ("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 §5.4.4 below. The Parties will work together in good faith to resolve issues relating to the disputed amounts, per Section 16, Dispute Resolution. If the dispute is resolved such that payment of the disputed amount is required, whether for the original full amount or for a settlement amount mutually agreed to by the Parties, 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.

- 5.4.3 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.
- 5.4.4 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.

6.0 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.

7.0 GENERAL RESPONSIBILITIES OF THE PARTIES

- 7.1 Each Party is individually responsible to provide facilities within its network which are necessary for routing, transporting and, consistent with § 5, 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.
- 7.2 Each Party is solely responsible for the services it provides to its customers and to other Telecommunications Carriers.

- 7.3 Each Party is responsible for obtaining Local Exchange Routing Guide ("LERG") listings of the Common Language Location Identifier ("CLLI") assigned to its switches.
- 7.4 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 Sprint to the Ayersville 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.
- 7.5 Each Party shall be responsible for its own independent connections to the 911/E911 network.
- 7.6 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. Sprint agrees to follow industry standards when using the JIP field. Altering of data parameters within the IAM shall not be permitted.
- 7.7 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. A Party shall not have the obligation to inform the other Party or the End Users of the other Party of actions taken in cooperating with law enforcement or national security authorities, except to the extent required by applicable law.

8.0 TERM AND TERMINATION

- 8.1 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 thirty (30) days prior to the end of the Term or any renewal term, either Party notifies the other Party in writing of its intent to terminate the agreement or renegotiate a new agreement.
- 8.2 Either Party shall have the right to terminate this Agreement at any time upon written notice to the other Party in the event:

(a) a Party is in arrears in the payment of any undisputed amount due under this Agreement for more than ninety (90) days, and the Party does not pay such sums within ten (10) business days of the other Party's written demand for payment;

(b) a Party is in material breach of the provisions of this Agreement and that breach continues for a period of thirty (30) days after the other Party notifies the breaching Party of such breach, including a reasonably detailed statement of the nature of the breach.

8.3 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.

8.4 Upon termination of this Agreement, either Party may make a written request as provided in the Act, that services continue to be provided pursuant to the terms of this Agreement during the negotiation of a new Agreement. Upon receipt of such notification, the same terms, conditions, and prices set forth in this Agreement will continue in effect, as were in effect at the end of the latest term, or renewal, so long as negotiations are continuing without impasse. If the Parties are in arbitration or mediation before the appropriate State Commission or FCC prior to the expiration of this Agreement, this Agreement will continue in effect only until the issuance of an Order, whether a final non-appealable order or not, by the State Commission or FCC resolving the issues set forth in such arbitration or mediation request.

9.0 CANCELLATION CHARGES

Except as provided herein, no cancellation charges shall apply.

10.0 NON-SEVERABILITY

10.1 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.

10.2 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.

11.0 INDEMNIFICATION

11.1 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).

11.2 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.

12.0 LIMITATION OF LIABILITY

12.1 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.

12.2 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.

12.3 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.

13.0 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.

14.0 REGULATORY APPROVAL

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.

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.

15.0 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 § 16 of this Agreement.

16.0 DISPUTE RESOLUTION

16.1 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, or suit to compel compliance with this dispute resolution process, or an action arising out of the ILEC'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.

- 16.2 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.
- 16.3 Formal Dispute Resolution. If negotiations fail to produce an agreeable resolution within ninety (90) days of the discussion referenced in § 16.2, 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.
- 16.4 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.
- 17.0 MISCELLANEOUS**
- 17.1 Authorization
- 17.1.1 Ayersville 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.
- 17.1.2 The legal entities doing business as Sprint for purposes of this Agreement are duly organized, validly existing and in good standing under the laws of the state of Ohio and have full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to any necessary regulatory approval.
- 17.2 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.

- 17.3 Independent Contractors. Neither this Agreement, nor any actions taken by Sprint or Ayersville in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between Sprint and Ayersville, or any relationship other than that of co-carriers. Neither this Agreement, nor any actions taken by Sprint or Ayersville in compliance with this Agreement, shall create a contractual, agency, or any other type of relationship or third party liability between Sprint and Ayersville 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.
- 17.4 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.
- 17.5 Confidentiality.
- 17.5.1 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 § 17.5.2 of this Agreement.

17.5.2 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.

17.5.3 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.

17.6 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.

17.7 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.

- 17.8 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.
- 17.9 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.
- 17.10 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:

Traffic Exchange Agreement between Ayersville and Sprint

To: Sprint

To: Ayersville

<p>Sprint Manager, Carrier Interconnection P.O. Box 7954 Shawnee Mission, KS 66207-0954</p> <p>or (for overnight only)</p> <p>Mailstop: KSOPHA0310-3B268 6330 Sprint Parkway Overland Park, KS 66251 (913) 762-4847</p>	<p>Ayersville Telephone Company General Manager 27932 Watson Road Defiance, Ohio 43512</p> <p>Or (for overnight only)</p> <p>27932 Watson Road Defiance, Ohio 43512 419-395-2222</p>
<p>With a copy to:</p> <p>Sprint Legal/Telecom Management Group P.O. Box 7966 Shawnee Mission, KS 66207-0966</p> <p>or (for overnight only)</p> <p>Mailstop: KSOPHN0214-2A568 6450 Sprint Parkway Overland Park, KS 66251 (913) 315-9348</p>	<p>With a copy to:</p>

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.

- 17.11 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.
- 17.12 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.
- 17.13 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.

- 17.14 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.
- 17.15 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.
- 17.16 Foreign Based Services. Ayersville represents, warrants, and covenants that no service performed by Ayersville pursuant to this Agreement shall be provided, directed, controlled, supervised, or managed, and no data or Sprint 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 Sprint.
- 17.17 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.
- 17.18 Counterparts. This Agreement may be executed in counterparts with the same force and effect as if a single original had been executed by the Parties hereto.

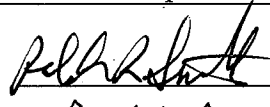
Traffic Exchange Agreement between Ayersville and Sprint

- 17.19 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.
- 17.20 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.
- 17.21 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 Ayersville and Sprint

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

Sprint Spectrum L.P. Nextel West Corp.	Ayersville Telephone Company
By: <u></u> For <u>Atty General</u>	By: _____
Name: <u>PHILLIP R. SMITH</u>	Name: Phillip D. Maag
Title: <u>LEGAL CONTRACTS NEGOTIATION</u>	Title: General Manager
Date: <u>12/12/08</u>	Date: _____

Traffic Exchange Agreement between Ayersville and Sprint

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

Sprint Spectrum L.P. Nextel West Corp.	Ayersville Telephone Company
By: _____	By: <u>Phillip D. Maag</u>
Name: _____	Name: Phillip D. Maag
Title: _____	Title: General Manager
Date: _____	Date: <u>11/14/08</u>

Attachment A

1.0 Reciprocal Compensation for purposes of applying §5.3.1.

\$0.02 per minute of use for traffic exchanged via direct interconnection

\$0.025 per minute of use for traffic exchanged via indirect interconnection

2.0 InterMTA Factor for purposes of applying §5.3.6.

5%

3.0 Traffic Factor for purposes of applying §5.3.2.

Wireless-Landline/Landline-Wireless

65% / 35%

Attachment B

Reserved for Future Use

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

12/23/2008 4:47:15 PM

in

Case No(s). 08-1318-TP-NAG

Summary: Application In the Matter of the Application of Ayersville Telephone Company for Approval of a Negotiated Agreement with Sprint Spectrum L.P., Nextel West Corp. Pursuant to Section 252 of the Telecommunications Act of 1996 electronically filed by Carolyn S Flahive on behalf of The Ayersville Telephone Company