

INTERCONNECTION AGREEMENT

By and Between

PEERLESS NETWORK OF NEW YORK, LLC

And

**TACONIC TELEPHONE CORP
d/b/a CONSOLIDATED COMMUNICATIONS**

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This Interconnection Agreement ("Agreement") is made effective by and between Peerless Network of New York, LLC ("Peerless") a corporation organized under the laws of the State of New York with offices at 222 South Riverside Plaza, Suite 2730, Chicago, IL 60606 and Taconic Telephone Corp. d/b/a Consolidated Communications ("Consolidated") a corporation organized under the laws of the State of New York, with offices at 1 Taconic Place, Chatham, NY 12037. Consolidated and Peerless may also be referred to herein singularly as a "Party" or collectively as the "Parties."

RECITALS

WHEREAS, Consolidated is an incumbent local exchange carrier and Peerless is a competitive local exchange carrier and both Parties are authorized by the New York Public Service Commission ("Commission") to provide telecommunications services in the State of New York; and

WHEREAS, Sections 251 and 252 of the Communications Act of 1934 as amended by the Telecommunications Act of 1996 (the "Act") have specific requirements for interconnection, and the Parties intend to comply with these requirements; and

WHEREAS, The Parties desire to interconnect their respective networks to allow either Party to exchange Local Traffic and Tandem Transit Traffic with the other Party; and

WHEREAS the Parties are entering into this Agreement to set forth the respective obligations of the Parties and the terms and conditions under which the Parties will interconnect their networks and provide other services as required by the Act and applicable law; and

WHEREAS, the Parties have arrived at this Agreement through negotiations undertaken pursuant to the Act;

NOW THEREFORE, in consideration of the mutual obligations set forth below, the Parties agree to the following terms and conditions:

1. Scope of Agreement

- 1.1 This Agreement addresses the terms and conditions under which Peerless and Consolidated agree to exchange Local Traffic and Tandem Transit Traffic between their respective End Users, at rates as specified in Schedule I, by a direct or indirect connection at the Point of Interconnection (POI) in accordance with this Agreement. All traffic that either Party may deliver to the POI that falls outside of the definition of Local Traffic or Tandem Transit Traffic shall not be subject to the terms and conditions of this Agreement (the "Excluded Traffic") but may be subject to other arrangements and/or tariffs of the Parties which shall govern the intercarrier treatment of such Excluded Traffic. The Parties further agree that they will strictly construe the definition of Local Traffic and will ensure that they each will abide by the additional terms and conditions of Section 8 regarding facilities and traffic addressed under this Agreement.

- 1.2 All Local Traffic exchanged between the Parties shall be compensated in accordance with Section 4, below. All Tandem Transit Traffic shall be compensated in accordance with Section 9, below.
- 1.3 The Parties agree that to the extent either Party delivers traffic to the POI that falls outside of the definition of Local Traffic and Tandem Transit Traffic such traffic will be subject to the applicable interstate or intrastate access tariffs of the Parties.
- 1.4 Each Party agrees that it will not knowingly provision any of its services in a manner that results in misclassification of traffic for circumvention of applicable switched access charges by the other Party ("Misclassified Traffic") and/or the utilization of the physical connecting arrangements described in this Agreement to permit the delivery to the other Party of Excluded Traffic through the POI. If a Party, through reasonable evaluation of its records, traffic data or other information identifies Misclassified Traffic and/or Excluded Traffic delivered through the POI, the Parties agree to invoke the Dispute Resolution provisions of this Agreement in Section 26.
 - 1.4.1 To the extent the dispute confirms origination or termination of Misclassified Traffic or Excluded Traffic by a Party, such Party agrees to take all reasonable steps to terminate and/or reroute any service to one of its End Users that otherwise enables that End User or any entity to send Misclassified Traffic or to utilize the POI for the delivery or receipt of Excluded Traffic through the POI.
 - 1.4.2 The Party that is allowing Misclassified Traffic to be exchanged or the POI to be used for the delivery of Excluded Traffic shall pay either terminating or originating access charges for all such traffic so identified based on the directionality of the traffic and pursuant to the applicable tariff of the other Party.
 - 1.4.3 Following the resolution of a dispute involving Misclassified Traffic, if it is confirmed that a Party continues to deliver the same Misclassified Traffic, that was subject to the dispute, to the other Party which constitutes more than two percent (2%) of the total traffic originated by such Party during any consecutive three (3)-month period, such Party shall be in Default of this Agreement, subject to Section 3 of the General Terms and Conditions of this Agreement. To the extent that the Parties have invoked the Dispute Resolution procedures to determine the proper treatment or quantity of the Misclassified Traffic, a Default shall not occur while such dispute is pending. Each Party shall make a good faith effort to resolve any such pending dispute within a reasonable time period.
- 1.5 The Parties enter into this Agreement without prejudice to any positions they have taken previously, or may take in the future in any legislative, regulatory, judicial or other public forum addressing any matters, including matters related specifically to

this Agreement, or other types of arrangements prescribed in this Agreement; provided, however, that this agreement shall remain binding on the Parties.

- 1.6 All references to Sections and Schedules are deemed to be references to the Sections of and the Schedules to this Agreement unless the context otherwise requires. Unless the context shall otherwise require, any reference to any agreement, other instrument (including offerings, guides or practices of either Party or other third party), statute, regulation, rule or tariff is to such agreement, instrument, statute, regulation, or 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).
- 1.7 Each Party shall comply with all federal, state, and local statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings applicable to its performance under this Agreement. Each Party shall promptly notify the other Party in writing of any governmental action that suspends, cancels, withdraws, limits, or otherwise materially affects its ability to perform its obligations hereunder.

2. Definitions

Except as otherwise specified herein, the following definitions will apply to all sections contained in this Agreement. Additional definitions that are specific to the matters covered in a particular section may appear in that section. Any term used in this Agreement that is not specifically defined shall have the meaning ascribed to such term in the Act. If no specific meaning exists for a specific term used in this Agreement, then normal usage in the telecommunications industry shall apply.

- 2.1 “Act,” as used in this Agreement, means the Communications Act of 1934 (47 U.S.C. Section 151 et seq.), as amended by the Telecommunications Act of 1996, and as from time to time interpreted in the duly authorized rules and regulations of the Federal Communications Commission (“FCC”) or the Commission.
- 2.2 “Certificated Area” means the geographic area within which Peerless is authorized to provide local exchange service and exchange access service as established and defined by the Commission.
- 2.3 “Commission” means the New York Public Service Commission.
- 2.4 “Customer,” “End User” or “End User Customer” means the residence or business subscriber that is the ultimate user of retail telecommunications services provided directly or indirectly to such subscriber by either of the Parties.
- 2.5 “DS1” is a digital signal transmission rate of 1.544 Megabits per second (“Mbps”).
- 2.6 “DS3” is a digital signal transmission rate of 44.736 Mbps.

- 2.7 Intentionally left blank.
- 2.8 “ISP-Bound Traffic” for the purposes of this Agreement, is defined as traffic that is transmitted to an Internet Service Provider (“ISP”) consistent with the ISP Remand Order (FCC 01-131), 16 FCC Rcd. 9151 (2001).
- 2.9 “Interconnection” means the indirect or direct physical linking of two networks for the mutual exchange of traffic.
- 2.10 “Intra-LATA Toll Traffic” is as defined in the Act.
- 2.11 “Local Access and Transport Area” (“LATA”) has the same meaning as that contained in the Act.
- 2.12 “Local Exchange Carrier” or “LEC” has the same meaning as that contained in the Act.
- 2.13 “Local Exchange Service” means any form of switched telecommunications provided within a defined geographic area known as the local calling area.
- 2.14 “Local Number Portability” means the ability of End Users to retain, at the same location, existing telephone numbers without impairment of quality, reliability, or convenience when switching from one service provider to another.
- 2.15 “Local Traffic” means calls that are exchanged by the Parties between telephone numbers assigned to the Parties End Users in Rate Centers located within Consolidated’s local calling area as defined by Consolidated’s general subscriber tariff, general subscriber price list, or like mechanism, including mandatory Extended Area Service (“EAS”) Rate Centers.
- 2.16 “NPA-NXX” means the first six digits of a ten-digit telephone number, which denote a consecutive 10,000 number block within the North American Numbering Plan. As used in the Agreement, the term refers exclusively to geographic NPAs associated with Rate Center areas and excludes Service Access Codes, unless otherwise specifically noted.
- 2.17 “Point of Interconnection” or “POI” means the physical location(s) at which the Parties’ networks meet for the purpose of exchanging Local Traffic
- 2.18 “Rate Center” means the geographic area which is associated with one or more particular NPA-NXX codes which have been assigned to a service provider.
- 2.19 “Signaling System 7” or “SS7”, the common channel out-of-band signaling protocol developed by the Consultative Committee for International Telephone and Telegraph (CCITT) and the American National Standards Institute (ANSI).

- 2.20 “Virtual NXX (VNXX)” is the assignment to an End User by a Party of a telephone number (NPA-NXX-XXXX) having an NXX Code associated with a Rate Center (as set forth in the LERG) that is not within the same Local Calling Area as the geographic location of the End User’s premises.

3. Interconnection Arrangements

- 3.1 Where the Parties directly interconnect, each Party shall be responsible for the cost and any requirements associated with the establishment, including but not limited to if applicable, ordering processes and access service request processes of providing trunks to the POI for the exchange of Local Traffic and Tandem Transit Traffic. The POI must be at or within Consolidated’s exchange area boundary. Each Party will be solely responsible for the costs and operation of its portion of the construction of facilities to the POI. Peerless is solely responsible for the costs and operation of its facilities and trunks that carry its customers’ originating 911/E911 traffic.
- 3.2 The Parties acknowledge that Peerless may lease direct interconnection facilities from Consolidated or a third party provider, or, construct its own facilities in order to achieve connection at the POI. Where a Party arranged for the leasing or construction by a third party of the facilities it requires to the POI, that Party shall ensure and be responsible for the activities of that third party including, but not limited to, the necessary coordination of that third party’s activities with the other Party.
- 3.3 Indirect interconnection. Where the Parties anticipate traffic exchanged between the Parties will be at a level that is de minimis, the Parties agree to indirectly interconnect through the use of a third party’s transit service. At such time as the monthly two-way aggregate traffic exceeds the equivalent of a DS1 volume of traffic based on a six month rolling average (“Direct Connection Threshold”), a direct connection will be established pursuant to 3.4; provided however, if the Parties mutually agree that direct interconnection is undesirable, then the Parties shall continue to exchange traffic indirectly. Notwithstanding the foregoing, after the Direct Connection Threshold is satisfied, if either Party desires direct interconnection, then direct interconnection shall be mandatory.
- 3.4 The Parties will interconnect their networks for the exchange of traffic at the rates contained in Schedule I hereto and incorporated by reference. A new POI can be established, or the existing POI moved, only with the consent of both Parties; provided, however, that where one Party requests that the POI be moved, the Party requesting such move may be required to pay the costs of the other Party associated with the move.

- 3.5 The Parties will use the direct interconnection trunk group(s) established at the POI to route Local Traffic and Tandem Transit Traffic to one another, pursuant to the terms and conditions of this Section 3 of the Agreement.
- 3.6 This Agreement is applicable only for the exchange of Local Traffic and Tandem Transit Traffic. Both Parties agree to deliver only traffic within the scope of this Agreement.
- 3.7 Each Party warrants and represents that it will not provision any of its services or exchange any traffic hereunder in a manner that permits the unlawful avoidance of the application of intrastate or interstate access charges by any other Party including, but not limited to, third party carriers, aggregators, resellers, and the Commission-defined unlawful resale or bridging of Local Traffic. Each Party also agrees to take all reasonable steps to terminate any service to one of its users that permits that user to unlawfully avoid the application of access charges by the other Party.
- 3.8 For the purpose of intercarrier compensation, the Parties will adopt the local calling areas that are identical to those used by Consolidated as defined by the Commission for the Local Traffic exchanged pursuant to this Agreement. When securing numbering resources, the Parties will assign whole NXX Codes to each Rate Center, or where, applicable, thousand number blocks within a NXX Code assigned to that Rate Center. The Parties agree to transmit CPN and/or Automatic Number Identification ("ANI") on at least ninety-five percent (95%) of all traffic delivered to the POI. Where CPN and/or ANI is not provided on 95% or more of all traffic delivered to the POI, the Parties agree that the Party receiving such traffic shall assess, and the delivering Party shall pay to the receiving Party, the applicable intrastate terminating access charges on that portion of traffic without CPN and/or ANI. Both Parties agree that they will engineer their respective networks and design their respective systems to deliver traffic in compliance with this Section 3.
- 3.9 This Agreement does not obligate either Party to provide any arrangements or services not specifically provided for herein. This Agreement has no effect on the definition of End User services that either Party offers to its End User customers, the services either Party chooses to offer to its respective End User customers, the rate levels or rate structures that either Party charges its End Users for services.
- 3.10 Each Party is solely responsible for 911/E911 traffic originated by its End Users. The Parties acknowledge and affirm that calls to 911/E911 services shall NOT be routed over the interconnection trunk group(s). To the extent that a Party incorrectly routes such traffic over such arrangements, that Party shall fully indemnify and hold-harmless the other Party for any claims, including claims of third parties, related to such calls.
- 3.11 Each Party shall solely be responsible for its Communications Assistance for Law Enforcement Act ("CALEA") enforcement-related activity.

4. Compensation for Local Traffic

4.1 All Local Traffic shall be exchanged between the Parties on a Bill and Keep basis. Under a Bill and Keep compensation arrangement, each Party retains the revenues it receives from its End User customer, and neither Party pays the other Party for transport and termination of the local traffic that is subject to the Bill and Keep arrangement. The specific compensation terms and conditions set forth in this Section 4.1 are limited to the exchange of Local Traffic between the Parties.

4.2 Neither Party shall provide the other VNXX traffic.

5. Compensation for Leased Facilities

Should Peerless lease facilities from Consolidated in order to achieve connection at the POI, as specified in Section 3.2 above, Peerless shall purchase such facilities out of the applicable Consolidated tariff or published price list.

6. Local Number Portability (LNP)

- 6.1 The Parties shall exchange trading partner profile information and LNP business rules.
- 6.2 Each Party shall inform the other Party of any system updates that may affect the other Party's network and each Party shall, at the other Party's reasonable request and to the extent practical, perform tests to validate the operation of the network.
- 6.3 LNP shall only be provided in accordance with FCC orders, rules and regulations, and North American Numbering Council (NANC) guidelines and recommendations accepted by the FCC. The term service provider portability has the meaning set forth in 47 CFR 52.21. Location portability, as defined in 47 CFR 52.21, will not be provided by the Parties unless otherwise so ordered by the FCC. The Parties shall work cooperatively to implement any FCC ordered location portability in the timeline outlined in such order. If a Party acts as a Numbering Partner and ports on the behalf of another provider that Party is fully responsible for compliance with porting rules as defined in this Section 6. If either Party's operations and network procedures conflict with the FCC's rules and orders, the FCC's rules and orders will prevail.
- 6.4 Each Party agrees to provide Customer Service Records (CSR) to the other Party upon request and at no charge.
- 6.5 Each Party shall coordinate LNP activities with the Number Portability Administration Center ("NPAC") as required.

- 6.6 When a ported telephone number becomes vacant, e.g., the telephone number is no longer in service by the original End User, the ported telephone number will snap-back to the NXX code holder, or if thousand block pooling is being used in the rate center, the thousand block holder.
- 6.7 The Parties agree that traffic will be routed via a Local Routing Number (“LRN”) assigned in accordance with industry guidelines and the originating Party shall perform the N-1 query.
- 6.8 Letter of Authorization (LOA). Each Party is responsible for obtaining an LOA from each End User that requests LNP from one Party to the other Party. Both Parties agree to adhere to the applicable federal and/or state requirements regarding LOAs and preferred carrier freezes.
- 6.9 Combined LNP Requests. Each Party will accept LNP requests from the other Party for one End User that includes multiple requests for LNP only where the End User will retain each of the telephone numbers identified in the LNP request.
- 6.10 Expedited Order Charge. Expedited order requests will be accepted where reasonable and practical and will be assessed an expedited order charge. The expedited order charge is as agreed to in Schedule I.
- 6.11 LNP Request Date Modifications/End User Not Ready. Either Party may request a change in due date prior to the originally scheduled due date without additional charges if the new LNP date is requested during normal business hours and no additional or alternate workforce is needed to complete the modification.
- 6.12 If an “LNP Date Modifications/End User Not Ready” request is made outside (i) normal business hours (if available) or (ii) is made within normal business hours and requires additional internal or outside work force, the Requesting Party (i.e. the Porting Party or the New Service Provider) will be assessed an Expedited Order Charge/LNP Date Modification as found in Schedule I.

7. Traffic Identifiers and Audits

- 7.1 Each Party shall keep six (6) months of usage records for the traffic delivered by it to the POI. Either Party may request an audit of usage data on not less than forty-five (45) days' written notice; provided however, such request may be made only once in a twelve month period. Any such audit shall be accomplished during normal business hours at the office of the Party being audited. Audits may be performed by a qualified independent auditor or consultant paid for by the Party requesting the audit.
- 7.2 In order to facilitate audits, the Parties must accommodate prospective data collection if prior period data is not available as contemplated in Section 7.1 above.

- 7.3 On all traffic exchanged pursuant to this Agreement, neither Party shall intentionally substitute nor implement any arrangement within its switch(es) that generates an incorrect ANI, CPN or other SS7 parameters than those associated with the originating End User. If through an audit under this Section 7 it is determined that a Party has intentionally substituted or generated such incorrect parameters on traffic exchanged pursuant to this Agreement, the Parties shall invoke Dispute Resolution and restitution pursuant to Section 26 of this Agreement.
- 7.4 In addition to the other requirements contained in this Section 7, either Party may, upon written notice to the other Party, conduct an audit, during normal business hours, only on the source data/documents as may contain information bearing upon the services being provided under the terms and conditions of this Agreement. An audit may be conducted no more frequently than once per 12 month period, and only to verify the other Party's compliance with provisions of this Agreement. The notice requesting an audit must identify the date upon which it is requested to commence, the estimated duration, the materials to be reviewed, and the number of individuals who will be performing the audit. Each audit will be conducted expeditiously. Any audit is to be performed as follows: (i) following at least 60 days' prior written notice to the audited Party; (ii) subject to the reasonable scheduling requirements and limitations of the audited Party; (iii) at the auditing Party's sole cost and expense; (iv) of a reasonable scope and duration; (v) in a manner so as not to interfere with the audited Party's business operations. No original books or records of the Party being reviewed may leave the premises of the Party being reviewed. Prior to commencing the review, the Party being reviewed may request the execution of a confidentiality agreement to protect confidential information disclosed through the course of the review at its sole discretion.

8. Physical Interconnection

- 8.1 The Parties agree that unless mutually agreed to the contrary, where direct interconnection is implemented, all Local Traffic and Tandem Transit Traffic exchanged between them shall be transmitted on trunks solely dedicated to such traffic. Neither Party shall terminate Intra-LATA nor Inter-LATA toll switched access traffic or originate untranslated toll-free traffic, including but not limited to 550/55X/555/800/888/877/866 traffic, over dedicated interconnection trunks. Traffic exchange shall be provided via two-way interconnection trunks where technically and operationally feasible unless both Parties agree to implement one-way trunks.
- 8.2 The Parties will mutually agree on the appropriate sizing for facilities based on the standards set forth below. The capacity of Interconnection facilities provided by each Party will be based on mutual forecasts and sound engineering practice, as mutually agreed to by the Parties. The Interconnection facilities provided by each Party shall, where technically available, be formatted using Bipolar 8 Zero

Substitution (“B8ZS”). The Grade of Service for all facilities between the Parties will be engineered and provisioned to achieve P.01 Grade of Service. Each Party shall make available to the other Party trunks over which the originating Party can terminate Local Traffic of the End Users of the originating Party to the End Users of the terminating Party.

- 8.3 The electrical interface at the POI will be for a DS1 level. If any other electrical interface is mutually agreed to by the Parties, then each will provide any required multiplexing to a DS1 level.
- 8.4 N11 codes (including but not limited to, 411, 611, & 911) shall not be sent between the networks of the Parties over the Local Traffic trunk groups.
- 8.5 Prior to establishment of the physical, direct connection of their respective networks at the POI as anticipated by this Agreement, each Party shall provide the other with a point of contact for the reconciliation of trunk forecasts, and escalation for ordering and provisioning related matters.

9. Tandem Transit Traffic

- 9.1 As used in this Section, Tandem Transit Traffic is Telephone Exchange Service traffic that either originates or terminates on Peerless’ network, and is transported through Consolidated’s Tandem to the subtending End Office or its equivalent of another carrier, CLEC, ILEC other than Consolidated, Commercial Mobile Radio Service (CMRS) carrier, or other LEC (“Other Carrier”), when neither the originating nor terminating customer is a Customer of Consolidated. For the avoidance of any doubt, under no circumstances shall Consolidated be required to transit traffic through a Consolidated Tandem to a Central Office that the LERG does not identify as subtending that particular Consolidated Tandem. Switched Exchange Access Service traffic is not Tandem Transit Traffic.
- 9.2 Tandem Transit Traffic Service provides Peerless with the transport of Tandem Transit Traffic as provided below.
- 9.3 Peerless may use Tandem Transit Traffic Service only for traffic that originates from Peerless’ network and only to send traffic to Other Carrier. Peerless agrees it is solely responsible for intercarrier compensation due to the terminating Other Carrier.
- 9.4 Peerless shall pay Consolidated for Tandem Transit Traffic that it originates at the rates specified in the Pricing Attachment, Schedule I. Consolidated will not be liable for compensation to any Other Carrier for traffic originated by Peerless that is transported through Consolidated’s Tandem and Consolidated reserves the right to assess to Peerless any additional charges or costs any Other Carrier imposes or levies on Consolidated for the delivery or termination of such traffic, including any Switched Exchange Access Service charges. In the event that Consolidated is billed

and pays charges imposed by any Other Carrier for traffic originated by Peerless, Peerless shall reimburse Consolidated. Upon request by Peerless, Consolidated shall provide billing data adequate to validate such charges and payments. Notwithstanding the foregoing, Consolidated shall make commercially reasonable efforts to avoid accepting such charges from an Other Carrier, either under a contractual arrangement or otherwise, and Consolidated shall provide notice to Peerless upon discovery of such billing from an Other Carrier. Upon receipt of such notice, Peerless shall immediately take commercially reasonable steps to have the Other Carrier remove previously billed charges and to not bill Consolidated for terminating traffic originated by Peerless.

- 9.5 If Peerless uses Tandem Transit Traffic Service for traffic volumes that exceed the Centum Call Seconds (Hundred Call Seconds) busy hour equivalent of 200,000 combined minutes of use per month (a DS1 equivalent) to the subtending End Office of a particular Other Carrier for any month (the "Threshold Level"). Peerless shall use good faith efforts to establish direct interconnection with such Other Carrier and reduce such traffic volumes below the Threshold Level. If Consolidated believes that Peerless has not exercised good faith efforts promptly to obtain such direct interconnection, either Party may use the Dispute Resolution processes of this Agreement.
- 9.6 Neither Party shall take any actions to prevent the other Party from entering into a direct and reciprocal traffic exchange arrangement with any carrier to which it originates, or from which it terminates, traffic.

10. Trunk Forecasting

The Parties shall work towards the development of joint forecasting responsibilities for traffic utilization over interconnection trunk groups covered in this Agreement. Orders for trunks that exceed forecasted quantities for forecasted locations will be accommodated as facilities and/or equipment becomes available. Parties will make all reasonable efforts and cooperate in good faith to develop alternative solutions to accommodate orders when facilities are not available. Inter-company forecast information must be provided by the Parties to each other upon reasonable request, per Section 8.6 above.

11. Network Management

11.1 Protective Controls

Either Party may use protective network traffic management controls as available in their networks such as, but not limited to, 7-digit and 10-digit code gaps, on traffic toward each other's network, when required to protect the public switched network from congestion due to facility failures, switch congestion or failure or focused overload. Peerless and Consolidated will immediately notify each other of any protective control action planned or executed.

11.2 Network Congestion Due to Mass Calling

Peerless and Consolidated will cooperate and share pre-planning information regarding cross-network mass call-ins expected to generate large or focused temporary increases in call volumes. Both Parties will work cooperatively to reduce network congestion caused by such cross-network mass call-ins.

11.3 Network Harm

Neither Party will use any service related to or using any of the services provided in this Agreement in any manner that interferes with third parties in the use of their service, prevents third parties from using their service, impairs the quality of service to other carriers or to either Party's End Users; causes electrical hazards to either Party's personnel, damage to either Party's equipment or malfunction of either Party's billing equipment (individually and collectively, "Network Harm"). If a Network Harm occurs or if a Party reasonably determines that a Network Harm is imminent, such Party will, where practicable, notify the other Party that temporary discontinuance or refusal of service may be required; provided, however, wherever prior notice is not practicable, such Party may temporarily discontinue or refuse service forthwith, if such action is reasonable under the, circumstances. In case of such temporary discontinuance or refusal, such Party will:

- (a) Promptly notify the other Party of such temporary discontinuance or refusal;
- (b) Afford the other Party the opportunity to correct the situation which gave rise to such temporary discontinuance or refusal; and
- (c) Inform the other Party of its right to bring a complaint to the Commission or Federal Communications Commission ("FCC").

11.4 The Parties agree that each will share responsibility for all maintenance and repair of its trunks/trunk groups. The Parties agree to: (a) cooperatively plan and implement coordinated repair procedures for the meet point and local interconnection trunks and facilities to ensure trouble reports are resolved in a timely and appropriate manner; (b) provide trained personnel with adequate and compatible test equipment to work with each other's technicians; (c) promptly notify each other when there is any change affecting the service requested, including the date service is to be started; (d) coordinate and schedule testing activities of their own personnel, and others as applicable, to ensure its interconnection trunks/trunk groups are installed per the interconnection order, meet agreed upon acceptance test requirements, and are placed in service by the due date; (e) perform sectionalization to determine if a trouble condition is located in its facility or its portion of the interconnection trunks prior to referring any trouble to each other; (f) provide each other with a trouble reporting number to the appropriate work center; (g) immediately report to each other any equipment failure which may affect the interconnection trunks. These tests are repeatable on demand by either Party upon reasonable notice.

- 11.5 A maintenance service charge applies whenever either Party requests the dispatch of the other Party's personnel for the purpose of performing maintenance activity on the interconnection trunks and any of the following conditions exist: (a) No trouble is found in the interconnection trunks; (b) The trouble condition results from equipment, facilities or systems not provided by the Party whose personnel were dispatched; or (c) Trouble clearance did not otherwise require a dispatch, and upon dispatch requested for repair verification, the interconnection trunk does not exceed maintenance limits. If a maintenance service charge has been applied and trouble is subsequently found in the facilities of the Party whose personnel were dispatched, the charge will be canceled. Billing for maintenance service by either Party is based on each half-hour or fraction thereof expended to perform the work requested. The time worked is categorized and billed at one of the following three rates: (1) basic time; (2) overtime; or (3) premium time as defined in the billing Party's approved intrastate access tariff.

12. Office Code Translations

- 12.1 It shall be the responsibility of each Party to program and update its own switches and network systems in accordance with the information derived from such sources as the Local Exchange Routing Guide ("LERG") in order to recognize and route traffic to the other Party's assigned NXX codes at all times.
- 12.2 The Parties recognize that some of the traffic to be exchanged under this Agreement may be destined for telephone numbers that have been ported. Where traffic to be exchange under this Agreement is destined for telephone numbers that have, in turn, been ported and when more than one carrier is involved in completing that traffic, the N-1 carrier has the responsibility to determine if a query is required, to launch the query, and to route the call to the appropriate switch or network in which the telephone number resides.

13. SS7 Signaling

In order to track and monitor the traffic that is being exchanged at the POI both Parties agree to utilize SS7 Common Channel Signaling between their respective networks for the traffic addressed in this Agreement. Both Parties will provide CCS connectivity in accordance with accepted industry practice and standard technical specifications. To the extent supported by a Party, for all traffic delivered to the POI, the Parties agree to exchange all appropriate unaltered CCS messages for call set-up, including without limitation ISDN User Part ("ISUP") and Transaction Capability User Part ("TCAP") messages to facilitate interoperability of CCS based features and functions between their respective networks, including CLASS features and functions. All CCS signaling parameters, including, but not limited to, the Jurisdictional Indicator Parameter ("JIP") and the originating End User telephone number, will be provided by each Party in conjunction with all traffic it delivers to the POI.

14. Term of Agreement, Regulatory Approvals and Filing

- 14.1 This Agreement shall commence when fully executed and approved by the Commission or allowed to take effect by operation of law and have an initial term of one (1) year from the date of that Commission approval. This Agreement shall automatically renew for successive one (1) year periods, unless either Party gives written notice at least sixty (60) days prior to the expiration of the initial, or any renewal term, of its desire not to renew. If such termination notice is given, this Agreement shall not renew. However, the Parties will continue to exchange traffic to the mutual benefit of their respective End Users; provided, however, that physical termination of the connection of the Parties' respective networks established in this Agreement shall occur only in compliance with applicable rules and regulations of the Commission. During the period prior to termination, the Parties agree to cooperate with one another in ensuring that the exchange of Local Traffic as provided for in this Agreement is not disrupted and to respond to any Commission inquiry that may occur regarding the termination of this Agreement.
- 14.2 Each Party is responsible for obtaining and maintaining in effect all state regulatory commission approvals and certifications that are required for that Party's provision of local exchange and/or local exchange access services in the service areas covered by this Agreement.
- 14.3 The Parties agree to jointly file this Agreement with the Commission and to fully cooperate with each other in obtaining Commission approval.
- 14.4 If either Party terminates this Agreement pursuant to Section 14.1, either Party may request renegotiation of a successor agreement by providing written notice thereof to the other Party within sixty (60) days of receipt of the termination notice. Any such request shall be deemed by both Parties to be a request for Interconnection pursuant to Section 252 of the Act (or any successor provision), regardless of which Party made such request.
- 14.5 If either Party requests renegotiation of this Agreement pursuant to Sections 14.4 above, the rates, terms and conditions of this Agreement shall continue in full force and effect until the earlier of one hundred eighty (180) days from the expiration or termination of this Agreement or the effective date of its successor agreement, whether such successor agreement is established via negotiation, arbitration or pursuant to Section 252(i) of the Act. Provided however, if the Parties by written mutual agreement extend the negotiation period or if the Parties are actively involved in arbitration of a successor agreement this Agreement shall continue in effect until such negotiations or arbitration is completed and a successor agreement is in effect.

15. Limitation of Liability

- 15.1 Except in the instance of harm resulting from an intentional or grossly negligent action or willful misconduct of one Party, the liability of either Party to the other Party for damages arising out of (1) failure to comply with a direction to install, restore or terminate facilities, or (2) out of failures, mistakes, omissions, interruptions, delays, errors, or defects occurring in the course of furnishing any services, arrangements, or facilities hereunder shall not exceed an amount equal to the pro rata monthly charge for the period in which such failures, mistakes, omissions, interruptions, delays, errors, or defects occur. Recovery of said amount shall be the injured Party's sole and exclusive remedy against the providing Party for such failures, mistakes, omissions, interruptions, delays, errors, or defects. Because of the mutual nature of the exchange of traffic arrangement between the Parties pursuant to this Agreement, the Parties acknowledge that the amount of liability incurred under this Section 15.1 may be zero.
- 15.2 In no event shall either Party be liable to the other in connection with the provision or use of services offered under this Agreement for indirect, incidental, consequential, reliance or special damages, including (without limitation) damages for lost profits (collectively, "Consequential Damages"), regardless of the form of action, whether in contract, warranty, strict liability, or tort, including, without limitation, negligence of any kind, even if the other Party has been advised of the possibility of such damages; provided, that the foregoing shall not limit a Party's obligation under Section 16.
- 15.3 Except in the instance of harm resulting from an intentional or grossly negligent action or willful misconduct, the Parties agree that neither Party shall be liable to the customers of the other Party in connection with its provision of services to the other Party under this Agreement. Nothing in this Agreement shall be deemed to create a third party beneficiary relationship between the Party providing the service and the Customers of the Party purchasing the service. In the event of a dispute involving both Parties with a Customer of one Party, both Parties shall assert the applicability of any limitations on liability to customers that may be contained in either Party's applicable tariff(s).

16. Indemnification

- 16.1 Each Party agrees to release, indemnify, defend and hold harmless the other Party from and against all losses, claims, demands, damages, expenses, suits or other actions, or any liability whatsoever related to the subject matter of this Agreement, including, but not limited to, reasonable costs and attorneys' fees (collectively, a "Loss"), (a) whether suffered, made, instituted, or asserted by any other party or person, relating to personal injury to or death of any person, or for loss, damage to, or destruction of real and/or personal property, whether or not owned by others, incurred during the term of this Agreement and to the extent proximately caused by

the acts or omissions of the indemnifying Party, regardless of the form of action, or (b) suffered, made, instituted, or asserted by its own customer(s) against the other Party arising out of the other Party's provision of services to the indemnifying Party under this Agreement, except to the extent caused by the indemnified Party's intentional or gross negligent acts or willful misconduct. Notwithstanding the foregoing indemnification, nothing in this Section 16 shall affect or limit any claims, remedies, or other actions the indemnifying Party may have against the indemnified Party under this Agreement, any other contract, or any applicable tariff(s), regulations or laws for the indemnified Party's provision of said services.

16.2 The indemnification provided herein shall be conditioned upon:

- 16.2.1 The indemnified Party shall promptly notify the indemnifying Party of any action taken against the indemnified Party relating to the indemnification.
- 16.2.2 The indemnifying Party shall have sole authority to defend any such action, including the selection of legal counsel, and the indemnified Party may engage separate legal counsel only at its sole cost and expense. Prior to retaining legal counsel pursuant to this Section 16.2.2, the indemnifying Party shall seek written assurances from the legal counsel chosen that such counsel does not have any conflict of interest with the indemnified Party.
- 16.2.3 In no event shall the indemnifying Party settle or consent to any judgment pertaining to any such action without the prior written consent of the indemnified Party, which consent shall not be unreasonably withheld.
- 16.2.4 The indemnified Party shall, in all cases, assert any and all provisions in its Tariffs that limit liability to third parties as a bar to any recovery by the third party claimant in excess of such limitation of liability.
- 16.2.5 The indemnified Party shall offer the indemnifying Party all reasonable cooperation and assistance in the defense of any such action.

16.3 To the extent permitted by law, and in addition to its indemnity obligations under Sections 16.1 and 16.2, each Party may provide, in its Tariffs or General Subscriber Price Lists that relate to any Telecommunications Service provided or contemplated under this Agreement, that in no case shall such Party or any of its agents, contractors or others retained by such parties be liable to any Customer or third party for (i) any Loss relating to or arising out of this Agreement, whether in contract or tort, that exceeds the amount such Party would have charged the applicable Customer for the service(s) or function(s) that gave rise to such Loss, or (ii) any Consequential Damages (as defined in subsection 16.2, above)

17. 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, regardless of whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement, including, without limitation, acts of God, acts of civil or military

authority, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, power failure or blackouts, or adverse weather conditions, labor unrest, including without limitation, strikes, slowdowns, picketing, or boycotts. In the event of any such excused delay in the performance of a Party's obligation(s) under this Agreement, the due date for the performance of the original obligation(s) shall be extended by a term equal to the time lost by reason of the delay. In the event of such delay, the delaying Party shall perform its obligations at a performance level no less than that which it uses for its own operations.

18. Agency

Nothing contained herein shall constitute the Parties as joint venturers, partners, employees, or agents of one another, and neither Party shall have the right or power to bind or obligate the other.

19. Nondisclosure of Proprietary Information

19.1 The Parties agree that it may be necessary to exchange with each other certain confidential information during the term of this Agreement including, without limitation, technical and business plans, technical information, proposals, specifications, drawings, procedures, orders for services, usage information in any form, customer account data, call detail records, 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 similar information (collectively, "Confidential Information"). Confidential Information shall include (i) all information delivered in written form and marked "confidential" or "proprietary" or bearing mark of similar import; (ii) oral information, if identified as confidential or proprietary at the time of disclosure and confirmed by written notification within ten (10) days of disclosure; and (iii) information derived by the Recipient (as hereinafter defined) from a Disclosing Party's (as hereinafter defined) usage of the Recipient's network. The Confidential Information shall remain the property of the Disclosing Party and is deemed proprietary to the Disclosing Party. Confidential Information shall be protected by the Recipient as the Recipient would protect its own proprietary information, including but not limited to protecting the Confidential Information from distribution, disclosure, or dissemination to anyone except employees or duly authorized agents of the Parties with a need to know such information and which the affected employees and agents agree to be bound by the terms of this Section. Confidential Information shall not be disclosed or used for any purpose other than to provide service as specified in this Agreement, or upon such other terms as may be agreed to by the Parties in writing. For purposes of this Section, the Disclosing Party shall mean the owner of the Confidential Information, and the Recipient shall mean the party to whom Confidential Information is disclosed.

19.2 Recipient shall have no obligation to safeguard Confidential Information (i) which was in the Recipient's possession free of restriction prior to its receipt from the Disclosing Party, (ii) after it becomes publicly known or available through no breach of this Agreement by Recipient, (iii) after it is rightfully acquired by Recipient free of restrictions on the Disclosing Party, or (iv) after it is independently developed by personnel of Recipient to whom the Disclosing Party's Confidential Information had not been previously disclosed. Recipient may disclose Confidential Information if required by law, a court, or governmental agency or to enforce or defend its actions under this Agreement, provided that the Disclosing Party has been notified of the requirement promptly after Recipient becomes aware of the requirement, and provided that Recipient undertakes all reasonable lawful measures to avoid disclosing such information until the Disclosing Party has had reasonable time to obtain a protective order. Recipient agrees to comply with any protective order that covers the Confidential Information to be disclosed.

19.3 Each Party agrees that the Disclosing Party would be irreparably injured by a breach of this Section 19 by Recipient or its representatives and that the Disclosing Party shall be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any breach of this paragraph. Such remedies shall not be exclusive, but shall be in addition to all other remedies available at law or in equity.

20. Notices

Notices given by one Party to the other under this Agreement shall be in writing and delivered by hand, overnight courier, or pre-paid first class mail, certified U.S mail, return receipt requested, to the following addresses of the Parties:

For Consolidated:

Senior Director- Wholesale Strategies
Consolidated Communications, Inc.
5 Davis Farm Road
Portland, ME 04103

With a copy to:

General Counsel and Executive Vice President
Consolidated Communications, Inc.
350 S. Loop 336 W
Conroe, TX 77304

For Peerless:

Scott Kell
Executive Vice President of Operations
Peerless Network, Inc.
222 South Riverside Plaza, Suite 2730
Chicago, IL 60606

With a copy to:

National Corporate Research, Ltd.
10 East 40th Street
10th Floor
New York, NY 10016

Or to such other location as the receiving Party may direct in writing. Notices will be deemed given as of (i) the next business day when notice is sent via express delivery service or personal delivery, or (ii) three (3) days after mailing in the case of first class or certified U.S. Mail.

21. Payments and Due Dates

21.1 All compensation payable pursuant to this Agreement shall be due within thirty (30) days of the issuance date of the invoice (the **"Bill Due Date"**).

21.1.1 If either Party fails to remit payment for any undisputed charges for services by the Bill Due Date, or if a payment or any portion of a payment is received after the Bill Due Date, or if a payment or any portion of a payment is received in funds which are not immediately available as of the Bill Due Date (individually and collectively, **"Past Due"**), then a late payment charge shall be assessed as provided in 21.1.2.

21.1.2 If any charge incurred under this Agreement is Past Due, the unpaid amounts shall accrue simple interest from the Bill Due Date at the lower of: the rate of 1.5% per month (18% annually) or the maximum amount allowed by applicable law, to and including the date that the payment is actually made and available.

21.2 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 **"Disputing Party"**) shall give written notice to the Billing Party of the amounts it disputes (**"Disputed Amounts"**) and include in such written notice the specific details and reasons for disputing each amount. The Disputing Party shall pay when due all undisputed amounts to the Billing Party.

21.3 Issues related to Disputed Amounts shall be resolved in accordance with the procedures identified in the Dispute Resolution provisions set forth in Section 26.

21.4 Where the Disputed Amount or any portion is found to be due and owing to the Party issuing the invoice (the **"Resolved Amount"**), the Resolved Amount shall be subject to a late charge as provided in 21.1.2.

21.5 If the Disputed Amount or any portion is found to be resolved in favor of such Disputing Party, the Parties shall cooperate to ensure that all of the following actions are taken:

- 21.5.1 the Billing Party shall credit the invoice of the Disputing Party for that portion of the Disputed Amounts resolved in favor of the Disputing Party, together with any late payment charges assessed with respect thereto no later than the second Bill Due Date after the resolution of the Dispute; and
- 21.5.2 no later than the third Bill Due Date after the resolution of the dispute regarding the Disputed Amounts, the Disputing Party shall pay the Billing Party for that portion of the Disputed Amounts resolved in favor of the Billing Party, together with any late payment charges such Billing Party is entitled to receive pursuant to this Section.
- 21.6 If either Party requests one or more additional copies of a bill, the requesting Party will pay the Billing Party a reasonable fee for each additional copy, unless such copy was requested due to failure in delivery of the original bill or correction(s) to the original bill.
- 21.7 Notwithstanding the foregoing, in no event shall the Billing Party be allowed to back bill any charge or charges more than twelve (12) months after the billing period in which the charges were incurred.
- 21.8 Any notice provided pursuant to this Section 21, shall be directed to the contacts below in addition to the contacts specified in Section 20:

For Consolidated:

Senior Director - Wholesale Strategies
Consolidated Communications
5 Davis Farm Road
Portland, ME 04103

With a Copy to:

General Counsel
Consolidated Communications
350 S. Loop 336 W
Conroe, TX 77304

For Peerless:

Scott Kell
Executive Vice President of Operations
Peerless Network, Inc.
222 South Riverside Plaza, Suite 2730
Chicago, IL 60606

With a copy to:
National Corporate Research, Ltd.
10 East 40th Street
10th Floor
New York, NY 10016

22. Severability

If any part of this Agreement is held to be unenforceable or invalid in any respect under law or regulation, such unenforceability or invalidity shall affect only the portion of the Agreement which is unenforceable or invalid. In all other respects this Agreement shall stand as if such invalid provision had not been a part thereof; and the remainder of the Agreement shall remain in full force and effect, unless removal of that provision results in a material change to this Agreement. In such a case, the Parties shall negotiate in good faith for replacement language. If replacement language cannot be agreed upon, either Party may request dispute resolution pursuant to Section 26.

23. Assignment

This Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors and permitted assigns. Any assignment or transfer (whether by operation of law or otherwise) by either Party of any right, obligation, or duty in whole or in part, or of any interest, without the written consent of the other Party shall be void ab initio, provided however that such consent shall not be unreasonably withheld, conditioned or delayed and shall not be required if such assignment is to a corporate affiliate or an entity under common control or an entity acquiring all or substantially all of its assets or equity, whether by sale, merger, consolidation or otherwise in connection with a financing transaction.

24. Entire Agreement

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

25. Multiple Counterparts

This Agreement may be executed in counterparts and each of which shall be an original and all of which shall constitute one and the same instrument and such counterparts shall together constitute one and the same instrument.

26. Dispute Resolution

- 26.1 No claims will be brought for disputes arising from this Agreement more than twelve (12) months from the date of occurrence that gives rise to the dispute.
- 26.2 The Parties desire to resolve disputes arising out of this Agreement without litigation. Accordingly, except for action seeking a temporary restraining order or an injunction related to the purposes of this Agreement, or suit to compel compliance with this dispute resolution process, the Parties agree to use the dispute resolution procedure set forth in this Section with respect to any controversy or claim arising out of or relating to this Agreement or its breach.
- 26.3 At the written request of a Party, each Party will appoint a good faith representative having the authority to resolve such dispute arising under this Agreement. The location, form, frequency, duration, and conclusion of these discussions will be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of settlement are exempt from discovery and production 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, if otherwise admissible, may be admitted as evidence in the arbitration or lawsuit.
- 26.4 If the negotiations do not resolve the dispute within sixty (60) days of the initial written request, either Party may submit the dispute to either the Commission or upon mutual agreement to the American Arbitration Association (“AAA”) for binding arbitration pursuant to the respective rules and practices of the entity to which the dispute is submitted.
- 26.5 Each Party shall bear its own costs associated with its activities taken pursuant to this Section 26.

27. Governing Law

To the extent not governed by, and construed in accordance with, the laws and regulations of the United States, this Agreement shall be governed by, and construed in accordance with the laws and regulations of the State of New York, without regard to its conflicts of laws principles.

28. Joint Work Product

This Agreement is the joint work product of the Parties and has been negotiated by the Parties and shall be fairly interpreted in accordance with its terms in the event of any ambiguities. No inferences shall be drawn against either Party.

29. Taxes

Each Party shall be responsible for any and all taxes and surcharges arising from its conduct under this Agreement and shall, consistent with Section 16, indemnify and hold harmless the other Party for its failure to pay and/or report any applicable taxes and surcharges.

30. Survival

The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement.

31. Publicity

Except as specifically set out in this Agreement, nothing in this Agreement shall grant, suggest, or imply any authority for one Party to use the name, trademarks, service marks, trade names or other proprietary trade dress of the other Party for any purpose whatsoever. The foregoing, however, is not intended to limit the ability of either Party to use the name of the other Party in truthful comparative advertising. Any news release, public announcement or any form of publicity pertaining to this Agreement, provision of services, or facilities pursuant to it, or association of the Parties with respect to provision of the services described in this Agreement shall be subject to prior written approval of both Consolidated and Peerless.

32. Miscellaneous

32.1 Consolidated does not waive, nor shall it be estopped from asserting any rights it may have pursuant to 47 U.S.C. Section 251(f).

32.2 This Agreement does not apply to traffic originated or terminated by a commercial mobile radio services or paging service providers.

32.3 Amendments.

This Agreement may not be amended, modified, or supplemented, except by written instrument signed by both Parties.

32.4 No License.

Nothing in this Agreement shall be construed as the grant of a license, either express or implied, with respect to any patent, copyright, trademark, trade name, trade secret or any other proprietary or intellectual property now or hereafter owned, controlled or licensable by either Party. Neither Party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right of the other Party except in accordance with the terms of a separate license agreement between the Parties granting such rights.

32.5 Independent Contractors.

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

32.6 No Warranties.

32.6.1 EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER PARTY MAKES, AND EACH PARTY HEREBY SPECIFICALLY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED REGARDING ANY MATTER SUBJECT TO THIS AGREEMENT, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR IMPLIED WARRANTIES ARISING FROM COURSE OF DEALING OR COURSE OF PERFORMANCE.

32.6.2 NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE PARTIES AGREE THAT NEITHER PARTY HAS MADE, AND THAT THERE DOES NOT EXIST, ANY WARRANTY, EXPRESS OR IMPLIED, THAT THE USE BY THE PARTIES OF THE OTHER'S FACILITIES, ARRANGEMENTS, OR SERVICES PROVIDED UNDER THIS AGREEMENT SHALL NOT GIVE RISE TO A CLAIM BY ANY THIRD PARTY OF INFRINGEMENT, MISUSE, OR DISSAPPROPRIATION OF ANY INTELLECTUAL PROPERTY RIGHT OF SUCH THIRD PARTY.

32.7 Default.

If either Party believes the other is in breach of this Agreement or otherwise in violation of law, it will first give thirty (30) days' notice of such breach or violation and an opportunity for the allegedly defaulting Party to cure. Thereafter, the Parties will employ the dispute resolution procedures set forth in this Agreement.

32.8 Waiver.

Any failure on the part of a Party hereto to comply with any of its obligations, agreements or conditions hereunder may be waived by written documentation by the other Party to whom such compliance is owed. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, nor shall any waiver constitute a continuing waiver.

32.9 Regulatory Changes.

If a federal or state regulatory agency or a court of competent jurisdiction issues a rule, regulation, law or order (collectively, "Regulatory Requirement") which has the effect of canceling, changing, or superseding any material term or provision of this Agreement then the Parties shall negotiate in good faith to modify this Agreement in a manner consistent with the form, intent and purpose of this Agreement and as necessary to comply with such Regulatory Requirement.

32.10 No Third Party Beneficiaries.

This Agreement shall not be deemed to provide any third party with any benefit, remedy, claim, right of action or other rights.

32.11 Headings.

The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

32.12 Authorization.

Consolidated is a corporation duly organized, validly existing and in good standing under the laws of the State of New York and has full power and authority to execute and deliver this Agreement and to perform the obligations hereunder. Peerless is a corporation duly organized, validly existing and in good standing under the laws of the State of New York and has full power and authority to execute and deliver this Agreement and to perform the obligations hereunder.

33. Termination for Material Breach

33.1 Either Party may terminate this Agreement for cause upon sixty (60) days prior written notice if (a) the other Party materially breaches this Agreement or defaults on its obligations and fails to cure such breach or default during such sixty (60) day period, (b) the other Party's authority to provide the services provided herein is revoked or terminated, or (c) the other Party is insolvent, or files for bankruptcy (or other protection from creditors generally) and such bankruptcy petition is not dismissed within sixty (60) days. Termination of this Agreement for any cause shall not release either Party from any liability which at the time of the termination had already accrued to the other Party or which thereafter accrues in any respect for any act or omission occurring prior to the termination relating to an obligation which is expressly stated in this Agreement.

IN WITNESS WHEREOF, the Parties agree this Agreement shall be deemed effective upon approval by the Commission or upon being permitted to go into effect by operation of law, and each Party warrants that it has caused this Agreement to be signed and delivered by its duly authorized representative.

By: TACONIC TELEPHONE CORP.



Signature

Sarah Davis

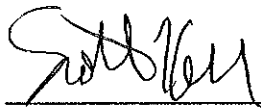
Typed or Printed Name

Senior Director – Wholesale Strategies
Title

1-15-2019

Date

By: PEERLESS NETWORK OF
NEW YORK, LLC.



Signature

Scott Kell

Typed or Printed Name

Exec. Vice President of Operations
Title

1/4/19

Date

911/E911 Attachment

1. 911/E-911 Arrangements

- 1.1 911/E-911 arrangements provide a caller access to the appropriate PSAP by dialing a 3-digit universal telephone number “911”. Consolidated maintains such equipment and software at the 911/E-911 Tandem Office(s)/Selective Router(s), Consolidated interface point(s) and ALI Database as is necessary for 911/E-911 Calls in areas where Consolidated is the designated 911/E-911 Service Provider.
- 1.2 Consolidated shall make the following information available to Peerless, to the extent permitted by Applicable Law.
 - 1.2.1 a listing of the CLLI code (and SS7 point code when applicable) of each 911/E-911 Tandem Office(s)/Selective Router(s) and associated geographic location served for areas where Consolidated is the designated 911/E-911 Service Provider;
 - 1.2.2 a listing of appropriate Consolidated contact telephone numbers and organizations that currently have responsibility for operations and support of Consolidated’s 911/E-911 network and ALI Database systems; and

2. ALI Database

- 2.1 Where Consolidated manages the ALI Database, Consolidated will:
 - 2.1.1 Store Peerless end user data provided by Peerless in the ALI Database;
 - 2.1.2 Provide Peerless access to the ALI Database for the initial loading and updating of Peerless end user records; and
 - 2.1.3 Provide Peerless an error and status report based on updates to the ALI Database received from Peerless.
 - 2.1.4 Provide Peerless with an electronic file containing the Master Street Address Guide (MSAG) annually for each county in which Consolidated manages the ALI database.
- 2.2 Where Consolidated manages the ALI Database, Peerless will:
 - 2.2.1 Provide MSAG valid E-911 data for each of its End Users or, at Peerless’ option, shell records for the initial loading of, and any and all updates to the ALI database;
 - 2.2.2 Utilize the appropriate Consolidated electronic interface to update E-911 data in the ALI Database related its End Users or, if Peerless uses shell records, to add or delete any shell records (and all such database information in the ALI Database shall conform to Consolidated standards;

- 2.2.3 Use its company ID on all ALI database records in accordance with NENA standards;
- 2.2.4 Correct any errors that occur during the entry of E-911 data in the ALI database; and
- 2.2.5 Enter E-911 data into the ALI Database in accordance with NENA standards for LNP. This includes, but is not limited to, using Peerless' NENA ID to lock and unlock records and the posting of the Peerless NENA ID to the ALI Database record where such locking and unlocking feature for E-911 records is available, or as defined by local standards. Peerless is required to promptly unlock and migrate its E-911 End User records in accordance with NENA standards. In the event that Peerless discontinues providing Telephone Exchange Service to any of its End Users, it shall ensure that its E-911 records for such End Users are unlocked in accordance with NENA standards.

3. 911/E-911 Interconnection

- 3.1 In any county where Consolidated is the designated 911/E-911 Service Provider, Peerless may, in accordance with Applicable Law, interconnect to the Consolidated 911/E-911 Tandem Office(s)/Selective Router(s) or Consolidated interface point(s). Consolidated will designate interface point(s), e.g., digital cross connect systems (DCS), where Peerless may interconnect with Consolidated for the transmission and routing of 911/E-911 Calls to all subtending PSAPs that serve the areas in which Peerless provides Telephone Exchange Services.
- 3.2 In order to interconnect with Consolidated for the transmission and routing of 911/E-911 Calls, Peerless shall:
 - 3.2.1 Interconnect with each Consolidated 911/E-911 Tandem Offices(s)/Selective Router(s) or Consolidated interface points that serves the exchange areas in which Peerless is authorized to and will provide Telephone Exchange Service;
 - 3.2.2 Provide a minimum of two (2) one-way outgoing 911/E-911 trunks over diversely routed facilities that are dedicated for originating 911/E-911 Calls from the Peerless switch to each designated Consolidated 911/E-911 Tandem Office(s)/Selective Router(s) or Consolidated interface point(s), using SS7 signaling where available, as necessary;
 - 3.2.3 Provide sufficient trunks and facilities to route 911/E-911 Calls from Peerless to the designated Consolidated 911/E-911 Tandem Office(s)/Selective Router(s) or Consolidated interface point(s). Peerless is responsible for requesting that trunks and facilities be routed diversely for 911/E-911 interconnection;

- 3.2.4 Determine the proper quantity of trunks and facilities from its switch(es) to the Consolidated 911/E-911 Tandem Office(s)/Selective Router(s) or Consolidated interface point(s);
- 3.2.5 Engineer its 911/E-911 trunks and facilities to attain a minimum P.01 grade of service as measured using the “busy day/busy hour” criteria or at such other minimum grade of service as required by Applicable Law or the Controlling 911 Authority;
- 3.2.6 Monitor its 911/E-911 trunks and facilities for the purpose of determining originating network traffic volumes. If the Peerless traffic study indicates that additional trunks and/or facilities are needed to meet the current level of 911/E-911 Call volumes, Peerless shall order or otherwise provide adequate additional trunks and/or facilities;
- 3.2.7 Promptly test all 911/E-911 trunks and facilities between the Peerless network and the Consolidated 911/E-911 Tandem Office(s)/Selective Router(s) or Consolidated interface point(s) to assure proper functioning of 911/E-911 arrangements. Peerless agrees that it will not transmit or route live 911/E-911 Calls until successful testing is completed; and
- 3.2.8 Isolate, coordinate and restore all 911/E-911 network maintenance problems from its switch(es) to the Consolidated 911/E-911 Tandem Office(s)/Selective Router(s) or Consolidated interface points. Peerless will advise Consolidated of the circuit identification when notifying Consolidated of a failure or outage.

4. 911/E-911 General

- 4.1 Consolidated and Peerless will work cooperatively to arrange meetings with the Controlling 911 Authorities to answer any technical questions the PSAPs, or county or municipal coordinators may have regarding the initial 911/E-911 arrangements
- 4.2 Peerless shall adopt use of a Company ID on all Peerless 911 Records in accordance with NENA standards. The Company ID is used to identify the carrier of record in facility configurations.
- 4.3 Peerless and Consolidated will comply with all Applicable Law (including 911 taxes and surcharges as defined by Applicable Law) pertaining to 911/E-911 arrangements.
- 4.4 Peerless will collect and remit, as required, any 911/E-911 applicable surcharges from its End Users in accordance with Applicable Law.

Schedule I

General. The rates contained in this Pricing Agreement are the rates as referenced in the various sections on the Interconnection Agreement.

Direct Interconnection Facilities:

Rates charged by Consolidated are as filed in the NECA FCC Tariff No. 5.

Transit Traffic Rate: \$0.005285 / min.

General Charges:

- | | | |
|----|-------------------------------------|--------------------|
| 1. | Service Order Charge (LSR)** | \$ 25.00 / request |
| 2. | Service Order Cancellation Charge** | \$ 12.00 / request |
| 3. | Service Order Change Charge** | \$ 12.00 / request |
| 4. | Expedited Due Date Charge** | \$ 45.00 / request |
| 5. | Technical Labor** | |

Install & Repair Technician:

Basic Time (normally scheduled hours)	\$ 24.57 / ½ hr
*Overtime (outside normally schld hrs on schld work day)	\$ 36.85 / ½ hr
*Premium Time (outside of scheduled work day)	\$ 49.13 / ½ hr

Central Office Technician:

Basic Time (normally scheduled hours)	\$ 29.97 / ½ hr
*Overtime (outside normally schld hrs on schld work day)	\$ 44.96 / ½ hr
*Premium Time (outside of scheduled work day)	\$ 59.95 / ½ hr

LNP Coordinator:

Basic Time (normally scheduled hours)	\$ 43.32 / ½ hr
*Overtime (outside normally schld hrs on schld work day)	\$ 64.99 / ½ hr
*Premium Time (outside of scheduled work day)	\$ 86.65 / ½ hr

Administrative Support:

Basic Time (normally scheduled hours)	\$ 13.65 / ½ hr
*Overtime (outside normally schld hrs on schld work day)	\$ 20.47 / ½ hr
*Premium Time (outside of scheduled work day)	\$ 27.29 / ½ hr

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|----|---|--|
| 6. | Rates and Charges for LNP Coordinated Hot Cut (CHC) | Charged time will be in half hour increments for the |
|----|---|--|

personnel involved in the
CHC at the rates in Section 5
above.

- * Minimum 4 hours when a technician is called out during Overtime or Premium Time.
- ** These charges are reciprocal and apply to both Peerless and Consolidated.