

STATE OF ALASKA
THE REGULATORY COMMISSION OF ALASKA

Before Commissioners:

Dave Harbour
Bernie Smith
Will Abbott
James S. Strandberg
G. Nanette Thompson, Chair

In the Matter of ACS of the Northland, Inc.)
Submittal for Approval of CMRS Interconnection)
Agreement Between ACS of the Northland, Inc.)
and AT&T Wireless Services of Alaska, Inc.)
Adopted By Negotiation)

U-03-014

SUBMITTAL FOR APPROVAL OF INTERCONNECTION AGREEMENT
ADOPTED BY NEGOTIATION

ACS of the Northland, Inc. ("ACS-N") submits for the Commission's approval the attached CMRS Interconnection Agreement between ACS of the Northland, Inc. and AT&T Wireless Services of Alaska, Inc., which was adopted by negotiation.

Pursuant to the Telecommunications Act of 1996 (the "Act"), 47 U.S.C. § 252(e)(1). "Any interconnection agreement adopted by negotiation or arbitration shall be submitted for approval to the State commission. A State commission to which an agreement is submitted shall approve or reject the agreement, with written findings as to any deficiencies." The Act provides that a State commission may reject an agreement adopted by negotiation only if it finds:

- (i) the agreement (or portion thereof) discriminates against a telecommunications carrier not a party to the agreement; or
- (ii) the implementation of such agreement or portion is not consistent with the public interest, convenience, and necessity . . .

47 U.S.C. § 252(e)(2)(I), (ii).

1 Under the Act, the Commission must approve or reject a negotiated agreement within
2 90 days after its submission "or the agreement shall be deemed approved." 47 U.S.C. § 252
3 (e)(4).

4
5 Because the Interconnection Agreement was negotiated rather than arbitrated, the Act
6 does not require an implementation schedule. 47 U.S.C. 47 § 252(c)(3).

7 ACS-N respectfully requests that the Commission approve the Interconnection
8 Agreement between AT&T Wireless Services of Alaska, Inc. and ACS-N.
9

10 DATED this 1st Day of April, 2003. at Anchorage, Alaska.

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12 ALASKA COMMUNICATIONS SYSTEMS

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Commercial Mobile Radio Services

Interconnection Agreement

Between

ACS of the Northland, Inc.

&

AT&T Wireless Services of Alaska, Inc.

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INTERCONNECTION AGREEMENT

This Interconnection Agreement ("Agreement") is entered between, AT&T Wireless Services of Alaska Inc. ("AWS"), an Alaska corporation, on behalf of its wireless operating affiliates, having an office at 7277 – 164th Avenue NE, Redmond, Washington 98052, and ACS of the Northland, Inc. ("ACS-N") an Alaska corporation, having an office at 600 Telephone Avenue, Anchorage, AK 99503 (collectively "Parties" or individually "Party").

WHEREAS, ACS-N is a Local Exchange Carrier certificated to provide local exchange and other telecommunications services in Alaska,

WHEREAS, AWS is a Commercial Mobile Radio Service provider authorized to provide service in Alaska,

WHEREAS, pursuant to the Telecommunications Act of 1996, and other applicable laws, the Parties desire to enter into an agreement for the interconnection of their networks and reciprocal compensation for the termination of Local Traffic,

NOW, THEREFORE, in consideration of the premises and the mutual covenants of this Agreement, the Parties hereby agree as follows:

Article I Definitions

For purposes of this Agreement, certain terms have been defined in this Article I and elsewhere in this Agreement to encompass meanings that may differ from, or be in addition to, the normal connotation of the defined word. Unless the context clearly indicates otherwise, any term defined or used in the singular will include the plural. The words "will" and "shall" are used interchangeably throughout this Agreement and the use of either connotes a mandatory requirement. The use of one or the other will not mean a different degree of right or obligation for either Party. A defined word intended to convey its special meaning is capitalized when used. Terms not defined shall be construed in accordance with their customary meaning in the telecommunications industry as of the effective date of this Agreement.

"Act" means the Communications Act of 1934 (47 U.S.C. Section 151 et seq.), as amended by the Telecommunications Act of 1996, as may be subsequently amended or, as from time to time interpreted in the duly authorized rules and regulations of the FCC or the Commission having authority to interpret the Act within its state of jurisdiction.

"Cell Site" means the location of fixed radio transmitting and receiving facilities associated with the origination and termination of wireless traffic to a wireless end user and may be used as a point of interconnection to the landline network.

"Commercial Mobile Radio Service" or "CMRS" has the meaning given to the term in the Part 20, FCC Rules.

"Commission" means the Regulatory Commission of Alaska.

"Common Channel Signaling" or "CCS" means a special network, fully separate from the transmission path of the public switched network, which digitally transmits call set-up and network control data.

"Connecting Facilities" means dedicated facilities provided either under this Agreement or separate contract used to connect AWS' network and ACS-N's network for the purposes of interchanging traffic.

"Conversation Time" means the time (in full second increments) that both Parties' equipment is used for a call, measured from the receipt of answer supervision to disconnect supervision.

"Customer" means, whether or not capitalized, any business, residential or governmental customer of services covered by the Agreement, and includes the term "End User". More specific meanings of either of such terms are dependent upon the context in which they appear in the Agreement and the provisions of the Act.

"End User" means, whether or not capitalized, any business, residential or governmental customer of services covered by the Agreement and includes the term "Customer". More specific meanings of either of such terms are dependent upon the context in which they appear in the Agreement and the provisions of the Act.

"Exchange Access" has the meaning given the term in the Act.

"FCC" means the Federal Communications Commission.

"Interconnection" has the meaning given the term in the Act and refers to the physical connection of separate pieces of equipment, facilities, or platforms between or within networks for the purpose of transmission and routing of Telecommunications Traffic.

"Interexchange Carrier" or "IXC" means a carrier other than a CMRS provider or a LEC that provides, directly or indirectly, InterState and/or IntraState for-hire telecommunications service.

"InterMTA Traffic" means all calls that originate in one MTA and terminate in another MTA.

"Local Exchange Carrier" or "LEC" has the meaning given to the term in the Act.

"Local Service Provider" means a carrier licensed by the Commission to provide local exchange service.

"Local Traffic", for the application of reciprocal compensation, means telecommunications traffic between a LEC and a CMRS provider that, at the beginning of the call, originates and terminates within the same Major Trading Area ("MTA"), as defined in 47 CFR Section 24.202(A).

"Mobile Switching Center" or "MSC" means AWS' facilities & related equipment used to route, transport & switch commercial mobile radio service traffic to and from and among its end users and other telecommunications companies.

"Major Trading Area" or "MTA" has the meaning given to the term in 47 CFR Section 24.202(A).

"NXX". "NXX Code", "Central Office Code", or "CO Code" is the 3-digit switch indicator that is defined by the D, E, and F digits of a 10-digit telephone number within the NANP. Each NXX Code contains 10,000 telephone numbers.

"Point of Interconnection" or "POI" means a physical location where ACS-N and the Commercial Mobile Radio Service Provider interconnect which establishes the technical interface and point(s) for operational division of responsibility.

"Reciprocal Compensation" means the arrangement between two carriers in which each of the two carriers receives compensation from the other carrier for the transport and termination on each carrier's network of Local Traffic that originates on the network of the other carrier.

"Service Area" means the geographic area, e.g., Major Trading Area, Basic Trading Area, Metropolitan Service Area, Geographic Service Area, and Rural Service Area, served by the cellular system within which AWS is licensed to provide service.

"Signaling System 7" or "SS7" means a signaling protocol used by the CCS network.

"Signaling Transfer Point" or "STP" means the point where a Party interconnects, either directly or through facilities provided by ACS-N, or a third party provider with the CCS/SS7 network.

"Synchronous Optical Network" or "SONET" means an optical interface standard that allows inter-networking of transmission products from multiple vendors.

"Telephone Exchange Service" means wireline exchange connections amongst LEC end users.

"Telecommunications" has the meanings given in the Act.

"Telecommunications Carrier" has the meanings given in the Act.

"Termination" means the switching of Local Traffic at the terminating carrier's end office switch, or equivalent facility, and delivery of such traffic to the called party.

"Third Party Provider" shall mean any other facilities-based telecommunications carrier, including, without limitation, Interexchange carriers, independent telephone companies, competitive local exchange carriers, or CMRS providers. The term shall not mean resellers of a LEC's local exchange services or resellers of a CMRS provider's services.

"Transit Traffic" means intermediate transport and switching of traffic between two parties, one of which is not a Party to this Agreement, carried by a Party that neither originates nor terminates that traffic on its network while acting as an intermediary.

"Transport" means the transmission and any necessary tandem switching of Local Traffic subject to Section 251 (b)(5) of the Act from the interconnection point between two carriers to the terminating carrier's end office switch that directly serves the called party, or equivalent facility provided by third party provider.

"Trunk Group" means a set of trunks of common routing, origin and destinations, and which serve a like purpose or function.

"Trunk Side" means a Party's connection that is capable of and has been programmed to treat the circuit as connecting to another switching entity, for example another ACS-N to AWS switch. Trunk Side connections offer those transmission and signaling features appropriate for the connections of switching entities.

Article II General Terms and Conditions

1.0 Introduction

This Agreement sets forth the terms and conditions for the interconnection of the Parties' networks and for the reciprocal compensation for the transport and termination of telecommunications services between the Parties.

2.0 Effective Date

- 2.1 This Agreement will be effective only upon execution and delivery by both Parties. The "Effective Date" of this Agreement will be the date on which this Agreement is filed with the appropriate Commission, subject to approval by the Commission in accordance with Section 252 of the Act.

3.0 Intervening Law

- 3.1 This Agreement is entered into as a result of private negotiation between the Parties, acting pursuant to the Act, and/or other applicable state laws or Commission rulings. If the actions of state or federal legislative bodies, courts, or regulatory agencies of competent jurisdiction invalidate, modify, or stay the enforcement of laws or regulations that were the basis for a provision of the contract, the affected provision will be invalidated, modified, or stayed as required by action of the legislative body, court, or regulatory agency. In such event, the Parties shall expend diligent efforts to arrive at an agreement respecting the modifications to the Agreement required. If negotiations fail, disputes between the Parties concerning the interpretation of the actions required or provisions affected by such governmental actions will be resolved pursuant to any remedy available to the Parties under law, provided that the Parties may mutually agree to use the dispute resolution process provided for in this Agreement.

4.0 Term of Agreement

- 4.1 The Parties agree to interconnect pursuant to the terms defined in this Agreement for a term of two (2) years from the Effective Date of this Agreement, and thereafter the Agreement shall renew for successive six (6) month terms, unless and until terminated as provided herein.
- 4.2 Either Party may terminate this Agreement after the end of the initial term by providing written notice of termination to the other Party. Such written notice shall be provided at least sixty (60) days in advance of the date of termination.
- 4.3 By mutual agreement, the Parties may amend this Agreement in writing to modify its terms.

- 4.4 A Party may terminate this Agreement without penalty or liability other than for amounts owed as of the date of termination, by giving the other Party written notice of its desire to terminate at least thirty (30) days prior to the intended date of termination if:
- (i). the other Party makes an assignment for the benefit of creditors; or
 - (ii). the other Party makes an unauthorized assignment of this Agreement.
 - (iii). the other Party fails to perform any of its obligations under this Agreement in any material respect, and such material failure continues without remedy for a period of thirty (30) days after the non-defaulting Party gives written notice to the defaulting Party.
- 4.5 Upon expiration or termination of this Agreement, if either Party desires uninterrupted service under this Agreement during negotiations of a new agreement, the requesting Party shall provide the other Party written notification. Upon receipt of such notification, the same terms, conditions, and prices 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 and then until resolution pursuant to this Section. If the Parties are actually in arbitration or mediation before the appropriate 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 Commission or FCC resolving the issues set forth in such arbitration or mediation request.

5.0 Assignment

- 5.1 This Agreement may not be assigned directly or by operation of law without the written consent of the non-assigning party, which consent will not be unreasonably withheld, except that a party may assign this Agreement without consent to (i) a subsidiary, parent, affiliate, division or corporation of the assigning party, (ii) a successor corporation related to the assigning party by merger, consolidation, non-bankruptcy reorganization, or governmental action, or (iii) a purchaser of substantially all of the assigning party's assets. Any attempt to assign this Agreement in contravention of this Section is void.
- 5.2 Each Party will notify the other in writing not less than sixty (60) days in advance of anticipated assignment.

6.0 Confidentiality and Proprietary Information

- 6.1 For the purposes of this Agreement, confidential information means *confidential or proprietary technical, customer, end user, or network information (including forecasting information)* given by one Party (the

"Discloser") to the other (the "Recipient"), which is disclosed by one Party to the other in connection with this Agreement, during negotiations and the term of this Agreement ("Confidential Information"). Such Confidential Information will automatically be deemed proprietary to the Discloser and subject to this Section 6.0, unless otherwise confirmed in writing by the Discloser. All other information, which is indicated and marked, as Confidential Information at the time of disclosure shall also be, treated as Confidential Information under Section 6.0 of this Agreement. The Recipient agrees (i) to use Confidential Information only for the purpose of performing under this Agreement, (ii) to hold it in confidence and disclose it to no one other than (a) its employees having a need to know for the purpose of performing under this Agreement, and (b) agents, including without limitation, attorneys, who are under a legal obligation to maintain the confidentiality of disclosures, and (iii) to safeguard it from unauthorized use or disclosure using at least the same degree of care with which the Recipient safeguards its own Confidential Information. If the Recipient wishes to disclose the Discloser's Confidential Information to a third-party agent or consultant, the Discloser must agree to such disclosure in writing, and the agent or consultant must have executed a written agreement of nondisclosure and nonuse comparable to the terms of this Section.

- 6.2 The Recipient may make copies of Confidential Information only as reasonably necessary to perform its obligations under this Agreement. All such copies will be subject to the same restrictions and protections as the original and will bear the same copyright and proprietary rights notices as are contained on the original.
- 6.3 The Recipient agrees to return all Confidential Information in tangible form received from the Discloser, including any copies made by the Recipient within thirty (30) days after a written request is delivered to the Recipient, or to destroy all such Confidential Information if directed to do so by Discloser except for Confidential Information that the Recipient reasonably requires to perform its obligations under this Agreement. If either Party loses or makes an unauthorized disclosure of the other Party's Confidential Information, it will notify such other Party immediately and use reasonable efforts to retrieve the lost or wrongfully disclosed information.
- 6.4 The Recipient will have no obligation to safeguard Confidential Information: (i) which was in the possession of the Recipient free of restriction prior to its receipt from the Discloser; (ii) after it becomes publicly known or available through no breach of this Agreement by the Recipient, (iii) after it is rightfully acquired by the Recipient free of restrictions on its disclosure, or (iv) after it is independently developed by personnel of the Recipient to whom the Discloser's Confidential

Information had not been previously disclosed. In addition, either Party will have the right to disclose Confidential Information to any mediator, arbitrator, state or federal regulatory body, or a court in the conduct of any mediation, arbitration or approval of this Agreement, as long as, in the absence of an applicable protective order, the Discloser has been previously notified by the Recipient in time sufficient for the Recipient to undertake lawful measures to avoid disclosing such information and for Discloser to have reasonable time to seek or negotiate a protective order before or with any applicable mediator, arbitrator, state or regulatory body or a court.

- 6.5 The Parties recognize that an individual end user may simultaneously seek to become or be a customer of both Parties. Nothing in this Agreement is intended to limit the ability of either Party to use customer specific information lawfully obtained from end users or sources other than the Discloser.
- 6.6 Each Party's obligations to safeguard Confidential Information disclosed *prior to expiration or termination of this Agreement* will survive such expiration or termination.
- 6.7 Except as otherwise expressly provided elsewhere in this Agreement, no license is hereby granted with respect to any patent, trademark, or copyright, nor is any such license implied solely by virtue of the disclosure of any Confidential Information.
- 6.8 Each Party agrees that the Discloser may be irreparably injured by a disclosure in breach of this Agreement by the Recipient or its representatives and the Discloser will be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any breach or threatened breach of the confidentiality provisions of this Agreement. Such remedies will not be deemed to be the exclusive remedies for a breach of this Agreement, but will be in addition to all other remedies available at law or in equity.

7.0 Liabilities and Indemnification

7.1 Limitation of Liabilities.

With respect to any claim or suit for damages arising out of mistakes, omissions, defects in transmission, interruptions, failures, delays or errors occurring in the course of furnishing any service hereunder, the liability of the Party furnishing the affected service, if any, shall not exceed an amount equivalent to the proportionate charge to the other Party for the period of that particular service during which such mistakes, omissions, defects in transmission, interruptions, failures, delays or errors occurs and continues; provided, however, that any such mistakes, omissions, defects in transmission, interruptions, failures, delays, or

errors which are caused by the negligence or willful act or omission of the complaining Party or which arise from the use of the complaining Party's facilities or equipment shall not result in the imposition of any liability whatsoever upon the Party furnishing service.

7.2 No Consequential Damages.

NEITHER AWS NOR ACS-N WILL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, RELIANCE, OR SPECIAL DAMAGES SUFFERED BY SUCH OTHER PARTY (INCLUDING WITHOUT LIMITATION DAMAGES FOR HARM TO BUSINESS, LOST REVENUES, LOST SAVINGS, OR LOST PROFITS SUFFERED BY SUCH OTHER PARTY). REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, WARRANTY, STRICT LIABILITY, OR TORT, INCLUDING WITHOUT LIMITATION NEGLIGENCE OF ANY KIND WHETHER ACTIVE OR PASSIVE, AND REGARDLESS OF WHETHER THE PARTIES KNEW OF THE POSSIBILITY THAT SUCH DAMAGES COULD RESULT. EACH PARTY HEREBY RELEASES THE OTHER PARTY (AND SUCH OTHER PARTY'S SUBSIDIARIES AND AFFILIATES, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS) FROM ANY SUCH CLAIMS. NOTHING CONTAINED IN THIS SECTION WILL LIMIT ACS-N's OR AWS' LIABILITY TO THE OTHER FOR (i) WILLFUL OR INTENTIONAL MISCONDUCT (INCLUDING GROSS NEGLIGENCE); OR (ii) BODILY INJURY, DEATH, OR DAMAGE TO TANGIBLE REAL OR TANGIBLE PERSONAL PROPERTY PROXIMATELY CAUSED BY ACS-N's OR AWS' NEGLIGENT ACT OR OMISSION OR THAT OF THEIR RESPECTIVE AGENTS, SUBCONTRACTORS OR EMPLOYEES.

7.3 Obligation to Indemnify.

7.3.1 Each Party shall be indemnified and held harmless by the other Party against claims, losses, suits, demands, damages, costs, expenses, including reasonable attorneys' fees ("Claims"), asserted, suffered, or made by third parties arising from (i) any act or omission of the indemnifying Party in connection with its performance or non-performance under this Agreement; (ii) actual or alleged infringement by the indemnifying Party of any patent, trademark, copyright, service mark, trade name, trade secret or intellectual property right (now known or later developed), and (iii) provision of the indemnifying Party's services or equipment, including but not limited to claims arising from the provision of the indemnifying Party's services to its end users (e.g., claims for interruption of service, quality of service or billing disputes). Each Party shall also be indemnified and held harmless by the other Party against Claims of persons for services furnished by the indemnifying Party or by

any of its subcontractors, under worker's compensation laws or similar statutes.

7.3.2 Each Party agrees to release, defend, indemnify, and hold harmless the other Party from any claims, demands or suits that asserts any infringement or invasion of privacy or confidentiality of any person or persons caused or claimed to be caused, directly or indirectly, by the other Party's employees and equipment associated with the provision of any service herein. This provision includes but is not limited to suits arising from disclosure of the telephone number, address, or name associated with the telephone called or the telephone used in connection with any services herein.

7.3.3 ACS-N makes no warranties, express or implied, concerning AWS' (or any third party's) rights with respect to intellectual property (including without limitation, patent, copyright and trade secret rights) or contract rights associated with AWS' rights to interconnect with ACS-N's network. Section 7.3.3 applies solely to this Agreement. Nothing in this Section will be deemed to supersede or replace any other agreements, if any, between the Parties with respect to AWS' intellectual property or contract rights.

7.3.4 When the lines or services of other companies and carriers are used in establishing connections to and/or from points not reached by a Party's lines, neither Party shall be liable for any act or omission of the other companies or carriers.

7.4 Obligation to Defend; Notice; Cooperation.

Whenever a claim arises for indemnification under this Section 7.4 (the "Claim"), the relevant Indemnitee, as appropriate, will promptly notify the Indemnifying Party and request the Indemnifying Party to defend the same. Failure to so notify the Indemnifying Party will not relieve the Indemnifying Party of any liability that the Indemnifying Party might have, except to the extent that such failure prejudices the Indemnifying Party's rights or ability to defend such Claim. The Indemnifying Party will have the right to defend against such Claim in which event the Indemnifying Party will give written notice to the Indemnitee of acceptance of the defense of such Claim and the identity of counsel selected by the Indemnifying Party. Except as set forth below, such notice to the relevant Indemnitee will give the Indemnifying Party full authority to defend, adjust, compromise, or settle such Claim with respect to which such notice has been given, except to the extent that any compromise or settlement might prejudice the Intellectual Property Rights or other rights of the relevant Indemnities. The Indemnifying Party will consult with the relevant Indemnitee prior to any compromise or settlement that would affect the Intellectual Property Rights or other rights of any Indemnitee, and the relevant Indemnitee will have the right to refuse such compromise or settlement and, at such Indemnitee's sole cost, to take

over defense of such Claim. Provided, however, that in such event the Indemnifying Party will not be responsible for, nor will it be obligated to indemnify the relevant Indemnitee against any damages, costs, expenses, or liabilities, including without limitation, attorneys' fees, in excess of such refused compromise or settlement. With respect to any defense accepted by the Indemnifying Party, the relevant Indemnitee will be entitled to participate with the Indemnifying Party in such defense if the Claim requests equitable relief or other relief that could affect the rights of the Indemnitee and also will be entitled to employ separate counsel for such defense at such Indemnitee's sole expense. The Indemnifying Party shall not be liable under this Section for settlement by the Indemnitee of any Claim if the Indemnifying Party has not approved the settlement in advance, unless the Indemnifying Party has had the defense of the Claim tendered to it in writing and has failed to assume such defense. In the event of such failure to assume defense, the Indemnifying Party shall be liable for any reasonable settlement made by the Indemnitee without approval of the Indemnifying Party. Each Party agrees to cooperate and to cause its employees and agents to cooperate with the other Party in the defense of any such claim.

8.0 Payment of Rates and Late Payment Charges

- 8.1 The Parties agree to pay all rates and charges due and owing under this Agreement within thirty (30) days of the invoice date in immediately available funds. The Parties represent and covenant to each other that all invoices will be promptly processed and mailed in accordance with the Parties' regular procedures and billing systems.
 - 8.1.1 If the payment due date falls on a Sunday or on a Holiday which is observed on a Monday, the payment due date shall be the first non-Holiday following such Sunday or Holiday. If the payment due date falls on a Saturday or on a Holiday which is observed on Tuesday, Wednesday, Thursday, or Friday, the payment due date shall be the last non-Holiday preceding such Saturday or Holiday. If payment is not received by the payment due date, a late penalty, as set forth in 8.3 below, shall apply.
- 8.2 If the amount billed is received by the billing Party after the payment due date or if any portion of the payment is received by the billing Party in funds which are not immediately available to the billing Party, then a late payment charge will apply to the unpaid balance.
- 8.3 The Parties agree interest on overdue invoices will apply at the lesser of the highest interest rate (in decimal value) which may be levied by law for commercial transactions, compounded daily and applied for each month or portion thereof that an outstanding balance remains, or 0.008355 compounded monthly and applied for each month or portion thereof that an outstanding balance remains.

9.0 **Billing Disputes**

- 9.1 A Party must submit reasonable, detailed and valid billing disputes to the other Party within three (3) months from the due date. The Parties will endeavor to resolve all billing disputes within ninety (90) days from receipt of the Dispute Notice.
- 9.2 The Parties agree that all undisputed billed amounts are to be paid when due, and that interest shall apply to all overdue undisputed invoices as set forth in the General Terms and Conditions, Section 8.0 of this Agreement. The Parties agree that a Party disputing a billed amount shall pay the disputed amount either directly to the non-disputing Party or into an escrow account pending resolution of the dispute under Section 10 of this Article. If the disputing Party has paid the disputed amount to the non-disputing Party and the dispute is resolved in favor of the disputing Party, the non-disputing Party shall refund the amount due plus interest as set forth in the General Terms and Conditions, Section 8.0 of this Agreement. The parties further agree that if any Billing Dispute is resolved in favor of the non-disputing Party and the disputed amount is being held in an escrow account, the non-disputing Party shall receive interest applied to the disputed amount as set forth in the General Terms and Conditions, Section, 8.0 of this Agreement.

10.0 **Dispute Resolution**

10.1 **General.**

The Parties agree to resolve any disputed matter relating to this Agreement pursuant to this Section 10 Dispute Resolution.

10.2 **Notice of Disputes.**

Notice of a valid dispute must be in writing specifically documenting the total dollar amount of the dispute, and a detailed description of the underlying dispute (the "Dispute Notice").

10.3 **Alternative to Litigation.**

10.3.1 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 following Dispute Resolution procedure with respect to any controversy or claim arising out of or relating to this Agreement or its breach.

10.3.2 Each Party agrees to promptly notify the other Party in writing of a dispute and may in the Dispute Notice invoke the informal dispute resolution process described in Section 10.4. The Parties will endeavor to informally resolve the dispute within ninety (90) days after the date of the Dispute Notice.

10.4 **Informal Resolution of Disputes.**

In the case of a dispute and upon receipt of the Dispute Notice each Party will appoint a duly authorized representative knowledgeable in telecommunications matters, to meet and negotiate in good faith to resolve any 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, but are not obligated to, utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and the correspondence among the representatives for purposes of settlement are exempt from discovery and production and will not be admissible in the arbitration described below or in any lawsuit without the concurrence of both 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 in evidence in the arbitration or lawsuit. Unless otherwise provided herein, or upon the Parties' agreement, neither Party may invoke formal Dispute Resolution procedures including arbitration or other procedures as appropriate sooner than ninety (90) days after the date of the Dispute Notice, provided the Party invoking the formal Dispute Resolution process has negotiated in good faith with the other Party.

10.5 **Formal Dispute Resolution.**

10.5.1 The Parties agree that any disputes not resolved pursuant to the informal procedure set forth in Section 10.4, which involve amounts which represent \$50,000 or less annually, whether measured by the disputing Party in terms of actual amounts owed or owing, or as amounts representing its business or other risks or obligations relating to the matter in dispute, will be submitted to binding arbitration pursuant to the provisions of Section 10.7. During the first contract year the Parties will annualize the initial months up to one (1) year.

10.5.2 The Parties agree that any disputes not resolved pursuant to the informal procedures set forth in Section 10.4 which involve amounts which represent more than \$50,000 annually, whether measured by the disputing Party in terms of actual amounts owed or owing, or as amounts representing its business or other risks or obligations relating to the matter in dispute, 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 pursuant to Section 10.7. During the first contract year the Parties will annualize the initial months up to one (1) year.

10.6 **Conflicts.**

The Parties agree that the Dispute Resolution procedures set forth in this Agreement are not intended to conflict with applicable requirements of the Act or the state Commission with regard to procedures for the resolution of disputes arising out of this Agreement.

10.7 **Arbitration.**

10.7.1 Any disputes involving amounts which represent \$50,000 or less annually, not resolved pursuant to the informal dispute resolution procedures set forth in Section 10.4 within ninety (90) days of the Dispute Notice shall be submitted to binding arbitration by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. A Party may demand such arbitration in accordance with the procedures set out in those rules. Discovery shall be controlled by the arbitrator and shall be permitted to the extent set out in this Section. Each Party may submit in writing to a Party, and that Party shall so respond, to a maximum of any combination of thirty-five (35) (none of which may have subparts) of the following: interrogatories; demands to produce documents; requests for admission.

10.7.2 Additional discovery may be permitted upon mutual agreement of the Parties. The arbitration hearing shall be commenced within ninety (90) days of the demand for arbitration. The arbitration shall be held in a mutually agreed upon location or in Anchorage, Alaska. The arbitrator shall control the scheduling so as to process the matter expeditiously. The Parties shall submit written briefs five days before the hearing. The arbitrator shall rule on the dispute by issuing a written opinion within thirty (30) days after the close of hearings. Such opinion shall be based upon Alaska law and pertinent facts. The arbitrator shall have no authority to order punitive or consequential damages. The times specified in this Section may be extended upon mutual agreement of the Parties or by the arbitrator upon a showing of good cause. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

10.7.3 Each Party shall bear its own costs of these procedures.

11.0 **Notices**

11.1 Except as otherwise specifically provided in this Agreement, all notices, consents, approvals, modifications, or other communications to be given under the terms of this Agreement shall be in writing and sent postage prepaid by registered mail return receipt requested. Notice may also be

effected by personal delivery or by overnight courier. All notices will be effective upon receipt. All notices shall be directed to the following:

To ACS-N:

Jill Hume
Manager, Carrier Relations
ACS of the Northland, Inc.
600 Telephone Avenue MS 1
Anchorage, AK 99503

Copy to:

Leonard Steinberg
Chief Legal Counsel
ACS of the Northland, Inc.
600 Telephone Avenue MS 65
Anchorage, AK 99503

To AWS:

Jill Mounsey
Director - Wireless Network Services
AT&T Wireless Services, Inc.
7277 164th Ave. NE
Redmond, WA 98052
Fax: (425) 580-8609

- 11.2 Either Party may unilaterally change its designated representative and/or address for the receipt of notices by giving seven (7) days' prior written notice to the other Party in compliance with this Section.

12.0 Taxes

- 12.1 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 (hereinafter "Tax") 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.

- 12.2 Purchasing Party may be exempted from certain taxes if purchasing Party provides proper documentation from the appropriate taxing authority. Failure to timely provide said tax exemption certificate will result in no exemption being available to the purchasing Party until such time as the purchasing Party presents a valid certification.
- 12.3 With respect to any purchase of services, facilities or other arrangements, if any Tax is required or permitted by applicable law to be collected from the purchasing Party by the providing Party, then (i) the providing Party shall bill the purchasing Party for such Tax, (ii) the purchasing Party shall remit such Tax to the providing Party and (iii) the providing Party shall remit such collected Tax to the applicable taxing authority, except as otherwise indicated below.
- 12.4 With respect to any purchase hereunder of services, facilities or arrangements that are resold to a third party, if any Tax is imposed by applicable law on the end user in connection with any such purchase, then (i) the purchasing Party shall be required to impose and/or collect such Tax from the end user and (ii) the purchasing Party shall remit such Tax to the applicable taxing authority. The purchasing Party agrees to indemnify and hold harmless the providing Party on an after-tax basis for any costs incurred by the providing Party as a result of actions taken by the applicable taxing authority to collect the Tax from the providing Party due to the failure of the purchasing Party to pay or collect and remit such tax to such authority.
- 12.5 If the providing Party fails to collect any Tax as required herein, then, as between the providing Party and the purchasing Party, (i) the purchasing Party shall remain liable for such uncollected Tax and (ii) the providing Party shall be liable for any penalty and interest assessed with respect to such uncollected Tax by such authority. However, if the purchasing Party fails to pay any taxes properly billed and submitted to the purchasing Party, then, as between the providing Party and the purchasing Party, the purchasing Party will be solely responsible for payment of the taxes, penalty and interest.
- 12.6 If the purchasing Party fails to impose and/or collect any Tax from end users as required herein, then, as between the providing Party and the purchasing Party, the purchasing Party shall remain liable for such uncollected Tax and any interest and penalty assessed thereon with respect to the uncollected Tax by the applicable taxing authority. With respect to any Tax that the purchasing Party has agreed to pay or impose on and/or collect from end users, the purchasing Party agrees to indemnify and hold harmless the providing Party on an after-tax basis for any costs incurred

by the providing Party as a result of actions taken by the applicable taxing authority to collect the Tax from the providing Party due to the failure of the purchasing Party to pay or collect and remit such Tax to such authority.

- 12.7 All notices, affidavits, exemption certificates or other communications required or permitted to be given by either Party to the other under this Section 12, will be made in writing and will be delivered by certified mail, and sent to the addresses stated below:

To ACS-N:

Jill Hume
Manager, Carrier Relations
ACS of the Northland, Inc.
600 Telephone Avenue MS 1
Anchorage, AK 99503

To AWS:

Daurell Bell
Director –Tax department
AT&T Wireless Services, Inc.
7277 164th Ave. NE
Redmond, WA 98052
Fax: (425) 580-

Copy to:

Jill Mounsey
Director – Wireless Network Services
AT&T Wireless Services, Inc.
7277 164th Ave. NE
Redmond, WA 98052
Fax: (425) 580-8609

Either Party may from time-to-time designate another address or addressee by giving notice in accordance with the terms of this Section 12.7. Any notices or other communications will be deemed to be given when received.

13.0 Force Majeure

- 13.1 Neither Party shall be liable for delays or failures in performance resulting from acts or occurrences beyond the reasonable control of such Party, regardless of whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement, including, without limitation: fire, explosion, power failure, acts of God, war, revolution, civil commotion, or acts of public enemies; or labor unrest, including, without limitation strikes, slowdowns, picketing or boycotts or delays caused by the other Party or by other service or equipment vendors; or any

other similar circumstances beyond the Party's reasonable control. In such event, the Party affected shall, upon giving prompt notice to the other Party, be excused from such performance on a day-to-day basis to the extent of such interference (and the other Party shall likewise be excused from performance of its obligations on a day-for-day basis to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use its reasonable commercial efforts to avoid or remove the cause of nonperformance and both Parties shall proceed to perform with dispatch once the causes are removed or cease. Notwithstanding anything herein to the contrary if any delay or non-performance described herein exceeds thirty (30) days, the Party owed such performance, will have the right (but not the obligation) terminate this Agreement without penalty or liability other than amounts owed as of the date of termination. Such termination must be in writing.

14.0 Publicity

- 14.1 The Parties agree not to use in any advertising or sales promotion, press releases or other publicity matters, any endorsements, direct or indirect quotes or pictures implying endorsement by the other Party or any of its employees without such Party's prior written approval. The Parties will submit to each other for written approval, prior to publication, all such publicity endorsement matters that mention or display the other's name and/or marks or contain language from which a connection to said name and/or marks may be inferred or implied.
- 14.2 Neither Party will offer any services using the trademarks, service marks, trade names, brand names, logos, insignia, symbols or decorative designs of the other Party or its affiliates without the other Party's written authorization.

15.0 Amendments or Waivers

Except as otherwise provided in this Agreement, no amendment to this Agreement will be effective unless the same is in writing and signed by an authorized representative of each Party. In addition, no course of dealing or failure of a Party strictly to enforce any term, right or condition of this Agreement will be construed as a waiver of such term, right, or condition. By entering into this Agreement, the Parties do not waive any right granted to them pursuant to the Act; and, 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, other public forum, contract negotiation, bona fide request, or arbitration addressing any matters, including matters related to the types of arrangements prescribed by this Agreement.

16.0 Authority

Each person whose signature appears below represents and warrants that he or she has authority to bind the Party on whose behalf he or she has executed this Agreement.

17.0 Binding Effect

This Agreement will be binding on and inure to the benefit of the respective successors and permitted assigns of the Parties.

18.0 Consent

Where consent, approval, or mutual agreement is required of a Party, it will not be unreasonably withheld or delayed.

19.0 Expenses

Except as specifically set out in this Agreement, each Party will be solely responsible for its own expenses involved in all activities, such as required industry notifications, related to the scope of this Agreement.

20.0 Headings

The headings in this Agreement are inserted for convenience and identification only and will not be considered in the interpretation of this Agreement.

21.0 Relationship of Parties

This Agreement will not establish, be interpreted as establishing, or be used by either Party to establish or to represent their relationship as any form of agency, partnership or joint venture. Neither Party will have any authority to bind the other nor to act as an agent for the other unless written authority, separate from this Agreement, is provided. Nothing in the Agreement will be construed as providing for the sharing of profits or losses arising out of the efforts of either or both of the Parties. Nothing herein will be construed as making either Party responsible or liable for the obligations and undertakings of the other Party.

22.0 Multiple Counterparts

This Agreement may be executed in multiple counterparts, each of which will be deemed an original but all of which will together constitute but one, and the same document.

23.0 Third Party Beneficiaries

Except as may be specifically set forth in this Agreement, this Agreement does not provide and will not be construed to provide third parties with any remedy, claim, liability, reimbursement, cause of action, or other privilege.

24.0 Regulatory Approval

- 24.1 Each Party agrees to cooperate with the other and with any regulatory agency to obtain regulatory approval of this Agreement. During the term of this Agreement, each Party agrees to continue to cooperate with each other and any regulatory agency so that the benefits of this Agreement may be achieved.
- 24.2 Upon execution of this Agreement, ACS-N shall file it with the appropriate state regulatory agency pursuant to the requirements of Section 252 of the Act. If the state regulatory agency imposes any filing(s) or public interest notice(s) regarding the filing or approval of the Agreement, AWS shall assume sole responsibility in making such filings or notices. ACS-N will not unreasonably withhold its cooperation in making the filings required under this Section.
- 24.3 Each Party will be responsible for obtaining and keeping in effect all Federal Communications Commission, state regulatory commission, franchise authority and other regulatory approvals that may be required in connection with the performance of its obligations under this Agreement. Each Party will reasonably cooperate with the other Party in obtaining and maintaining any required approvals necessary for fulfilling its obligations under this Agreement.

25.0 Trademarks and Trade Names

Except as specifically set out in this Agreement, nothing in this Agreement will grant, suggest, or imply any authority for one Party to use the name, trademarks, service marks, or trade names of the other for any purpose whatsoever, absent written consent of the other Party.

26.0 Audits

- 26.1 Subject to each Party's reasonable security requirements and except as may be otherwise specifically provided in this Agreement, either Party may audit the other Party's relevant books, records and other documents pertaining to services provided under this Agreement once in each contract year solely for the purpose of evaluating the accuracy of the other Party's billing and invoicing. The Parties may employ other persons or firms for this purpose. Such audit will take place at a time and place agreed on by the Parties no later than sixty (60) days after notice thereof.
- 26.2 The review will consist of an examination and verification of data involving records, systems, procedures and other information related to the services performed by either Party as related to settlement charges or payments made in connection with this Agreement as determined by either Party to be reasonably required. Each Party shall maintain reasonable

records for a minimum of twelve (12) months and provide the other Party with reasonable access to such information as is necessary to determine amounts receivable or payable under this Agreement.

- 26.3 Adjustments, credits, or payments shall be made and any corrective action shall commence within thirty (30) days from the Requesting Party's receipt of the final audit report to compensate for any errors or omissions which are disclosed by such audit and are agreed to by the Parties. Audit findings may be applied retroactively for no more than twelve (12) months from the date the audit began. One and one-half (1 ½%) of the highest interest rate allowable by law for commercial transactions shall be assessed and shall be computed by compounding monthly from the time of the overcharge, not to exceed twelve (12) months from the date the audit began, to the day of payment or credit. Any disputes concerning audit results will be resolved pursuant to the Dispute Resolution procedures described in Section 10.0 of this Agreement.
- 26.4 Each Party will cooperate fully in any such audit, providing reasonable access to any and all appropriate employees and books, records and other documents reasonably necessary to assess the accuracy of the Party's bills.
- 26.5 Audits will be scheduled subject to the reasonable requirements and limitations of the audited Party and will be conducted in a manner that will not interfere with the audited Party's business operations.
- 26.6 The Party requesting an audit shall fully bear its costs associated with conducting a review. The Party being reviewed will provide access to required information, as outlined in this Section, at no charge to the reviewing Party. Should the reviewing Party request information or assistance beyond that reasonably required to conduct such a review, the Party being reviewed may, at its option, decline to comply with such request or may bill actual costs incurred in complying subsequent to the concurrence of the reviewing Party.
- 26.7 For purposes of conducting an audit pursuant to this Agreement, the Parties may employ other persons or firms for this purpose (so long as said Parties are bound by this Agreement as are the principles). The Parties will bear their own reasonable expenses associated with this inspection. Subsequent audits will be scheduled when and if cause is shown.
- 26.8 Information obtained or received by a Party in conducting the inspections described in this Section 26.0 shall be subject to the confidentiality provisions of Section 6.0 of this Agreement.

27.0 Complete Terms

This Agreement sets forth the entire understanding and supersedes prior agreements between the Parties relating to the subject matter contained herein and merges all prior discussions between them, and neither Party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the Party to be bound thereby.

28.0 Responsibility of Each Party

Each Party is an independent contractor, and has and hereby retains the right to exercise full control of and supervision over its own performance of its obligations under this Agreement and retains full control over the employment, direction, compensation and discharge of its employees assisting in the performance of such obligations. Each Party will be solely responsible for all matters relating to payment of such employees, including compliance with social security taxes, withholding taxes and all other regulations governing such matters. Each Party will be solely responsible for proper handling, storage, transport and disposal at its own expense of all (i) substances or materials that it or its contractors or agents bring to, create or assume control over at work locations or, (ii) Waste resulting therefrom or otherwise generated in connection with its or its contractors' or agents' activities at the work locations. Subject to the limitations on liability and except as otherwise provided in this Agreement, each Party will be responsible for (i) its own acts and performance of all obligations imposed by applicable law in connection with its activities, legal status and property, real or personal and, (ii) the acts of its own affiliates, employees, agents and contractors during the performance of the Party's obligations hereunder.

29.0 Governmental Compliance

The Parties agree that each will comply at its own expense with all applicable law that relates to i) its obligations under or activities in connection with this Agreement: of ii) its activities undertaken at, in connection with or relating to work locations. Each Party agrees to indemnify, defend, (at the other Party's request) and save harmless the other, each of its officers, directors and employees from and against any losses, damages, claims, demands, suits, liabilities, fines, penalties, and expenses (including reasonable attorneys' fees) that arise out of or result from i) its failure or the failure of its contractors or agents to so comply or ii) any activity, duty or status of it or its contractors or agents that triggers any legal obligation to investigate or remedy environmental contamination.

30.0 Subcontracting

If any obligation is performed through a subcontractor, each Party will remain fully responsible for the performance of this Agreement in accordance with its terms, including any obligations either Party performs through subcontractors, and each Party will be solely responsible for payments due the Party's own subcontractors. No contract, subcontract or other Agreement entered into by either Party with any third party in

connection with the provision of services hereunder will provide for any indemnity, guarantee or assumption of liability by, or other obligation of, the other Party to this Agreement with respect to such arrangement, except as consented to in writing by the other Party. No subcontractor will be deemed a third party beneficiary for any purposes under this Agreement. Any subcontractor who gains access to Confidential Information covered by this Agreement will be required by the subcontracting Party to protect such Confidential Information to the same extent the subcontracting Party is required to protect the same under the terms of this Agreement.

31.0 Referenced Documents

Whenever any provision of this Agreement refers to a technical reference, technical publication, AWS practice, ACS-N practice, any publication of telecommunications industry administrative or technical standards, or any other document specifically incorporated into this Agreement, it will be deemed to be a reference to the most recent version or edition (including any amendments, supplements, addenda, or successors) of each document that is in effect, and will include the most recent version or edition (including any amendments, supplements, addenda, or successors) of each document incorporated by reference in such a technical reference, technical publication, AWS practice, ACS-N practice, or publication of industry standards. However, if such reference material is substantially altered in a more recent version to significantly change the obligations of either Party as of the effective date of this Agreement and the Parties are not in agreement concerning such modifications, the Parties agree to negotiate in good faith to determine how such changes will impact performance of the Parties under this Agreement, if at all. Until such time as the Parties agree, the provisions of the last accepted and unchallenged version will remain in force.

32.0 Severability

If any term, condition or provision of this Agreement is held to be invalid or unenforceable for any reason, such invalidity or unenforceability will not invalidate the entire Agreement, unless such construction would be unreasonable. The Agreement will be construed as if it did not contain the invalid or unenforceable provision or provisions, and the rights and obligations of each Party will be construed and enforced accordingly; provided, however, that in the event such invalid or unenforceable provision or provisions are essential elements of this Agreement and substantially impair the rights or obligations of either Party, the Parties will promptly negotiate a replacement provision or provisions. If impasse is reached, the Parties will resolve said impasse under the Dispute Resolution procedures set forth in Section 10.0.

33.0 Survival of Obligations

Any liabilities or obligations of a Party for acts or omissions prior to the cancellation or termination of this Agreement, any obligation of a Party under the provisions regarding indemnification, Confidential Information, limitations on liability, and any other provisions of this Agreement which, by their terms, are contemplated to survive (or to be

performed after) termination of this Agreement, will survive cancellation or termination thereof.

34.0 Governing Law

This Agreement shall be governed by and construed in accordance with the Act and the FCC's Rules and Regulations, except insofar as state law may control any aspect of this Agreement, in which case the domestic laws of Alaska, without regard to its conflicts of laws principles, shall govern.

35.0 Customer Inquiries

- 35.1 Each Party will refer all questions regarding the other Party's services or products directly to the other Party at a telephone number specified by that Party.

If to ACS-N:

Customer Service 907-561-1221

If to AWS:

Customer Care 1-800-888-7600

- 35.2 Each Party will ensure that all of their representatives who receive inquiries regarding the other Party's services or products: (i) provide the numbers described in Section 36.1 ; and (ii) do not in any way disparage or discriminate against the other Party or its services or products.

36.0 Disclaimer of Warranties

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.

37.0 Certifications Requirements

Both Parties warrant that they have obtained all necessary jurisdictional certifications required in those jurisdictions in which services will be ordered pursuant to this Agreement.

Article III Network Interconnection Architecture

This Article describes the network architecture with which the Parties to this Agreement may interconnect their respective networks for the transmission and routing of telecommunications services. It also describes the ordering process and maintenance requirements.

1.0 Network Architecture

1.1 Interconnection Facilities.

Interconnection will be provided between AWS and ACS-N by Type 1 and/or Type 2B Interconnection. ACS-N's End Offices are not Type 2A capable at this time. Type 1 and Type 2B Interconnections are one-way or two-way facilities that provide a trunk side connection between AWS' MSC and an ACS-N Switch. Wireless Type 1 and 2B Interconnection is technically designed in Telcordia Technical Reference GR-145-Core, Issue 2, May 1998, as in effect from time to time (or any successor thereto).

If requested at a later time by AWS, ACS-N and AWS will agree to meet and evaluate whether additional types of Interconnection are feasible.

AWS shall provide ACS-N with bi-annual forecasts of trunking requirements for each Point of Interconnection. The Parties agree to work cooperatively to determine the number of trunks needed to handle estimated traffic.

1.2 Network Technical Requirements, Standards, and Notices.

1.2.1 The Parties will provide the services in this Agreement to each other at a standard equal in quality to that provided to itself or to any subsidiary, affiliate, or any other party to which the Party provides interconnection.

1.2.2 Nothing in this Agreement is intended to limit either Party's ability to upgrade or modify its network, including, without limitation, the incorporation of new equipment, new software or otherwise so long as such upgrades or modifications are not inconsistent with the Parties obligations under the terms of this Agreement.

1.2.3 The Parties agree to comply with their respective obligations under Sections 51.325 through 51.335 of Title 47 of the Code of Federal Regulations as may be amended from time to time regarding notifications, network changes, upgrades, and/or modifications.

1.2.4 Each Party will be solely responsible, at its own expense for the overall design of its telecommunications services and for any redesigning or rearrangement of its telecommunications services which may be required because of the other Party's modifications, including, without limitation, changes in facilities, operations or procedures, minimum network protection criteria, or operating or maintenance characteristics of facilities. Each Party agrees to waive

nonrecurring charges associated with either Party's initiated rehomings of facilities, provided, however, that each Party shall be responsible for any other costs associated with the reconfiguration of its network.

2.0 **Transmission & Routing**

This Section provides the terms and conditions for the exchange of traffic between the Parties' respective networks for the transmission and routing by the Parties of Local Traffic.

2.1 **Basic Terms.**

2.1.1 Each Party shall be responsible for the delivery of traffic from its network to the other Party's network and for the transport and termination of such traffic by the other Party to its End User.

2.1.2 Unless AWS elects to provision its own facilities, ACS-N shall provide the physical plant facilities that interconnect AWS' point of interconnection with ACS-N's point of interconnection.

2.2 **Signaling.**

Signaling System 7 (SS7) A-Links and Signaling Transfer Point ports are available from Third Party Providers. The Parties will provide Common Channel Signaling (CCS) information to each other, where available & technically feasible.

2.3 **Indirect Network Interconnection.**

Each terminating Party is responsible for billing the originating company for traffic terminated on its respective networks. For Indirect Traffic, the originating Party will provide the originating billing information to the terminating Party if technically feasible. If the originating Party cannot provide the originating billing information to the terminating Party, then the terminating Party must obtain the originating billing information from the third party telecommunications carrier providing the transit services. It is each Party's responsibility to enter into appropriate contractual arrangements with the third party telecommunications carrier providing the transit service in order to obtain the originating billing information from that carrier.

Indirect Traffic Terminating to AWS. ACS-N will compensate AWS at the Reciprocal Compensation rates in Article IV, Section 2.1.1 for calls that originate on the ACS-N network, transit through a third party telecommunications carrier and terminate on the AWS network.

Indirect Traffic Terminating to ACS-N. AWS will compensate ACS-N at the Reciprocal Compensation rates in Article IV, Section 2.1.1 for calls that originate

on the AWS network, transit through a third party telecommunications carrier and terminate on the ACS-N network.

3.0 Transmission & Routing of Exchange Access Service

AWS may, where technically available order Equal Access Trunks in order to provide for access to IXCs through ACS-N's network. Equal Access Trunks shall be used solely for the transmission and routing of Exchange Access to allow AWS' end users to access IXCs for the transmission and routing of InterMTA and InterState calls, and shall not be used by AWS for any other purpose.

4.0 Ordering

Unless otherwise provided for in this Agreement, this provision shall apply for the ordering of interconnection herein. Each Party shall be responsible for ordering from the other any interconnection or other facilities as specified in this Agreement. The Parties shall mutually agree upon the format for any orders and any required codes or other information that must be included in any particular order. Orders shall be processed as follows: after the receipt of a request, a Party shall notify the ordering Party, in a timely manner and in agreement with published intervals, of any additional information it may require to determine whether it is technically feasible to meet the request. Within 30 days of its receipt of said information, the Party shall notify the ordering Party ("Notification") if the request is technically feasible. If the request is technically feasible, the Party shall activate the order as mutually agreed to by the Parties after Notification (the "Activation Date"). The penalty for the providing Party's non-compliant delivery of connecting facility by the specified due date shall be a refund of nonrecurring charges of the connecting facility to the other Party.

5.0 Network Maintenance & Management

- 5.1 The Parties will work cooperatively to install and maintain a reliable network in order to implement this Agreement. The Parties will exchange appropriate information (e.g., maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the Government, etc.) to achieve this desired reliability.
- 5.2 Each Party will provide a twenty-four (24) hour contact number for Network Traffic Management issues to the other's surveillance management center. A facsimile (FAX) number must also be provided to facilitate event notifications for planned mass calling events. Additionally, both Parties agree that they will work cooperatively to ensure that all such events will attempt to be conducted in such a manner as to avoid disruption or loss of service to other end users.

5.2.1 24 Hour Network Management Contact:

For ACS-N:

Contact Number: (907) 564-1642
Facsimile Number: (907) 564-3200

For AWS:

Contact Number: 1-800-832-6662
Facsimile Number: (425) 580-2906

- 5.3 Neither Party will use any service provided under this Agreement in a manner that impairs the quality of service to other carriers or to either Party's subscribers. Either Party will provide the other Party notice of said impairment at the earliest practicable time.
- 5.4 Either Parties' use of any of the other Party's facilities, or of its own equipment or that of a third party in conjunction with any of the other Party's facilities, shall not materially interfere with or impair service over any facilities of the other Party, its affiliated companies or its connecting and concurring carriers involved in its services, cause damage to their plant, impair the privacy of any communications carrier over their facilities or create hazards to the employees of any of them or the public.
- 5.5 After written notice and thirty (30) days opportunity to cure, the Party whose facilities are being used may discontinue or refuse to provide service to the other Party if the Party using the facilities breaches Sections 5.3 or 5.4 and fails to cure such breach with the thirty (30) day cure period. Provided however, such termination of service will, where appropriate, be limited to the facility being used that is the subject of the breach.
- 5.6 Trouble clearing procedures of both Parties shall include mechanisms for escalation of restoration efforts appropriate to the critical impact on the other Party's network. Both Parties agree that they will use their reasonable commercial effort to clear troubles on their networks that materially affect the other Party's Customers.

Article IV Billing, Compensation, & Charges

This Article describes the terms and conditions under which billing, compensation, and charges will be applied to the Parties under this Agreement.

1.0 Billing

- 1.1 Each Party shall deliver, monthly invoices for terminating the other Party's traffic based on a mutually agreed schedule. Subject to the General Terms and Conditions, Sections 8.0 and 9.0, bills rendered by either Party shall be paid within thirty (30) days of the invoice date.
- 1.2 For the purposes of establishing service and providing efficient and consolidated billing, both Parties are required to provide the other Party with their authorized and nationally recognized Operating Company Number (OCN).

2.0 Compensation

2.1 Reciprocal Compensation.

2.1.1 Rates

The Parties shall provide each other Reciprocal Compensation for the transport and termination of Local Traffic at the following conversation minute of use rates:

Termination	\$0.01156
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For direct interconnection, ACS-N shall compensate AWS for the transport and termination of Local Traffic originating on ACS-N' network; AWS shall compensate ACS-N for the transport and termination of Local Traffic originating on AWS' network. Compensation shall vary based on the method of interconnection used by the Parties, and Non-Recurring charges will also apply (on a reciprocal basis), as specified in Article III.

2.1.2 Exclusions

Reciprocal Compensation shall apply solely to the transport and termination of Local Traffic, and shall not apply to any other traffic or services, including without limitation:

2.1.2.1 InterMTA traffic;

2.1.2.2 Traffic which neither originates on one Party's network and terminates on the other Party's network, and

2.1.2.3 Paging traffic

2.1.3 **Measuring Calls as Local Traffic.**

In order to determine whether traffic is Local Traffic for purposes of calculating Reciprocal Compensation, the Parties agree as follows: for ACS-N, the origination or termination point of a call shall be the switch that serves, respectively, the calling or called party. For AWS, the origination point of a call shall be within the reliable coverage area of the cell site sector to which the calling Party is connected at the beginning of the call. Such point must be within the MTA that the cell site sector predominantly covers. For AWS, the termination point of a call shall be the point of connection with AWS' network that serves the called Party at the beginning of the call.

2.1.4 **Conversation Time.**

For purposes of billing compensation for the interchange of Local Traffic, billed minutes will be based upon conversation time. Conversation time will be determined from actual usage recordings. Conversation time begins when the terminating Party's network receives answer supervision and ends when the terminating Party's network receives disconnect supervision.

2.2 **Compensation for Transiting Traffic**

2.2.1 Transport to a Third Party

AWS may indirectly exchange Local Traffic via ACS-N to third parties. AWS originated Local Traffic transported but not terminated by ACS-N, including but not limited to paging traffic, shall be compensated by AWS to ACS-N at the Transit Traffic rate and pursuant to Sections 2.1.3 and 2.1.4, Article IV of this agreement.

2.2.2 Rate for Transit Traffic

Transiting (Transport to a 3rd Party) \$0.006

3.0 **Charges**

3.1 **Late Charges.**

Late Charges will be apply as specified in the General Terms and Conditions, Section 8.0

3.2 **Access Charges**

AWS shall pay ACS-N InterMTA charges for any and all traffic which crosses an MTA boundary (as defined by the cell site at which the call originates or terminates and the ACS-N end user's end office at which the call originates or terminates). If traffic is handed from ACS-N directly to an IXC, from AWS to an IXC via Equal Access trunks, or from an IXC directly to ACS-N, access charges shall not apply to AWS.

3.3 **Facilities Charges.**

Each Party shall compensate the other (on a proportionate usage basis, as set forth in Article III) for the use of the providing Party's facilities between the Parties' points of interconnection for two-way traffic. The Parties agree that for the first three (3) months of operation, seventy-five (75%) percent of the monthly rates will be apportioned to AWS. The apportionment percentage for the next six (6) months will be based upon the first three (3) month average of actual use. The apportionment percentage will be revised every six (6) months thereafter, based on the previous six (6) months average of actual usage.

3.3.1 **Non-Recurring.**

AWS shall pay non-recurring charges for the installation of wireless interconnection at a rate of \$332.74 per channel termination. Upon a general change in its tariff pricing for this service, the rate ACS-N charges AWS will also change accordingly (Tariff Reference RCA No. 359). ACS-N will make every effort to give AWS at least thirty (30) days' prior written notice of the change.

3.3.2 **Recurring.**

AWS shall pay monthly recurring charges for wireless interconnection at the rate of \$154.01/month/per local channel termination, \$44.84/month/mile and \$42.14/channel mileage termination per termination. Upon a general change in its tariff pricing for this service, the rate ACS-N charges AWS will also change accordingly (Tariff Reference RCA No. 359). ACS-N will

make every effort to give AWS at least thirty (30) days' prior written notice of the change.

3.3.3 Optional Features

Optional recurring and non-recurring features may apply.

3.4 Toll Traffic.

Toll charges for land to wireless calls will be charged at the tariffed rate to the landline originator and at no additional cost to AWS.

Article V Additional Services

1.0 Local Number Portability

The Parties agree to provide one another Local Number Portability Services in accordance with ACS-N's tariff as may be amended and updated from time to time. Wireless Local Number Portability will be negotiated separately between ACS-N and AWS.

2.0 Directory Listings

The Parties agree that Directory Listing services at this time are provided by a Third Party Provider.

3.0 E911

The Parties agree that E911 services at this time are provided by a Third Party Provider. ACS-N will route E911 calls received from AWS to the emergency agency designated by AWS for such calls.

Article VI Interconnection Arrangements

Local Exchange Service Areas (per RCA No. 359)	ACS NPA/NXX	Carrier NPA/NXX	Type of Interconnection	Point of Interconnection
Homer, AK	907/235, 226	907/299	Type 2B ISUP & Type 1 MF, 2-way DS-1 facilities	IXC Point of Termination at Homer CO
Kenai, AK	907/283, 335	907/252, 687	Type 2B ISUP & Type 1 MF, 2-way DS-1 facilities	IXC Point of Termination at Kenai CO

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of this 30th day of January, 2003.

AT&T Wireless Services of Alaska, Inc.:

ACS of the Northland, Inc.:

Eric Updyke
Print Name

Stephen E. Kieser
Print Name

Eric Updyke 3/14/03
Sign Name: Date

Stephen E. Kieser 1-30-03
Sign Name: Date

Vice President – Wireless Network Services

Vice President & General Manager– LEC
Operations