

standard electronic interface to notify AT&T of a change to another local service provider when the existing service cannot be pre-subscribed to an Intra- or Inter-Exchange Carrier. Examples of Resale and UNE services which do not have PIC capability include but are not limited to, Direct-Inward-Dial (DID) numbers, ports and trunks; Remote Call forwarding lines; and Private Line Services. Additional UNE services that do not have PIC capability include, but are not limited to, unbundled loops. For these services, PACIFIC shall provide loss notification manually (by mail, fax or email). PACIFIC will use the Change Management Process when this capability is offered.

1.5 Change of Preferred InterLATA or IntraLATA Carrier

1.5.1 PACIFIC shall accept and process the following types of preferred carrier changes sent by AT&T for End Users subscribing to AT&T local service: (1) intraLATA toll and (2) interLATA toll.

1.5.2 When an AT&T End User authorizes a change of one of its preferred carrier de shall notify PACIFIC of this change using a Local Service Request ("LSR") which it will send to PACIFIC over the existing ordering gateway for provisioning local service. PACIFIC will not accept requests to change the PIC on a Resale, UNE Port or UNE Loop with Port Combination service via the CARE process. PACIFIC will follow industry guidelines in rejecting requests received via the CARE process.

1.5.3 AT&T acknowledges that these orders shall be processed via LSR Change orders and not the industry-standard PIC change process which is used with retail accounts.

7. Remote Access Facility

1.1. AT&T will access the Interfaces described herein through the PACIFIC Remote Access Facility ("PRAF") via a "port" either through dial-up or direct connection, at AT&T's option; provided, however, that AT&T may, at its option, interface with PACIFIC's EDI ordering application as described in 3.8.1 through SBC's Local Remote Access Facility ("LRAF"). If AT&T chooses to use the LRAF for electronic orders, all AT&T EDI orders must be transmitted to the LRAF and none may be sent via the PRAF.

8. Data Connection Security Requirements

1.1 AT&T agrees that interconnection of AT&T data facilities with PACIFIC data facilities for access to OSS will be in compliance with PACIFIC's Competitive Local Exchange Carrier (CLEC) Operations Support System Interconnection Procedures document current at the time of initial interconnection. The following additional terms in this Section 8 govern direct and dial up

connections between AT&T and the PRAF and LRAF for access to OSS Interfaces.

1.2 Joint Security Requirements.

- 1.2.1 Both Parties will maintain accurate and auditable records that monitor user authentication and machine integrity and confidentiality (e.g., password assignment and aging, chronological logs configured, system accounting data, etc.)
- 1.2.2 Both Parties shall maintain accurate and complete records detailing the individual data connections and systems to which they have granted the other Party access or interface privileges. These records will include, but are not limited to, userID assignment, user request records, system configuration, time limits of user access or system interfaces. These records should be kept until the termination of this Agreement or the termination of the requested access by the identified individual. Either Party may initiate a compliance review of the connection records to verify that only the agreed to connections are in place and that the connection records are accurate.
- 1.2.3 Each Party shall notify the other Party immediately, upon termination of employment of an individual user with approved access to the other Party's network.
- 1.2.4 Both Parties shall use an industry standard virus detection software program at all times. The Parties shall immediately advise each other by telephone upon actual knowledge that a virus or other malicious code has been transmitted to the other Party.
- 1.2.5 All physical access to equipment and services required to transmit data will be in secured locations. Verification of authorization will be required for access to all such secured locations. A secured location is where walls and doors are constructed and arranged to serve as barriers and to provide uniform protection for all equipment used in the data connections which are made as a result of the user's access to either the AT&T or PACIFIC network. At a minimum, this shall include: access doors equipped with card reader control or an equivalent authentication procedure and/or device, and egress doors which generate a real-time alarm when opened and which are equipped with tamper resistant and panic hardware as required to meet building and safety standards.
- 1.2.6 Both Parties shall maintain accurate and complete records on the card access system or lock and key administration to the rooms housing the equipment utilized to make the connection(s) to the other Party's network. These records will include management of card or key

issue, activation or distribution and deactivation.

1.3 Additional Responsibilities of Both Parties.

- 1.3.1 Modem/Dsu Maintenance And Use Policy: To the extent the access provided hereunder involves the support and maintenance of AT&T equipment on PACIFIC's premises, such maintenance will be provided under the terms of the Competitive Local Exchange Carrier (CLEC) Operations Support System Interconnection Procedures document cited above.
- 1.3.2 Monitoring: Each Party will monitor its own network relating to any user's access to the Party's networks, processing systems, and applications. This information may be collected, retained, and analyzed to identify potential security risks without notice. This information may include, but is not limited to, trace files, statistics, network addresses, and the actual data or screens accessed or transferred.
- 1.3.3 Each Party shall notify the other Party's security organization immediately upon initial discovery of actual or suspected unauthorized access to, misuse of, or other "at risk" conditions regarding the identified data facilities or information. Each Party shall provide a specified point of contact. If either Party suspects unauthorized or inappropriate access, the Parties shall work together to isolate and resolve the problem.
- 1.3.4 In the event that one Party identifies inconsistencies or lapses in the other Party's adherence to the security provisions described herein, or a discrepancy is found, documented, and delivered to the non-complying Party, a corrective action plan to address the identified vulnerabilities must be provided by the non-complying Party within thirty (30) calendar days of the date of the identified inconsistency. The corrective action plan must identify what will be done, the Party accountable/responsible, and the proposed compliance date. The non-complying Party must provide periodic status reports (minimally monthly) to the other Party's security organization on the implementation of the corrective action plan in order to track the work to completion.
- 1.3.5 In the event there are technological constraints or situations where either Party's corporate security requirements cannot be met, the Parties will institute mutually agreed upon alternative security controls and safeguards to mitigate risks.
- 1.3.6 All network-related problems will be managed to resolution by the

respective organizations, AT&T or PACIFIC, as appropriate to the ownership of a failed component. As necessary, AT&T and PACIFIC will work together to resolve problems where the responsibility of either Party is not easily identified.

1.4 Information Security Policies And Guidelines For Access To Computers, Networks and Information By Non-Employee Personnel

1.4.1 Information security policies and guidelines are designed to protect the integrity and availability of computer, networks and information resources. This summary provides a convenient reference for individuals who are not employees of the Party that provides the computer, network or information, but have authorized access to that Party's systems, networks or information. Questions should be referred to AT&T or PACIFIC, respectively, as the providers of the computer, network or information in question.

1.4.2 It is each Party's responsibility to notify its employees, contractors and vendors access to the other Party's network, on the proper security responsibilities identified within this Attachment. Adherence to these policies is a requirement for continued access to the other Party's systems, networks or information. Exceptions to the policies must be requested in writing and approved by the other Party's information security organization.

1.5 General Policies

1.5.1 Each Party's resources are for approved business purposes only.

1.5.2 Each Party may exercise at any time its right to inspect, record, and/or remove contained in its systems, and take appropriate action should unauthorized or improper usage be discovered.

1.5.3 Individuals will only be given access to resources that they are authorized to re they need to perform their job duties. Users must not attempt to access resources for which they are not authorized.

1.5.4 Authorized users must not develop, copy or use any program or code which cir bypasses system security or privilege mechanism or distorts accountability or audit mechanisms.

1.5.5 Actual or suspected unauthorized access events must be reported immediatel security organization or to an alternate contact identified by that Party. Each Party shall provide its respective security contact information to the other.

1.6 User Identification

- 1.6.1 Access to each Party's corporate resources will be based on identifying and authenticating individual users in order to maintain clear and personal accountability for each user's actions.
- 1.6.2 User identification shall be accomplished by the assignment of a unique, permanent userid, and each userid shall have an associated identification number for security purposes.
- 1.6.3 Userids will be revalidated on a monthly basis.

1.7 User Authentication

- 1.7.1 Users will usually be authenticated by use of a password. Strong authentication methods (e.g. one time passwords, digital signatures, etc.) may be required in the future.
- 1.7.2 Passwords must not be stored in script files.
- 1.7.3 Passwords must be entered by the user in real time.
- 1.7.4 Passwords must be at least 6-8 characters in length, not blank or a repeat of the userid; contain at least one letter, and at least one number or special character must be in a position other than the first or last one. This format will ensure that the password is hard to guess. Most systems are capable of being configured to automatically enforce these requirements. Where a system does not mechanically require this format, the users must manually follow the format.
- 1.7.5 Systems will require users to change their passwords regularly (usually every 31 days).
- 1.7.6 Systems are to be configured to prevent users from reusing the same password for 6 changes/months.
- 1.7.7 Personal passwords must not be shared. A user who has shared his password is responsible for any use made of the password.

1.8 Access and Session Control

- 1.8.1 Destination restrictions will be enforced at remote access facilities used for access to OSS Interfaces. These connections must be approved by each Party's corporate security organization.
- 1.8.2 Terminals or other input devices must not be left unattended while they

may be used for system access. Upon completion of each work session, terminals or workstations must be properly logged off.

1.9 User Authorization

- 1.9.1 On the destination system, users are granted access to specific resources (e.g. databases, files, transactions, etc.). These permissions will usually be defined for an individual user (or user group) when a userid is approved for access to the system.

1.10 Software And Data Integrity

- 1.10.1 Each Party shall use a comparable degree of care to protect the other Party's software and data from unauthorized access, additions, changes and deletions as it uses to protect its own similar software and data. This may be accomplished by physical security at the work location and by access control software on the workstation.
- 1.10.2 Untrusted software or data shall be scanned for viruses before use on a Party's corporate facilities that can be accessed through the direct connection or dial up access to OSS interfaces.
- 1.10.3 Unauthorized use of copyrighted software is prohibited on each Party's corporate systems that can be access through the direct connection or dial up access to OSS Interfaces.
- 1.10.4 Proprietary software or information (whether electronic or paper) of a Party shall not be given by the other Party to unauthorized individuals. When it is no longer needed, each Party's proprietary software or information shall be returned by the other Party or disposed of securely. Paper copies shall be shredded. Electronic copies shall be overwritten or degaussed.

1.11 Monitoring And Audit

- 1.11.1 To deter unauthorized access events, a warning or no-trespassing message will be displayed at the point of initial entry (i.e., network entry or applications with direct entry points). Each Party should have several approved versions of this message. Users should expect to see a warning message similar to this one:

"This is a (PACIFIC or AT&T) system restricted to Company official business and subject to being monitored at any time. Anyone using this system expressly consents to such monitoring and to any evidence of unauthorized access, use, or modification being used for criminal

prosecution."

- 1.11.2 After successful authentication, each session will display the last logon date/ti number of unsuccessful logon attempts. The user is responsible for reporting discrepancies.

9. Cooperative Testing and Training

- 9.1 Prior to introduction of new applications or interfaces, or modifications of the same, the Parties shall conduct cooperative testing pursuant to a mutually agreed test plan.
- 9.2 Prior to live system usage, AT&T will complete user education classes for PACIFIC-provided Interfaces that affect the PACIFIC network. PACIFIC shall provide classes in the train-the-trainer format to enable AT&T to devise its own course work for its own employees. AT&T agrees that classes on any PACIFIC OSSs prior to general availability of those systems will be pilots and may be conducted on other than the finished systems that will be available to AT&T.
- 9.3 AT&T agrees that personnel from other CLECs may be scheduled into any class to fill any seats not requested by AT&T. Class availability is first-come, first served with priority given to CLECs who have not yet attended the specific class.
- 9.4 Class dates will be based upon AT&T requests and PACIFIC's scheduled availability.
- 9.5 AT&T personnel attending classes shall utilize only training databases and training materials presented to them in class. Attempts to access any other PACIFIC system are strictly prohibited. AT&T also agrees that in training, end user information will be accessed in accordance with the relevant terms of this Attachment governing access to customer information, and changes to end user accounts will be made only on accounts served by AT&T.
- 9.6 AT&T further agrees that training material, manuals and instructor guides are Confidential Information as that term is defined in this Agreement and can be duplicated only for use internally for the purpose of training employees to utilize capabilities of PACIFIC's OSSs in accordance with this Attachment. AT&T agrees not to use or disclose the contents of classes or workshops or any training material, manuals or instructor guides for any purpose other than authorized in this Attachment. Audio and video taping of classes is prohibited.
- 9.7 Charges will apply for each class as set forth in Attachment 8. A separate registration form will be required as a commitment to pay for a specific

number of AT&T students in each class. AT&T and PACIFIC agree that charges will be billed by PACIFIC in CABS format, when available, and AT&T's payment is due 30 days after receipt of the invoice. AT&T agrees to provide to PACIFIC completed registration forms for each student no later than one week prior to the scheduled training class. AT&T agrees to pay a cancellation fee for the full price noted in the separate agreement if AT&T cancels scheduled classes less than two weeks prior to the scheduled start date. Should PACIFIC cancel a class for which AT&T is registered less than two weeks prior to the scheduled start date of that class, PACIFIC will waive the charges for the rescheduled class of the registered students.

9.8 This Agreement supersedes the Memo of Agreement between the Parties concerning OSS training classes, dated November 9, 1998.

10. Rates

As of the Effective Date of this Agreement, there are no charges for access to PACIFIC's OSS systems. PACIFIC reserves its right to seek Commission approval for recovery of OSS costs, and AT&T reserves its right to challenge such recovery. Both Parties agree to comply with the resulting Commission decision.

ATTACHMENT 10
ANCILLARY FUNCTIONS

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ANCILLARY FUNCTIONS

1. Introduction

2. This Attachment 10 sets forth the Ancillary Functions that PACIFIC agrees to offer to AT&T so that AT&T may obtain and use unbundled Network Elements or PACIFIC services to provide services to its customers.

3.

2. Pacific Provision of Ancillary Functions

- 2.1. The Ancillary Functions that AT&T and PACIFIC have identified as of the Effective Date of this Agreement are access to Rights of Way, Collocation and E911 Arrangements. AT&T may use Ancillary Functions to provide any feature, function, or service option that such Ancillary Function is capable of providing or any feature, function, or service option that is described in the relevant technical references, or as may otherwise be designated by AT&T consistent with the Act, the regulations thereunder and relevant Commission decisions.
- 2.2. AT&T and PACIFIC agree that the Ancillary Functions identified in this Attachment 10 are not exclusive. Either Party may identify additional or revised Ancillary Functions as necessary to improve services to customers, to improve network or service efficiencies or to accommodate changing technologies, customer demand, or regulatory requirements. Upon the identification of a new or revised Ancillary Function, the Parties shall cooperate in an effort to negotiate mutually agreeable rates, terms and conditions for the provision of that Ancillary Function. If the Parties are unable to agree on the terms and conditions for a new or revised Ancillary Function that PACIFIC is required to offer under the terms of the Act, either Party may invoke the Alternative Dispute Resolution procedures established by Attachment 3.

3. Rights of Way (ROW) , Conduits, Pole Attachments

3.1. Definitions:

- 3.1.1. A Right of Way (ROW) is the right to use the land or other property of another Party to place poles, conduits, cables, other structures and equipment, or to provide passage to access such structures and equipment. A ROW may run under, on, or above public or private property (including air space above public or private property) and may include the right to use discrete space in buildings, building complexes or other locations.
- 3.1.2. A conduit is a tube or similar enclosure that may be used to house

communication or communication-related power cables. Conduit may be underground or above ground (for example, inside buildings) and may contain one or more inner ducts. An innerduct is a separate tube or enclosure within a conduit. The term "conduit" refers to conduit structures (including but not limited to ducts, manholes, handholes, central office vaults to which AT&T obtains access in connection with collocation, riser conduit and space within those structures) and does not include: (a) cables and other PACIFIC-owned telecommunications equipment located within conduit structures; or (b) controlled environment vaults, remote terminals, huts, cabinets or pedestals. See Attachment 6 for terms and conditions relating to Unused Transmission Media.

- 3.1.3. A pole attachment is the connection of a facility to a utility pole. Some examples of facilities are mechanical hardware, grounding and transmission cable, and equipment boxes. For purposes of this agreement, the term "pole" refers to poles (and associated anchors and riser conduit) which are owned or controlled by PACIFIC and does not include cables and other telecommunications equipment attached to a pole.

3.2. General Requirements

- 3.2.1. PACIFIC shall make ROW, conduit, and pole attachments available to AT&T in accordance with the Act, this Attachment 10, Section 3, and applicable regulations of the Commission. The Commission-adopted Rules Governing Access to Rights-of-Way and Support Structures of Incumbent Telephone and Electric Utilities set forth in Appendix A to Decision 98-10-058 dated October 22, 1998, as the same may be amended from time to time ("Commission's Right of Way Rules"), are incorporated herein by reference and shall apply except as modified by terms set forth in this Attachment.
- 3.2.2. To obtain access to PACIFIC's poles and conduits as described below, AT&T shall execute a separate Pole and Conduit License Agreement with PACIFIC, in the form attached as Appendix A. The form of agreement attached as Appendix A shall not be modified except by mutual consent of the Parties.
- 3.2.3. Certain additional implementation details relating to use of poles and conduit are set forth in the Pacific Bell/Nevada Bell Administrative Guide, and shall apply only to the extent not inconsistent with the time limits and other terms and conditions of this Agreement and the Commission's Right of Way Rules. In the event of any inconsistency between the Administrative Guide and this Agreement and the Commission's Right of Way Rules, this Agreement and the Commission's Right of Way Rules shall prevail.

- 3.2.4. PACIFIC shall provide AT&T with non-discriminatory and competitively neutral access, on a first-come, first-served basis, to ROW, conduit, ducts, poles that PACIFIC owns or controls.
- 3.2.5. Upon request, PACIFIC shall provide AT&T with non-discriminatory and competitively neutral access to building entrance facilities (including but not limited to conduit, equipment rooms and telephone closets that are owned or controlled by PACIFIC), provided the security of PACIFIC's facilities is maintained at all times. For some locations, AT&T personnel must be escorted, and the parties will negotiate a reasonable arrangement, including administrative costs, if any, for such escorted access.
- 3.2.6. PACIFIC shall make available to AT&T upon request vacant space in existing entrance facilities (e.g. conduit) into commercial buildings, subject to consent of the building owner or manager, up to the minimum point of entry to the extent PACIFIC owns or controls such facilities.
- 3.2.7. PACIFIC may not favor itself in granting access to a ROW, conduit or poles. PACIFIC shall not deny a request from AT&T for access to a ROW, conduit or pole on the basis that such space is reserved for PACIFIC's future business needs, except as provided in Section 3.2.8.1.
- 3.2.8. The same requirements shall apply to PACIFIC and AT&T with respect to the time interval for reserving conduit or pole capacity.
- 1.1.1.1. PACIFIC may deny AT&T access to a ROW, conduit or pole owned or controlled by PACIFIC on the basis of planned future use for the space only if PACIFIC can demonstrate that plans are in place for actual utilization or construction to begin within nine months. If PACIFIC does not begin substantial construction activity within nine months, AT&T must be allowed access to the pole or the support structure forthwith, ahead of PACIFIC or other requesting party, unless the delay is demonstrably attributable to the delay of a government agency in issuing a needed construction or similar permit, in which case PACIFIC may reserve the capacity for an additional period not to exceed nine more months, or unless the delay is demonstrably attributable to severely inclement weather, in which case PACIFIC may reserve the capacity for one additional day for each day of inclement weather, unless additional time is needed, in which case the Parties shall mutually agree to a longer time period.
- 1.1.1.2. AT&T shall have a period of nine months, beginning from the date on

which AT&T receives its access authorization from PACIFIC, within which to utilize the ROW, conduit or pole, or the facilities will revert to PACIFIC, unless the delay is demonstrably attributable to the delay of a government agency in issuing a needed construction or similar permit, in which case AT&T shall have an additional nine months to begin using the facilities, or unless the delay is demonstrably attributable to severely inclement weather, in which case AT&T shall have an additional day to begin using the facilities for each day of inclement weather, unless additional time is needed, in which case the Parties mutually agree to a longer time period.

- 3.2.9. PACIFIC may designate one innerduct in a multi-duct conduit (or, one duct, in the case of a multi-duct conduit where large sized copper cables are housed) for maintenance purposes for the benefit of all users of the conduit. No party shall use the maintenance innerduct (or the maintenance duct in the case of conduit housing copper cables) except for maintenance purposes.
- 3.2.10. In cases where PACIFIC reasonably believes that there is insufficient capacity to grant a request from AT&T for access to a ROW, conduit or pole attachment, PACIFIC must take all reasonable steps to accommodate AT&T's request and explore potential accommodations in good faith with AT&T.
- 3.2.11. In the event of an emergency affecting ROW, conduit or pole attachments made available by PACIFIC to AT&T, PACIFIC shall follow the mutually agreed upon Emergency Restoration Procedures set forth in Attachment 16.
- 3.2.12. PACIFIC shall provide to AT&T the names, numbers of the regional Single Points of Contact (SPOC) for administering all structure lease and ROW agreements within each defined geographical area.

3.3. Time Limits Applicable to Applications for Space

- 3.3.1. PACIFIC will accept or reject in writing as soon as possible, but in any event within forty-five (45) days, AT&T's written request for access to PACIFIC's conduit, poles or entrance facilities. PACIFIC's failure to respond within 45 days shall be deemed an acceptance of the request for access, provided, however, that in the event that a request for space involves more than 500 poles or 5 miles of conduit, requires the calculation of pole loads by a joint owner, or the scope and complexity of the request warrant longer deadlines, the response time shall be subject to the negotiations of the parties involved.
- 3.3.2. If PACIFIC denies an application by AT&T for conduit, pole space or entrance facilities, its denial must be specific, and include all relevant evidence

or information supporting the denial.

3.4. Time Limits Applicable to Access to Space

For each application by AT&T for access to PACIFIC-owned conduit or poles, PACIFIC shall issue AT&T a permit to occupy that space:

If no make-ready work is required, within 5 business days of receipt of advance payment, or,

If make-ready work is required, or within 5 business days after completion of that work.

3.5. Requests for Drawings

- 3.5.1. At AT&T's request, PACIFIC shall provide AT&T with detailed engineering records, drawings of conduit and poles and manhole layout details in selected areas as specified by AT&T within a reasonable time frame.
- 3.5.2. PACIFIC shall allow personnel designated by AT&T to examine conduit system or pole line diagrams, drawings or records at PACIFIC's offices, provided that, for security reasons, a separate room is available for such examination. PACIFIC will make copies of such engineering records for AT&T at AT&T's expense based on actual costs incurred by PACIFIC, or a mutually agreed upon third party will be permitted to examine the diagrams.

3.6. Pre-Order Requests for Information

- 3.6.1. AT&T may submit a written request for information to PACIFIC before submitting an application for conduit or pole space in a specified location.
- 3.6.2. PACIFIC shall provide information regarding the availability and condition of conduit or pole attachments within ten (10) business days of AT&T's written request for a records based answer and twenty (20) business days of AT&T's request for a field based answer. In the event AT&T's written request seeks information about the availability of more than five (5) miles of conduit or more than five hundred (500) poles, PACIFIC shall (1) provide an initial response within ten (10) business days; (2) use reasonable best efforts to complete its response within thirty (30) business days; and (3) if PACIFIC is unable to complete its response within thirty (30) business days or if the parties are unable to agree upon a mutually satisfactory long time period for PACIFIC's response, PACIFIC will hire outside contractors at AT&T's expense, not to exceed PACIFIC's customary charge for the same work, provided that before proceeding with such outside hiring, PACIFIC shall provide to AT&T the contractor's work

order and hourly rate.

- 3.6.3. AT&T shall have the option to be present at the field based survey and PACIFIC shall provide AT&T at least twenty-four (24) hours notice prior to start of such field survey. By prior arrangement, PACIFIC shall allow AT&T personnel, accompanied by a PACIFIC escort, to enter manholes and view pole structures.

3.7. Make Ready Work

- 3.7.1. PACIFIC shall complete the "make ready work" required on poles or within conduit to enable AT&T to install its facilities. PACIFIC may request up-front payment of its estimated costs for make-ready work. PACIFIC's estimate will be adjusted to reflect actual cost upon completion of the make-ready work. PACIFIC shall provide to AT&T, no later than thirty (30) days after the final inspection, a refund of any overpayment by AT&T for make-ready work or an invoice for any underpayment, together with an explanatory statement. Upon AT&T's request, PACIFIC shall supply to AT&T reasonable documentation of the cost basis for the make-ready charges. PACIFIC shall complete the "make ready work" as quickly as possible, not to exceed thirty (30) business days after receipt of advance payment from AT&T for the work, except that if PACIFIC requires longer than thirty (30) business days or if the parties are unable to agree upon a mutually satisfactory longer time period for completion of the make ready work, outside contractors may be hired at AT&T's expense to do the work. In that event, PACIFIC and AT&T shall confer and agree which Party shall hire the contractors. If AT&T hires the contractors, they must meet PACIFIC's reasonable standards. If PACIFIC hires the contractors, before proceeding with the work, PACIFIC shall provide to AT&T the contractor's work order and hourly rate, which shall not exceed PACIFIC's customary charge for the same work.

3.8. Pole Attachments

- 3.8.1. Pole Attachments will be placed in the space on the pole designated for communications use. This space is generally located below electric supply circuits and excludes the neutral space between the electrical and communication space.
- 3.8.2. PACIFIC shall not attach, or permit other entities to attach, facilities on existing AT&T facilities without AT&T's prior written consent, except that such consent shall not be required for attachments to facilities such as arms and brackets that are designed for more than one cable.
- 3.8.3. AT&T may, at its option, make pole attachments using AT&T or AT&T-designated personnel. AT&T shall follow the methods and

procedures for making pole attachments set forth in Commission General Order No. 95 and any additional standards provided to AT&T by PACIFIC.

3.9. Conduits:

- 3.9.1. To the extent that space is available as reasonably determined by PACIFIC, PACIFIC shall provide AT&T space in manholes for racking and storage of cable and other materials as requested by AT&T on a nondiscriminatory, first-come, first-served basis.
- 3.9.2. PACIFIC shall remove any retired cable from its conduit at AT&T's expense within a reasonable period of time if necessary to make conduit space available for AT&T.
- 3.9.3. Upon prior notice to PACIFIC, AT&T may conduct maintenance procedures in conduit space leased from PACIFIC. PACIFIC may dispatch a PACIFIC technician at AT&T's expense to oversee AT&T's work.
- 3.9.4. Subject to accepted industry safety and engineering standards, PACIFIC will permit manhole interconnections and breaking out of PACIFIC manholes for the benefit of AT&T. PACIFIC may not limit new duct entrances to pre-cast knockouts, provided that AT&T must obtain certification of a professional structural engineer ensuring that modifications (other than pre-cast knockouts) will not adversely impact the structural integrity of the manhole.
- 3.9.5. Subject to accepted industry safety and engineering standards, PACIFIC will not restrict, withhold or unreasonably delay any modifications to conduit systems necessary to allow access to and/or egress from such systems.

3.10. Innerducts

- 3.10.1. PACIFIC will permit AT&T, on a first-come, first-served basis, to license the use of innerducts in ducts in which PACIFIC already occupies an innerduct as long as one spare innerduct for maintenance purposes remains available. If an innerduct licensed by AT&T becomes defective, AT&T may use the spare maintenance innerduct as long as AT&T repairs the defective innerduct for use as a new maintenance spare as soon as possible.
- 3.10.2. Where spare innerduct does not exist, PACIFIC shall allow AT&T to install innerduct in a spare PACIFIC conduit, provided that AT&T complies with applicable law and PACIFIC's construction standards.

3.11. Access to Private Easements

- 3.11.1. PACIFIC shall not block any third party assignment of ROW to AT&T.

- 3.11.2. To the extent space is available, PACIFIC shall provide access to ROWs it has obtained from a third party to AT&T on a nondiscriminatory, first-come, first-served basis, provided that any underlying agreement with such third party permits PACIFIC to provide such access, and provided that AT&T agrees to indemnify PACIFIC for any liability arising out of such access or use.
- 3.11.3. PACIFIC will, upon request by AT&T, grant AT&T access to any private easement held by PACIFIC, in a mutually agreeable form of sub-easement, assignment or other appropriate access. PACIFIC's charge for such access shall be a pro rata portion of (a) the charge paid by PACIFIC to the grantor of the easement and (b) any other documented administrative and engineering costs incurred by PACIFIC in obtaining the original easement, both of which shall be determined on a case-by-case basis and calculated by taking into account (i) the size of the area to be used by AT&T and (ii) the number of users of PACIFIC's easement. AT&T shall also pay the reasonable documented administrative cost incurred by PACIFIC in processing such requests for access.

3.12. Dispute Resolution

- 3.12.1. If the parties are unable to agree on a matter involving access by AT&T to a ROW, conduit, innerducts, pole, entrance facility or private easement owned or controlled by PACIFIC, either Party may submit the matter to the dispute resolution process set forth in Attachment 3 to this Agreement or may invoke the Expedited Dispute Resolution Procedures in the Commission's Right of Way Rules.

4. Collocation

The Parties agree the Effective Date of this Agreement shall not bar either Party from invoking Section 8.3 of the Preface (General Terms and Conditions) of this Agreement to reflect the outcome in *GTE Service Corp. v. FCC*, 205 F3d 416 (DC Circuit 2000).

4.1. Service Description

- 4.1.1. Collocation arrangements provide for the collocation of AT&T equipment necessary for interconnection or for access to unbundled network elements of PACIFIC in or near PACIFIC's Eligible Structures. PACIFIC shall provide collocation arrangements to AT&T via Physical Collocation, subject to space availability, in or near PACIFIC's Eligible Structures. PACIFIC shall provide Virtual Collocation when Physical Collocation is not available for technical reasons or because of space limitations, or upon AT&T's request.
- 4.1.2. In any Eligible Structure in which all options for Physical Collocation offered by

PACIFIC have been exhausted, PACIFIC shall not provide additional collocation space beyond what PACIFIC or its affiliates are currently using and/or have reserved in that Eligible Structure.

1.2. General Terms and Conditions Applicable to Collocation

1.2.1. Security Procedures.

- 1.2.1.1. Protection of PACIFIC's and AT&T's equipment is crucial to each Party's ability to offer service to its customers. Therefore, each Party may impose reasonable security measures on the other to assist in protecting networks and equipment from harm, and each Party shall comply with the reasonable security measures of the other.
- 1.2.1.2. PACIFIC shall establish procedures for PACIFIC's employees, security guards and employees and representatives of other collocators to access the areas of Eligible Structures housing telecommunications equipment. Those procedures shall limit access to those employees, agents or invitees having a business need to be in these areas. AT&T shall have direct access to its physically collocated equipment 7 days a week, 24 hours a day. PACIFIC shall require all persons entering the collocation equipment areas to wear identification badges.
- 1.2.1.3. PACIFIC shall install security studs in the hinge plates of doors having exposed hinges if such doors lead to spaces which contain or house AT&T equipment or equipment enclosures. PACIFIC shall use reasonable measures to control unauthorized access from passenger and freight elevators to spaces which contain or house AT&T equipment or equipment enclosures.
- 1.2.1.4. PACIFIC shall use electronic controls to protect all spaces which house or contain AT&T equipment or equipment enclosures, or, if electronic controls are not available, PACIFIC shall furnish security guards at those PACIFIC locations that are not already protected by security guards on a seven (7) day per week, twenty-four (24) hour a day basis. In all cases, PACIFIC shall permit AT&T to install silent intrusion alarms back to AT&T manned sites. AT&T agrees that PACIFIC shall be the single point of contact with all law enforcement authorities or public agencies with respect to problems or alarms related to AT&T's equipment or equipment enclosures located on PACIFIC's

premises. In no event will AT&T contact law enforcement authorities or public agencies as a result of a silent alarm.

- 1.2.1.5. With respect to Physical Collocation, PACIFIC shall furnish to AT&T a current written list of PACIFIC's employees who PACIFIC authorizes to enter spaces which house or contain AT&T equipment or equipment enclosures, with samples of the identifying credentials to be carried by such persons.
- 1.2.1.6. With respect to Physical Collocation, PACIFIC agrees not to use car access readers and devices that use cards which are encoded identically (or that use mechanical coded locks) on doors to cages or other enclosures which house AT&T equipment. PACIFIC shall furnish AT&T with all keys, entry codes, lock combinations, or other materials or information which may be needed to gain entry into any secured space housing AT&T's physically collocated equipment. Keys used in PACIFIC's keying systems for AT&T equipment enclosures shall be limited to PACIFIC employees and representatives for emergency access only. AT&T shall have the right to require PACIFIC to change locks at PACIFIC's expense where there is evidence of inadequate security. In all other cases, AT&T may require PACIFIC to change locks at AT&T's expense.
- 1.2.1.7. PACIFIC shall design collocation cages, when provided by PACIFIC to prevent unauthorized access. In such instances, PACIFIC shall not increase the cost of providing the cage.
- 1.2.1.8. Additional provisions concerning security for Physical Collocation arrangements appear in Sections 4.3.5 through 4.3.10.
- 1.2.1.9. PACIFIC shall allow AT&T security personnel to audit the collocation area at a PACIFIC location for compliance with security procedures. If a security issue arises or if AT&T believes that PACIFIC's security measures fail to meet AT&T's requirements, AT&T shall notify PACIFIC and the Parties shall work together to address the problem. PACIFIC shall provide notification within two (2) hours to designated AT&T personnel to indicate an actual or attempted security breach.
- 1.2.1.10. PACIFIC represents that its security measures for AT&T are no more stringent than the security arrangements PACIFIC maintains at its own Eligible Structures either for its own employees or for authorized contractors, except for

certain reasonable security measures that will assist in protecting PACIFIC's network and equipment from harm, as permitted by the Advanced Services Order.

- 1.2.1.11. PACIFIC will not use any information collected in the course of implementing or operating security arrangements for any marketing or other purpose in aid of competing with AT&T.
- 1.2.1.12. AT&T technicians will be required to be knowledgeable of PACIFIC security standards. AT&T personnel and technicians will undergo the same level of security training, or its equivalent, that PACIFIC's own employees and authorized contractors must undergo for the same type of access. PACIFIC shall not, however, require AT&T to receive security training from PACIFIC, but rather shall provide information to AT&T on the specific type of training required. AT&T may then provide security training to its own employees. PACIFIC shall provide to AT&T a copy of PACIFIC's qualification program and security training details within fifteen (15) days after the effective date of this Agreement and shall give sufficient advance notice of any changes so that AT&T can accommodate the changes without delaying installation or other work in connection with a collocation arrangement. If insufficient notice is given, PACIFIC shall offer expedited procedures, at no additional charge, to assure that there is no delay in scheduled installations or other work.
- 1.2.1.13. AT&T and PACIFIC will each establish disciplinary procedures up to and including dismissal or denial of access to the Eligible Structure and other PACIFIC property for certain specified actions that damage, or place the equipment, facilities, or the network or personnel of AT&T or PACIFIC in jeopardy. The following are actions that could damage or place the Eligible Structure, or the network or the personnel of AT&T or PACIFIC, in jeopardy and may justify disciplinary action up to and including dismissal or the denial of access to the Eligible Structure and other PACIFIC property: (a) theft or destruction of PACIFIC's or AT&T's property (b) use or attempted use/sale of alcohol or illegal drugs on PACIFIC's property; (c) industrial espionage; (d) threats or violent acts against other persons on PACIFIC's property; (e) knowing violations of any local, state or federal law on PACIFIC's property; (f) permitting unauthorized persons access to PACIFIC's

or AT&T's equipment on PACIFIC's property; (g) carrying a weapon on PACIFIC's property.

- 1.2.1.14. PACIFIC reserves the right to require AT&T, from time to time, to follow special security procedures which are also imposed on PACIFIC, its Affiliates, or their contractors, including access to the Eligible Structures for national security reasons.
- 1.2.1.15. PACIFIC's segregation of its own equipment for security reasons will not be a basis for a claim that space is exhausted. PACIFIC shall not charge AT&T, either directly or indirectly, for implementing such security measures, unless such charges have been approved by the Commission in the OANAD proceeding or other similar rulemaking proceeding concerning collocation costs.
- 1.2.1.16. Security Cameras. PACIFIC reserves the right to install security cameras in appropriate locations in order to protect its network and equipment from harm.
- 1.2.1.17. The security procedures set forth in this Section 4.2.1 are interim procedures. The final security arrangements applicable to this ICA will be determined in the Collocation Phase of OANAD.

1.2.2. Quotes

- 1.2.2.1. When responding to an application when the collocation space is available, PACIFIC shall provide a detailed quotation setting forth charges for each applicable rate element, including but not limited to the rate elements set forth below and any adopted by the Commission. Where charges are based on linear feet, PACIFIC shall include the number of linear feet used for each rate element calculation.
 - Planning
 - Infrastructure Area Charge
 - Cage Preparation
 - Land & Building
 - Cable Racking
 - Entrance Fiber
 - Power Delivery

- Power Consumption
- Security Access Cards
- HVAC
- Relay Rack
- Equipment Bay
- Network Cabinet
- AC Outlet
- POT Frame Enclosure
- Timing Lead Network Equipment Bay Rack
- Network Cabinet Bay Rack

1.2.3. Orders for Additional Space. An order for additional space will be treated as an augment. To the extent possible, PACIFIC will not fill cages or bays consecutively but will fill them in a manner that would allow for contiguous growth. However, if other collocators want to collocate in that Eligible Structure and the unassigned contiguous space is needed, the space will be granted to the first collocator submitting an application and the requisite fee and deposit or surety bond. AT&T may augment its collocation space when it reaches a 60% utilization rate and may begin the application process prior to reaching the 60% utilization rate if AT&T expects to achieve 60% utilization before the process is completed. If PACIFIC uses a lower utilization rate for augmenting space for its own use or that of its Affiliates, the lower utilization rate shall apply to augmentation of AT&T's collocation space as well. If PACIFIC denies an application from AT&T based on under-utilization, the denial shall be accompanied by written certification from PACIFIC that the utilization rate used for determining when augmentation is allowed for its own space and that of its Affiliates is at least 60%.

1.3. Additional Terms and Conditions for Physical Collocation

1.3.1. Physical Collocation includes standard cage, shared cage, cageless, adjacent structure and other technically feasible collocation arrangements as described in the FCC's First Report and Order, FCC 99-48, CC Docket No. 98-147, released March 31, 1999. Physical collocation shall be provided pursuant to PACIFIC's physical collocation tariff, Schedule Cal. P.U.C. No. 175-T, Section 16, except for rates which are set forth in Attachment 8 and except as otherwise provided herein. Where they differ, the terms and conditions of this Agreement shall take precedence over PACIFIC's Schedule Cal. P.U.C. No. 175-T, Section 16. To the extent that terms and conditions for a specific form of Physical Collocation are not contained in PACIFIC's Schedule Cal P.U.C. No. 175-T, Section 16, the terms and conditions set forth in PACIFIC's Advice Letter No. 20412 shall

be applicable on an interim basis, except for rates which are set forth in Attachment 8 and except as otherwise provided herein. Any physical collocation terms and conditions approved by the Commission, shall replace the terms and conditions described above prospectively at such time as the Commission decision becomes effective.

- 1.3.2. Adjacent Off-Site Arrangement. PACIFIC will permit AT&T to place equipment in an adjacent off-site location, to the extent technically feasible. For adjacent off-site arrangements, AT&T will place equipment near PACIFIC's premises. AT&T will arrange for its own rights-of-way and provide cabling at the nearest manhole to the Eligible Structure with enough slack to be pulled into the cable vault. AT&T will provide all components of the arrangement except connectivity. On an interim basis the rates in Attachment 8, Appendix B for adjacent off-site collocation shall apply to the arrangements described in this section. This Agreement shall be modified by the Parties to conform to the determination in the Collocation Phase of the OANAD proceeding as to whether this off-site arrangement should be treated as "interconnection" or "collocation".
- 1.3.3. Existing Condominium Arrangements. When AT&T and PACIFIC are located in a "condominium" or "three dimensional conveyance" building, or a building for which there is a Shared Network Facilities Agreement (SNFA) between the parties, AT&T shall be allowed to locate, in AT&T's wire center, equipment necessary for interconnection or access to unbundled Network Elements. The Parties agree that the interim rates in Attachment 8, Appendix B for adjacent off-site arrangements shall apply to the condominium arrangement described in this section. AT&T's equipment shall be connected to PACIFIC's network at the DSO, DS1, DS3, OC3, OC12, OC48, and other rates that are established as an industry standard, subject to any technical limitations on the distance between wire centers. AT&T shall be responsible for the connection between AT&T's wire center and PACIFIC's facilities. Should AT&T elect to place a Physical Collocation in PACIFIC's wire center, AT&T shall be allowed to cable directly between the AT&T wire center in the building to the AT&T collocation in PACIFIC's wire center without having to go off premise. This Agreement shall be modified by the Parties to conform to the determination in the Collocation Phase of the OANAD proceeding as to whether adjacent off-site arrangements (which would include arrangements in "condominium" or "three dimensional conveyance" buildings, or buildings for which there is a Shared Network Facilities Agreement (SNFA) between the Parties) should be called "interconnection" or "collocation".
- 1.3.4. DC Power
- 1.3.4.1. PACIFIC will provide to AT&T's collocation arrangements, negative volt battery backed DC power to power AT&T's equipment. Pacific will

provide two (2) cable options. For AT&T's caged arrangements, Pacific shall offer power increments of 40, 100 and 200 AMPS. PACIFIC will provide the necessary back-up power to ensure against power outages. PACIFIC's power equipment supporting AT&T's equipment shall comply with all applicable state and all applicable technical publications or manufacturer's equipment power requirement specifications for equipment installation, cabling practices, and physical equipment layout.

- 1.3.5. Entry Into Dedicated Space. PACIFIC may make arrangements to enter AT&T's Dedicated Space by giving advance notice of the desired time and purpose of the entry (e.g., to examine condition of the Dedicated Space, make repairs required to be made by the PACIFIC hereunder, and for any other reasonable, mutually agreeable purpose). Non-emergency entry shall be subject to AT&T's approval, which shall not be unreasonably withheld. PACIFIC may, at any time, access the Dedicated Space for purpose of averting any immediate threat of harm imposed by AT&T's equipment or facilities upon the operation of the PACIFIC's equipment, facilities and/or personnel located outside of the Dedicated Space; in such case, PACIFIC will notify AT&T by telephone before the entry or as soon thereafter as practicable, and will leave written notice of entry in the Dedicated Space, including the reason for entry, corrective actions taken, and any other pertinent information about the entry. In averting the threat, PACIFIC shall follow the same methods and procedures as it would follow to protect its own space and equipment under similar circumstances.
- 1.3.6. List of Individuals Requiring Access. AT&T will supply PACIFIC with a list of its employees, contractors, and vendors who require access. AT&T will notify PACIFIC, within 24 hours of its determination, of any employees, contractors, and vendors who are no longer authorized to have access to AT&T's Dedicated Space in any Eligible Structure, and shall return all available keys, access cards, and identification cards to PACIFIC within 7 days. At AT&T's request, PACIFIC shall deactivate any access cards that AT&T is unable to retrieve from personnel who are no longer authorized to have access. PACIFIC shall deactivate the cards within 2 hours after receipt of AT&T's request. All available credentials and access cards shall be returned upon termination of the Dedicated Space. AT&T will immediately notify PACIFIC of any lost, stolen, or damaged identification and/or access cards or keys. Replacements will be provided at rates the set forth in Attachment 8.
- 1.3.7. Access Card System. For PACIFIC locations which are equipped with secured access to the Collocation Area, PACIFIC will provide access to AT&T via access cards. PACIFIC shall provide an alternative form of access for use when the access card system is inoperable.
- 1.3.8. Central Entrance and Direct Access. PACIFIC will provide AT&T with a central

entrance to the Eligible Structure and direct access to its equipment.

1.3.9. Security Devices. AT&T will not use security devices other than those types approved by PACIFIC for the Dedicated Space, which approval shall not be unreasonably withheld.

1.3.10. Identification. PACIFIC will issue appropriate identification credentials and access cards for AT&T employees, contractors and vendors. The identification credentials shall be worn at all times while such personnel are in or on PACIFIC property, including the Dedicated Space. Personnel without proper identification will be refused access and escorted off PACIFIC's premises.

1.4. General Terms and Conditions Applicable to Microwave and Virtual Collocation

1.4.1. The following terms and conditions contained in Section 4.4 of this Attachment are applicable solely to microwave and virtual collocation arrangements.

1.4.1.1. Obligation to Provide Service. PACIFIC shall make collocation available to AT&T on a basis that is at least equal in quality, price, and priority that PACIFIC provides to other carriers.

1.4.1.2. Charges for microwave and virtual collocation are subject, to the extent possible, to true up to the outcome of the Collocation Phase of the OANAD proceeding. To the extent this Agreement provides for charges that are not expressly disapproved by the Commission in the Collocation Phase of the OANAD proceeding, those charges shall remain applicable to this Agreement.

1.4.1.3. Termination and Cancellation of a Collocation Arrangement by PACIFIC.

1.4.1.3.1. PACIFIC shall have the right to terminate a collocation arrangement upon closure of a wire center in which the arrangement is located by providing written notice 180 days before the closure of the wire center.

1.4.1.3.2. PACIFIC shall have the right to terminate a collocation arrangement upon sale of an Eligible Structure in which the arrangement is located by providing written notice 180 days before the sale of the Eligible Structure.

1.4.1.3.3. PACIFIC shall have the right to terminate a collocation arrangement where the space becomes the subject of a taking under eminent domain. PACIFIC will notify AT&T of the taking and shall identify a reasonable schedule for removing AT&T's equipment and property. Where such notice has been given and a

removal schedule established, AT&T shall have no claim against PACIFIC for relocation expenses or any part of any award or any value of any unexpired term of service. Nor shall AT&T have any claim against PACIFIC for any loss of business from full or partial interruption or interference due to any termination, provided PACIFIC gives notice as required above and AT&T cooperates with scheduling removal of equipment. AT&T may pursue its own claim against the eminent domain authority ordering the taking of the Eligible Structure.

1.4.1.3.4. PACIFIC may terminate a collocation arrangement if there has been partial or total damage or destruction of an Eligible Structure and PACIFIC decides not to repair or rebuild any part of the Eligible Structure. PACIFIC shall inform AT&T of its decision not to repair or rebuild within 180 days after the damage or destruction occurs.

1.4.2. Responsibility for Damage. Subject to the limitation of liability provisions in the Preface of this Agreement, each party shall be responsible for any loss, damage or injury to the other Party's network, equipment or facilities occurring as a result of the negligence of willful misconduct of the Party (including its employees, vendors, contractors or agents).

1.4.3. Indemnification and Insurance. In connection with collocation arrangements, indemnification will be provided by the Parties in accordance with Section 11 of the Preface of this Agreement. AT&T will meet reasonable insurance requirements to cover damages caused by the negligence or willful misconduct of AT&T's employees, vendors, contractors or agents while on PACIFIC's premises, provided PACIFIC provides AT&T with documentation setting forth those requirements. AT&T will require its contractors to meet reasonable insurance requirements to cover damages caused by the contractors' negligence or willful misconduct while on PACIFIC's premises at a level commensurate with the insurance required of PACIFIC's authorized contractors with equivalent access, provided PACIFIC provides AT&T with documentation setting forth those requirements and written certification that the requirements apply to its contractors. Insurance obligations for AT&T and PACIFIC may be met through self-insurance.

1.4.4. Obligations for Permits and Licenses and Extraordinary Costs. PACIFIC will obtain and pay for any permits required to establish the collocation area. Except as provided above, AT&T is responsible for obtaining any other licenses and permits.

1.4.4.1. Any modification or upgrades PACIFIC is required to make to its Eligible Structure or cable space under building or fire codes or regulations, or the Americans with Disabilities Act, or in compliance with any

other governmental regulation or safety requirement, resulting from any actual or planned use of the collocation space by AT&T shall be done at the sole cost and expense of AT&T.

- 1.4.4.2. AT&T will be responsible for any additional taxes, charges or assessments made against PACIFIC and its property as a result of AT&T's collocation in PACIFIC's Eligible Structures.
- 1.4.5. Contact Numbers. Each Party shall provide the other with a contact number for technical personnel, including personnel responsible for clearing trouble reports, who are readily accessible 24 hours a day, 7 days a week. Each Party shall provide to the other a current local contact and telephone contact number that is readily accessible 24 hours a day, 7 days a week. In addition, for all activities requiring verbal and written notification, the Parties will provide the contact numbers included in the application process.
- 1.4.6. Assignment of Collocation Arrangements. AT&T may assign or transfer the use of collocation arrangements to an entity that meets all legal requirements necessary to obtain collocation space in PACIFIC's Eligible Structures, provided that the assignee has assumed all of AT&T's outstanding indebtedness for and obligations associated with the arrangements. AT&T is responsible for providing PACIFIC with all documentation necessary to determine that the assignee or transferee meets all legal requirements necessary to obtain collocation space in PACIFIC's Eligible Structures. In all cases of assignment or transfer, the written acknowledgment of PACIFIC is required prior to such assignment or transfer, which acknowledgment shall be made within 30 days from the receipt of notification and the necessary documentation to determine that the assignee or transferee meets all legal requirements necessary to obtain collocation space in PACIFIC's Eligible Structures. Such acknowledgment shall not be unreasonably withheld.
- 1.4.7. Cable Placement & Removal
 - 1.4.7.1. PACIFIC will designate an interconnection point for each entrance into an Eligible Structure as close as reasonably possible to PACIFIC's premises. PACIFIC will provide two (2) entrances points, where available. AT&T will construct its fiber optic cable to the interconnection point location. AT&T is responsible for placing its cable from the interconnection point into the central office vault and providing sufficient cable length for PACIFIC to extend and remove such cable to terminate where AT&T-owned equipment will be placed in the Eligible Structure.
 - 1.4.7.2. A maximum of four (4) fiber cables, each not to exceed 1.5 inches in

diameter, may be placed from the point(s) of entry to AT&T's collocation space(s). Cable placement subsequent to the first two cables into an office will be at the discretion of PACIFIC, dependent upon the physical limitations of the available conduit entrance facility. PACIFIC will furnish observer(s) when AT&T is pulling cable within a vault, splicing in a vault, or performing other critical tasks. AT&T will pay the labor rates pursuant to PACIFIC's applicable tariff.

- 1.4.8. Work Stoppages. In the event of work stoppages, a separate entrance will be established for AT&T, where possible, at no additional cost.
- 1.4.9. Environmental Conditions. PACIFIC shall provide adequate lighting, ventilation, power, heat, air conditioning, and other environmental conditions for AT&T's collocation space and equipment similar to what PACIFIC provides for its equipment. These environmental conditions shall comply with TP76300MP or other recognized industry standards upon which the Parties may mutually agree.
- 1.4.10. Non-Emergency Work. PACIFIC shall provide AT&T with written notice ten (10) business days before PACIFIC or its subcontractors perform non-emergency work that may affect AT&T's collocation space or equipment. PACIFIC will inform AT&T by telephone of any emergency-related activity that PACIFIC or its subcontractors may be performing that may affect AT&T's collocation space or equipment. Notification of any emergency-related activity shall be made as soon as practicable after PACIFIC learns that such emergency activity is necessary.
- 1.4.11. Performance Standards. Except where required by law, PACIFIC shall not impose any performance standards, except for safety, on AT&T's collocated equipment.
- 1.4.12. PACIFIC's Fire, Safety and Environmental Standards. In using collocation arrangements, AT&T, and its agents and contractors, shall abide by fire, safety, and environmental policies and practices of PACIFIC.
- 1.4.13. Waste and Nuisance. Neither AT&T nor PACIFIC shall cause, maintain, or permit any nuisance in, on or about AT&T's Dedicated Space or in any part of PACIFIC's property. Neither AT&T nor PACIFIC shall commit or suffer to be committed any waste in or upon AT&T Dedicated Space or in any part of PACIFIC's property.
- 1.4.14. Access to Parking and Health Related Facilities. PACIFIC shall provide reasonable access to health related facilities (restrooms, eyewash stations, shower stations, drinking water, etc.), as well as parking, at PACIFIC's Eligible Structures.
- 1.4.15. Telephone Service. AT&T may order, separately, from PACIFIC, exchange telephone service that may be used only for required testing and

maintenance purposes in the licensed collocation space.

- 1.4.16. Customer Premises Designation. PACIFIC shall not deny service to AT&T on the grounds that its collocation space in an Eligible Structure is not a customer premise.
- 1.4.17. Any major revision to an application will be treated as a new application following the guidelines set forth below, and will be subject to the time intervals set forth above.
- 1.4.18. Revisions to Application. AT&T reserves the right to change the make and/or model of equipment to be collocated provided that the power requirements, size and heat dissipation of the substituted equipment is not significantly different than the originally specified equipment. Such changes shall not affect the installation interval unless the design or actual provisioning of the collocation arrangement have commenced and the changes require a modification of the design or the actual arrangement. All revisions to an initial request for a collocation arrangement submitted by AT&T must be in writing via a new application form. A new interval for the collocation arrangement will be established if the revision causes a modification to the design or actual arrangement as noted above or if the revision is major. A major revision will include: adding telecommunications equipment that requires additional electrical power; changes in the configuration of the cage; an increase of 10% or more of the square footage of the cage area requested; and adding design and engineering requirements above those which PACIFIC normally deploys and practices (e.g., redundancy of certain mechanical and electrical systems). However, except as noted above, minor revisions will not require that a new interval be established. Examples of minor changes include: adding bays of equipment that do not significantly impact the existing/proposed electrical systems; adding light fixtures and outlets which do not exceed the capacity of the existing/proposed electrical system; and adjustments to the heat release projection which do not cause a change in the proposed/existing mechanical system. If the revision is major, AT&T will be required to pay. No additional application fees shall be applicable if the revision is minor. All engineering design work that is determined not to be major is deemed to be minor.
- 1.4.19. Orders for Additional Space. An order for additional space will be treated as an augment. To the extent possible, PACIFIC will not fill cages or bays consecutively but will fill them in a manner that would allow for contiguous growth. However, if other collocators want to collocate in that Eligible Structure and the unassigned contiguous space is needed, the space will be granted to the first collocator submitting an application and the requisite fee and deposit or surety bond. AT&T may augment its collocation space when it reaches a 60% utilization rate and may begin the application process prior to reaching the 60% utilization rate if AT&T

expects to achieve 60% utilization before the process is completed. If PACIFIC uses a lower utilization rate for augmenting space for its own use or that of its Affiliates, the lower utilization rate shall apply to augmentation of AT&T's collocation space as well. If PACIFIC denies an application from AT&T based on under-utilization, the denial shall be accompanied by written certification from PACIFIC that the utilization rate used for determining when augmentation is allowed for its own space and that of its Affiliates is at least 60%.

1.4.20. Nonrecurring Charge Proration. PACIFIC shall prorate nonrecurring charges for space preparation, so the first collocator in an Eligible Structure will not be responsible for the entire cost of site preparation. However, ancillary charges for unique AT&T requests for collocation options directly attributable to AT&T will not be pro-rated. Examples include power arrangements, remote switch module related options and POT bay related options. PACIFIC shall refund nonrecurring charges for cage installation to AT&T if AT&T surrenders its occupied Dedicated Space and if that space is subsequently needed by another collocator.

1.4.21. Cancellation of Collocation Arrangement. In the event that AT&T cancels a collocation arrangement prior to the Dedicated Space turnover date, PACIFIC will refund any payments made by AT&T less costs reasonably incurred by PACIFIC prior to receipt of AT&T's cancellation notice. PACIFIC shall assign the space to the next collocator requesting space in that Eligible Structure. When the Dedicated Space is subsequently assigned to another collocator, PACIFIC shall refund the nonrecurring charges retained by PACIFIC to the extent PACIFIC is able to obtain those nonrecurring charges from the new collocator.

1.4.21.1. PACIFIC shall have the right to cancel collocation service if:

- AT&T fails to timely pay any rate or charge and still fails to pay within 30 days of written notice.
- AT&T breaches any provision of this tariff and fails to cure the breach within 45 days of written notice.

PACIFIC may individually cancel collocation service in a wire center without prior notice if, in the opinion of PACIFIC, a serious security breach is committed by AT&T.

1.4.22. Discontinuance and Termination of a Collocation Arrangement. AT&T must provide written notice of discontinuance of a collocation arrangement at least 30 days prior to the actual discontinuance. Upon the discontinuance of service, AT&T shall surrender the Dedicated Space or land for an Adjacent Structure to PACIFIC, in the same or better condition as when first occupied by AT&T, except for ordinary wear and tear. AT&T agrees to remove its equipment from the Dedicated Space within 30 days after the discontinuance date. Monthly rates will apply until all non-PACIFIC

equipment and facilities are removed from PACIFIC property, unless otherwise agreed to by PACIFIC. Any equipment not removed within the timeframe specified above, may be removed by PACIFIC and stored in a non-PACIFIC location, at the expense of AT&T. Notwithstanding the foregoing, any cabling, wiring and conduit installed by or for AT&T in connection with use of the collocation space may, at AT&T's option, remain a part of the Eligible Structure, and in that case shall be deemed the property of PACIFIC as of the discontinuance date.

- 1.4.23. Installation and Removal Procedures. Installation and removal of AT&T's equipment shall comply with PACIFIC's technical publication for installation requirements as specified in TP76300MP, electrical and engineering standards, and fire, safety, health, environmental, and network safeguards, established by PACIFIC.
- 1.4.24. Relocation of Equipment. PACIFIC or AT&T may request that AT&T's facilities or equipment be relocated to another space in an Eligible Structure PACIFIC has deemed suitable for collocation. If equipment is relocated, the Parties shall cooperate in coordinating the construction and relocation, with the cost to be borne by the Party requesting or requiring the relocation. However, if PACIFIC's request to relocate AT&T's equipment is based upon compliance with governmental regulation or safety requirements, then the cost of relocation will be borne by AT&T. PACIFIC will make all reasonable efforts to minimize disruptions of AT&T's services during relocation. If PACIFIC deems it necessary to relocate AT&T's equipment or facilities for reasons other than an emergency, PACIFIC will provide at least 180 days advance written notice.
- 1.4.25. Equipment Ownership and Equipment Standards. AT&T will retain ownership of all equipment and facilities placed in or on PACIFIC property for the duration of its facilities and equipment presence in or on PACIFIC property. All collocated equipment and facilities shall comply with PACIFIC's Technical Publication 76200MP, with regard to network power, grounding, environmental and physical design, engineering and electrical standards, and other environmental standards. AT&T's collocated equipment shall also comply with industry safety standards. AT&T shall be required to obtain approval from PACIFIC to make improvements or alterations to collocated equipment configurations that do not require additional power. Such approval will not be unreasonably withheld.
- 1.4.26. Types of Equipment Permitted in Dedicated Space. AT&T may locate any type of equipment used or useful for interconnection or access to unbundled network elements, regardless of whether such equipment includes a switching functionality, or provides enhanced services capabilities. PACIFIC will permit, without limitation, the collocation of equipment such as DSLAMs, routers, ATM multiplexers, and remote switch modules, in PACIFIC Eligible Structures. PACIFIC shall not place any limitations on

the ability of AT&T to use all the features, functions, and capabilities of collocated equipment, including but not limited to, switching and routing features and functions. AT&T will certify in writing to PACIFIC that the equipment is used and useful for interconnection or access to unbundled network elements. PACIFIC may deny the collocation of equipment that is not necessary for either access to unbundled network elements or for interconnection, such as equipment used exclusively for switching or enhanced services. Whenever PACIFIC objects that collocation of AT&T equipment is not for purposes within the scope of Section 251(c)(6) of the Act, PACIFIC shall prove to the Commission that the equipment will not be actually used by AT&T for the purpose of obtaining interconnection or access to unbundled network elements.

1.5. Additional Terms and Conditions Applicable to Microwave Collocation.

In addition to terms and conditions applicable to all types of Physical Collocation, the following terms and conditions shall apply to microwave collocation. With respect to microwave collocation, in the event of any conflict or inconsistency between this Section 4.5 and other terms and conditions applicable to Physical Collocation, the terms and conditions in this Section 4.5 shall take precedence.

- 1.5.1. Obligation to Provide Microwave Collocation. This Agreement shall be modified by the Parties, if necessary, to conform to the determination in the Collocation Phase of the OANAD proceeding as to whether microwave arrangements should be treated as "entrance facilities" or "collocation". Where technically feasible, and subject to the limitations and terms described herein, PACIFIC will provide for Physical Collocation of AT&T microwave equipment, including supporting masts and microwave antenna(e), necessary for interconnection or access to unbundled Network Elements, on the rooftops or other suitable exterior spaces of PACIFIC's Eligible Structures. PACIFIC shall provide unobstructed line-of-sight for microwave collocation where technically feasible, but such line-of-sight is not guaranteed to be available.
- 1.5.2. Preliminary Site Visits. AT&T may, at its option, request a site visit, in writing, setting forth the names of the Eligible Structure(s) AT&T wishes to visit for potential microwave collocation. The purpose of the site visit is to determine whether an unobstructed line-of-sight microwave collocation is technically feasible. Site visits shall not obligate AT&T to request, or PACIFIC to provide, microwave collocation at that Eligible Structure. The site visit will take place within 10 business days of receipt by PACIFIC of AT&T's site visit request or at such later date as may be mutually agreed by the parties. However, if the site is not accessible by automobile, the site visit will take place within 20 business days of receipt by PACIFIC of AT&T's site visit request or at such later date as may be mutually agreed by the parties. AT&T will submit a site visit request fee of \$250.00 for

each site requested with each site visit not to exceed two hours from when the parties enter the Eligible Structure. For site visits that take longer than two hours, PACIFIC will charge AT&T on a per hour basis for each hour after the first two hours. Where Pacific demonstrates that no automobile access to a site is available, AT&T agrees to pay charges for alternative transportation for the preliminary site visit.

1.5.3. Microwave Collocation Application. AT&T shall submit an application form for each Eligible Structure when AT&T seeks microwave collocation. There will not be a separate application fee for the placement of microwave facilities when AT&T installs such facilities at the time it establishes a new Physical or Virtual collocation arrangement. When AT&T submits an application to install its microwave facilities to supplement an existing collocation arrangement, AT&T shall pay the planning fee for subsequent requests, as set out in Attachment 8. AT&T shall specify in the application whether PACIFIC should provide a "Track A" or "Track B" quote, or both, as described more fully below. AT&T shall indicate whether it is applying for a non-penetrating roof mount (NPRM), parapet mount, wall mount, ground or tower mount. For each microwave collocation application submitted, AT&T shall pay an application fee as set forth in Attachment 8. The application fee shall be due and payable with submission of the microwave collocation application.

1.5.4. Post-Application Site Visits. If a preliminary site visit has not been performed prior to AT&T's submission of a microwave collocation application, the Parties shall visit the Eligible Structure where microwave collocation has been requested to determine whether an unobstructed line-of-sight is technically feasible. If an unobstructed line-of-sight appears to be technically feasible, then PACIFIC will develop a quote(s) for the microwave collocation, as set forth below. If an unobstructed line-of-sight does not appear to be technically feasible, within ten (10) days of the site visit PACIFIC will provide AT&T a written statement explaining why line-of-sight microwave collocation is not technically feasible.

1.5.5. Preparation of Quote(s)

1.5.5.1. Within thirty (30) days of receiving a microwave collocation application from AT&T, PACIFIC will provide, as more fully described below, (1) a written assessment (2) Track A and/or Track B quote(s) and (3) a quote for the monthly recurring charges. A Track A quote shall state that PACIFIC will be responsible for performing the necessary microwave collocation work.

1.5.5.2. AT&T may, under Track B, retain PACIFIC-approved contractors to provide the necessary work for the microwave collocation arrangement or perform the work itself, if AT&T is an PACIFIC-approved contractor. Any such contractors that will require access to Pacific's premises

shall be approved by Pacific, as described in Section 4.3.17 (Use of Contractors). If AT&T elects to subcontract the work for the microwave collocation arrangement or to perform the work itself, PACIFIC may choose to monitor and/or supervise such work and may bill AT&T reasonable expenses associated with such monitoring. PACIFIC or its designated subcontractors shall perform all necessary work outside of the microwave collocation arrangement (including work associated with power and building modifications) unless otherwise agreed to by the Parties. AT&T shall reimburse PACIFIC for performing such work. In any event, all work performed shall be done exclusively by PACIFIC-approved contractors. The quote(s) shall reflect the specifications submitted by AT&T.

- 1.5.6. Written Assessment - In connection with the quote, PACIFIC shall provide a written assessment that includes the following: _
- 1.5.6.1. A statement of technical feasibility; _
 - 1.5.6.2. Support structure requirements (i.e., PACIFIC shall indicate whether AT&T's request for a non-penetrating roof mount, parapet mount, wall mount, ground mount or tower mount is granted); _
 - 1.5.6.3. Preliminary construction drawings that show the relevant roof plan, elevations as necessary, support structure detail and floor loadings for roof; and
 - 1.5.6.4. Electrical drawings.
- 1.5.7. Acceptance of Quote. AT&T shall accept, reject or request changes within 45 days from receipt of quote. To accept a quote, AT&T shall so state in writing and shall pay PACIFIC 50% of the total estimated non-recurring charges with the balance due upon completion of the microwave collocation area and any necessary supporting electrical or building modification work after the final method of procedure meeting as set out in the Schedule below. The date of receipt of such payment shall be the Start Date for purposes of this Section 4.5.
- 1.5.8. Track A Quotes. Track A Quotes shall set forth separate, itemized charges for the following work: _
- 1.5.8.1. Architect Fees. - This shall be based on a quote actually received from a PACIFIC-approved architect plus appropriate loadings for PACIFIC personnel. The standard building permit application process will be handled by PACIFIC's architect or contractor. Work related to AT&T obtaining a Conditional Use Permit (CUP) will be handled as described below.
 - 1.5.8.2. Engineering Study. PACIFIC shall perform an Engineering Study to maintain

the integrity of the roof-top location or existing tower structure. The fee quoted for the study will be the sum of the hourly charges for time spent by PACIFIC's engineers or contractors.

1.5.8.3. Microwave Equipment Installation. The microwave equipment installation quote shall be based on a quote actually received from a PACIFIC-approved contractor plus labor rates for PACIFIC personnel, if applicable, and shall include:

- Mounting of microwave antenna(e), associated antenna(e) electronics, if applicable (e.g., outdoor unit (ODU)) and support structure, as required;
- Installation of required cabling;
- Installation of any required conduit to the interior Physical or Virtual Collocation space;
- Coring, if required;
- Weatherproofing, if required;
- Electrical modifications, including grounding per BSP 802-001-180MP and TP 76200MP; and
- Antenna/tower construction specialist, if required.

1.5.8.4. PACIFIC Supervision of Installation.

This shall be the sum of hourly charges of any PACIFIC real estate specialists or project managers who monitor the installation performed by PACIFIC's contractor. All necessary monitoring and related activity undertaken by PACIFIC employees shall not exceed a total of two hours per day of construction unless circumstances reasonably warrant additional time.

1.5.8.5. Special Security Construction.

If PACIFIC demonstrates that new, secure access to the Microwave Collocation location is reasonably necessary or if AT&T so desires such access, the costs associated with the construction of such access shall be described on a separate schedule to be provided by PACIFIC to AT&T. The construction quote shall be a quote actually received from a Pacific-approved contractor plus appropriate loading

for work performed by PACIFIC personnel.

1.5.8.6. Permitting Review

When AT&T is required to obtain permits or governmental approvals for microwave collocation arrangements, AT&T will notify PACIFIC of any hearings scheduled in connection with the permits or government approvals. Where permitting is required, charges shall be the sum of the hourly charges of PACIFIC Real Estate and/or Project Managers whose time was reasonably necessary and actually spent reviewing permitting material and/or assisting AT&T in the permitting process. PACIFIC shall have final approval authority on all proposed conditions (which shall not be unreasonably withheld) imposed by relevant jurisdictions and PACIFIC shall have the right to be represented at all hearings in connection with governmental approvals.

1.5.9. Track B Quotes. The Track B Quote shall set forth separate itemized charges for the following work:

1.5.9.1. Architectural Plan Review:

This shall be the sum of hourly charges of PACIFIC architects or contractors necessary to review the plans. PACIFIC shall not charge in excess of two hours for such review, unless PACIFIC demonstrates that circumstances reasonably warrant additional time or the Parties agree that more time is required.

1.5.9.2. Permitting Review:

When AT&T is required to obtain permits or governmental approvals for microwave collocation arrangements, AT&T will notify PACIFIC of any hearings scheduled in connection with the permits or government approvals. Where permitting is required, this shall be the sum of the hourly charges of PACIFIC Real Estate and/or Project Managers whose time was reasonably necessary and actually spent reviewing permitting material and/or assisting AT&T in the permitting process. PACIFIC shall have final approval authority on all proposed conditions, (which shall not be unreasonably withheld) imposed by relevant jurisdictions and PACIFIC shall have the right to be represented at all hearings in connection

with governmental approvals.

- 1.5.9.3. Supervision of General Contractor:
- This shall be the sum of the hourly charge of any PACIFIC Real Estate Building Specialists or Project Managers who monitor the installation performed by AT&T's contractor. All necessary monitoring and related activity undertaken by PACIFIC employees or contractors shall not exceed a total of two (2) hours per day of construction unless PACIFIC demonstrates that circumstances reasonably warrant additional time or the Parties agree that more time is required.
- 1.5.9.4. Special Security Construction:
- This shall be the same element as set forth in Section 4.5.8.5 above.
- 1.5.9.5. Nonrecurring Charges. AT&T will perform the following work outside the microwave collocation arrangement, unless the Parties agree otherwise, in which case PACIFIC will include a quote for PACIFIC or its contractors to perform coring within the Central Office, if required, weatherproofing (if required) and electrical modifications, including grounding. The quote will also include a quote for PACIFIC to install the cabling from AT&T's collocation arrangement within the building to AT&T's microwave facilities on the roof.
- 1.5.9.6. Recurring Charges. AT&T shall pay a monthly recurring roof-top space rental fee, as set forth in Attachment 8. AT&T shall pay escort charges as set forth in Attachment 8.
- 1.5.10. AT&T Responsibilities Under Track B. Prior to the commencement of any work, AT&T shall, at its sole cost and expense, prepare and deliver to PACIFIC complete working drawings, plans and specifications (the "Plans"), detailing the location and size of the facilities, antennae(s) and specifically describing all proposed construction and work. No work shall commence until PACIFIC has approved the Plans, which approval will not be unreasonably withheld or delayed. AT&T or its PACIFIC-approved contractors shall (a) perform all such construction in a safe and workmanlike manner; (b) perform all such construction and work in such a way as to minimize interference with the operation of the Eligible Structure; and (c) obtain, prior to the commencement of any construction and work, all necessary federal, state and municipal permits, licenses and approvals.
- 1.5.11. Equipment and Testing. AT&T shall be responsible for providing, at its sole expense, the antenna(e), cabling, brackets, connectors, support structure and weather-proofing materials for such support structure or

antenna(e) and all other materials required for the microwave collocation. AT&T shall also be solely responsible for final adjustments (e.g., pointing) of the antenna(e). AT&T is limited to the placement of four microwave antenna(e) within a 5x5 feet space, each with a limit of 48 inches in diameter and/or under 20 feet in height from the point of attachment, subject to line-of-sight and structural engineering guidelines. At no time, shall AT&T direct an antennae(s) across open roof space without approval of PACIFIC, for which PACIFIC shall not unreasonably withhold.

- 1.5.12. Conditional Use Permit Process. AT&T shall be responsible for obtaining all relevant Conditional Use Permits (CUPs) that may be necessary and shall bear all costs and fees. In the instance AT&T is required to obtain a CUP, AT&T shall regularly apprise PACIFIC of the status of such permitting and consult with PACIFIC as reasonably necessary. If appropriate permits can be obtained for a NPRM, but a CUP is required for AT&T's requested antenna mount, AT&T may place an NPRM for microwave collocation on PACIFIC's Eligible Structure, if technically feasible. AT&T will remove the NPRM at AT&T's expense, within 30 days of obtaining the necessary CUP. If, however, AT&T uses good faith efforts but is unable to obtain the CUP within 120 days of submitting its CUP request, upon PACIFIC's request, the Parties shall meet and confer to negotiate in good faith to either extend the length of time the NPRM may remain on the Eligible Structure or reach agreement on an alternative form of interconnection. If the Parties cannot reach agreement within 30 days of meeting and conferring, then either Party may invoke the Alternative Dispute Resolution (ADR) procedures set forth in Attachment 3. PACIFIC shall cooperate with AT&T in assembling the necessary materials to file for a permit and during the permitting process. AT&T shall notify PACIFIC of such hearings. AT&T shall pay PACIFIC the hourly rates for time reasonably necessary and actually spent by PACIFIC real estate or project managers on the permitting process. PACIFIC shall have final authority and exercise it in a reasonable manner on all proposed jurisdictional conditions and has the right to be represented at all CUP hearings.
- 1.5.13. Schedule. The initial microwave collocation method of procedure (MOP) meeting between the Parties and the contractor(s) shall be held within ten (10) business days after the Start Date (as defined in Section 4.5.7 above) or PACIFIC's receipt of all necessary permits, whichever is later. Installation of the microwave collocation will be complete within ten (10) business days of the MOP, provided (1) AT&T has delivered all the necessary microwave and related equipment to the Eligible Structure prior to or on the date requested by the contractor; (2) all necessary permits have been issued; (3) there is not inclement weather which makes it commercially unreasonable to perform the work (e.g., rain or snow); (4) there are not concurrent PACIFIC projects, underway or planned that interfere with the completion of AT&T's proposed project

unless such projects have been disclosed at the initial MOP or is an emergency project, and (5) there are no acts of God or other force majeure which prohibit the installation. A final project acceptance meeting shall be scheduled within five (5) business days of the installation completion date. At this final meeting, the Parties shall review and approve the hand-off of the microwave collocation.

1.5.14. No Property Right Conferred. Microwave collocation shall not confer or be deemed to confer any property interest or right in PACIFIC's property, and AT&T hereby acknowledges that the rights conferred hereunder shall constitute merely a non-exclusive license to use a portion of PACIFIC's property solely for the purposes set forth herein. The method of placing AT&T's antenna(e) on Pacific's roof will be determined by Pacific (e.g., whether parapet or wall mount, etc.). Title to AT&T's Microwave Collocation equipment shall remain in AT&T as the property of AT&T and shall not become fixtures to PACIFIC's property._

1.5.15. Responsibilities of the Parties for Microwave Collocation

1.5.15.1. In addition to its general responsibilities for Physical Collocation, for microwave collocation AT&T shall obtain any and all necessary permits, variances, licenses, approvals and authorizations from governmental agencies with jurisdiction, including without limitation, conditional use permits and building permits, FCC licenses and FAA approval, to operate and maintain AT&T's collocated microwave facilities. AT&T shall not use PACIFIC's property or permit AT&T's agents or contractors to do anything in or about the central offices in conflict with any applicable law affecting the condition, use or occupancy of the property or the installation, operation or maintenance of AT&T's microwave collocation equipment. AT&T shall not commit any public or private nuisance or any other act or practice which might or would materially disturb the quiet enjoyment of any occupant in nearby properties.

1.5.15.2. In addition to its general responsibilities for Physical Collocation, for microwave collocation where PACIFIC performs the installation work, (i.e., Track A) PACIFIC shall select the architect, engineers, surveyors, contractors, suppliers, consultants and subcontractors which may be necessary to develop plans, furnish materials and equipment, and perform construction work. PACIFIC shall manage all such work in accordance with the plans and specifications approved by the Parties, all applicable laws, codes and regulations, and shall require that all contractors perform their work in a good workmanlike manner. PACIFIC shall require that all contractors include AT&T as an additional insured to any policies of insurance maintained by the contractor for purposes of the work, and shall indemnify AT&T from losses, costs and expenses incurred as a

result of contractor's work. AT&T hereby acknowledges and agrees that PACIFIC shall not be liable for the work performed, materials, supplied, or work products furnished by any contractor, and that AT&T shall look solely to the contractor and any warranties, indemnification or insurance furnished by such contractor, waiving and releasing PACIFIC from any claim or liability therefrom except to the extent of the negligence or willful misconduct of PACIFIC in the performance of its project management activities.

- 1.5.15.3. In addition to PACIFIC's general responsibilities for Physical Collocation, for microwave collocation under Track B, PACIFIC architects or contractors shall review AT&T's plans. Where permitting is required, PACIFIC may review permitting material and shall assist AT&T in the permitting process. AT&T shall pay the applicable labor rates associated with PACIFIC personnel participating in the permitting process.
- 1.5.15.4. AT&T acknowledges that there may be other existing wireless communications facilities or licensees on or at the Eligible Structure, and/or PACIFIC may desire from time to time throughout the term of this Agreement to enter into agreements with other wireless communications providers for the installation, operation and maintenance of communications facilities on or at the Eligible Structure. AT&T shall cooperate with PACIFIC and all Other Wireless Carriers so as to reasonably accommodate the needs and requirements of such Other Wireless Carriers with respect to the installation, operation, use and maintenance of their equipment and facilities, and all necessary alterations, modifications and other improvements to the Eligible Structure, including utility connections and access. Subject to ownership of any exclusive frequency rights, AT&T facilities shall not physically, electronically, or inductively interfere with the existing PACIFIC or other customers' or tenants' existing facilities. Similarly, PACIFIC's and other wireless carriers facilities shall not physically, electronically, or inductively interfere with AT&T's facilities. Each transmitter individually and all transmitters collectively at a given location shall comply with appropriate federal, state, and/or local regulations governing the safe levels of RF radiation.
- 1.5.15.5. Upon the expiration or termination of this Agreement, AT&T shall surrender the Microwave Collocation space to Pacific in its original condition and in good order and repair, less ordinary wear and tear. AT&T, at its expense, to PACIFIC's reasonable satisfaction, shall repair any and all damages caused by removal of AT&T's Microwave equipment, or by the use, operation or placement of its Microwave equipment on the Premises. In the event AT&T fails to remove its Microwave equipment, PACIFIC shall have the right to retain such

Microwave equipment and all rights of AT&T with respect to it shall cease. AT&T shall be liable to PACIFIC for all costs of removal, restoration of the property, and the costs of storage, transportation, sale or other disposition of such Microwave equipment incurred by PACIFIC.

- 1.5.15.6. At its sole cost and expense, AT&T shall maintain AT&T's provided Microwave equipment, including without limitation, all necessary repairs, replacements and restorations. In addition, AT&T shall keep its Microwave Collocation space in a good, neat, sanitary and workmanlike condition. If AT&T shall fail to keep its Microwave Collocation space in such workmanlike condition after ten (10) days written notice from PACIFIC, PACIFIC shall have the right but not the obligation to clean up the space on AT&T's behalf. In such event, AT&T shall be liable to PACIFIC for the cost and expense of such work, upon written demand.

1.5.15.7. Secure Access

PACIFIC shall provide AT&T, and its employees, authorized agents and contractors access to AT&T's Microwave Collocation arrangement, twenty-four (24) hours a day, seven (7) days a week, subject to PACIFIC's access and security regulations, rules or policies which may govern at PACIFIC's property. AT&T acknowledges and agrees that in most, if not all cases, PACIFIC's property is a secured location and that access rights will be restricted to only those areas necessary to reach AT&T's Microwave Collocation arrangement(s). AT&T and its agents and contractors shall at all times while on PACIFIC's Property carry picture identification designating each such person as a representative of AT&T. Further, AT&T hereby covenants to exercise all due care so as not to interfere with any operations of PACIFIC or PACIFIC's licensee, tenants or occupants.

- 1.5.15.8. Cable Provisioning. AT&T is responsible for providing and running the cable from the radio frequency (RF) equipment to the collocation arrangement through the use of an PACIFIC-approved vendor. PACIFIC will be responsible for providing the necessary cable support structure at rates included in Attachment 8.

- 1.5.15.9. Line of Sight. PACIFIC will manage roof space on a first-come first-served basis. PACIFIC shall work cooperatively with AT&T in determining suitable space for AT&T's equipment. Once the parties mutually determine an initial location that provides for line of sight as described herein, AT&T is guaranteed a clear line of sight from the antenna mount and the edge of the roof line, to the extent PACIFIC

has control over determining that line of sight. If PACIFIC requires a building enhancement modification or through the placement of additional equipment obstructs AT&T's existing line of sight, PACIFIC will work with AT&T to move the antenna mount or raise the height of the antenna mount for a clear line of sight. The costs of this modification will be borne by PACIFIC. If a third party elects to place equipment on the roof that obstructs an existing line of sight, the third party application will be denied unless all three parties mutually agree to move an existing arrangement to allow for a clear line of sight. The costs of this application will be borne by the third party.

1.6. Virtual Collocation

1.6.1. Basic Description of Virtual Collocation. Virtual Collocation provides for the collocation of AT&T equipment necessary for interconnection or access to unbundled network elements. PACIFIC will be responsible for the repair and maintenance and, if requested, installation of AT&T owned and provided collocation equipment and any facilities located within an Eligible Structure and the virtual collocation point of termination where applicable (i.e., all AT&T equipment inclusive of the cabling of cross connect tie pairs to the main distribution frame). AT&T, in consultation with PACIFIC, will select an IVEN-approved vendor for installation of AT&T's virtual collocation equipment, or will request that PACIFIC perform the installation. Equipment in virtual collocation arrangements shall be compliant with applicable NEBS documentation concerning safety as defined in TP76200, and grounding and electrical interference requirements, except that PACIFIC shall not impose safety requirements on AT&T that are more stringent than the safety requirements it imposes on its own equipment. PACIFIC shall retain ownership of its Eligible Structure floor space, and any PACIFIC facilities, equipment, or other property used to provide virtual collocation. Only a license to occupy designated space is granted to AT&T. The designated space may be used only for the purposes of installing, maintaining, and operating AT&T's facilities and associated equipment used or useful for interconnection or access to unbundled network elements.

1.6.2. AT&T's Responsibilities.

- 1.6.2.1. AT&T will provide an engineer, at its expense, AT&T's facilities and equipment. For the initial installation, AT&T shall provide all plug-ins and/or circuit packs (working, spare, and replacements) for fully equipped bays. As an alternative to fully equipped bays, AT&T shall equip the bay(s) with sufficient plug-ins and circuit packs for a minimum of one year's projected growth.
- 1.6.2.2. After the initial installation, or an augment, Pacific shall install additional plug-ins and circuit packs upon AT&T's request, according to the

following installation intervals.

- 1.6.2.3.1. Standard interval for installation of plug-ins and/or circuit pack augments that involve no more than plugging in the circuit packs or plug-ins shall be five (5) business days from the date of AT&T's written request.
- 1.6.2.3.2. Expedited interval for installation of plug-ins and/or circuit pack augments that involve no more than plugging in the circuit packs or plug-ins shall be no less than three (3) business days from the date of AT&T's written request. AT&T will submit expedited requests only when existing capacity is insufficient to meet current orders.

1.6.2.3. AT&T will also provide, at its expense, the following:

1.6.2.3.1. All unique tools or test equipment including but not limited to:

- Laptop/Dumb terminal that emulates VT100
- Null modem cable -RJ45 to DB9, plus a serial DB9 adapter
- Coax cables
- Cables with RJ45 connectors
- AMP gender changers (male/female)
- AWG #18 wire
- GMT fuses
- ESD wriststrap
 - Any ancillary equipment and cable used for remote monitoring and control

1.6.2.3.2. All technical publications and updates associated with all AT&T owned and provided equipment

1.6.2.3.3. All training (as described below)

1.6.2.3.4. Payment to the installation vendor for installation, removal, and any corrective actions, if required, of the virtual equipment

1.6.2.3.5. Any Product Change Notice ("PCN") modifications, upgrades, and/or changes to their equipment

1.6.2.3.6. Replacements for any recalled, obsolete, defective or damaged facilities associated with any of its equipment, plug-ins, circuit packs, unique tools, test equipment, or any other item or material provided by AT&T for placement in/on PACIFIC property in connection with virtually collocated equipment. AT&T shall provide a stock of such items (excluding unique tools and test equipment) to PACIFIC in sufficient quantities for PACIFIC to replace non-functioning items when needed, with a goal of

shipping replacement stock no more frequently than once per quarter. During repair calls, PACIFIC's technician shall confirm to AT&T's representative when PACIFIC has used a circuit pack/plug-in or other types of replacement parts or equipment. PACIFIC and AT&T shall cooperatively establish a plan to share AT&T-provided laptops, other test equipment and unique tools between central offices with the objective of minimizing inventory of such items while maintaining acceptable service standards. PACIFIC shall promptly notify AT&T upon discovery that test equipment or tools are damaged or otherwise not functioning properly. Notification shall be given to AT&T personnel participating in repair efforts if the discovery is made during the course of a repair, or to a contact specified by AT&T if the discovery is made at some other time.

- 1.6.2.4. AT&T may deliver pre-installed bays or pre-assembled virtual collocation equipment to PACIFIC when it is the manufacturer's standard practice to ship the product pre-assembled. AT&T will identify equipment as pre-assembled by the manufacturer and specify dimensions in the application. Pacific will indicate in its response if there are any problems with those dimensions. AT&T may ship equipment in the manufacturer's original shipping container(s). However, the containers must meet the dimensions to provide safe clearance through the aisles of the individual central office(s).
- 1.6.2.5. AT&T will provide for delivery of replacement plug-ins or circuit pack stock, at its expense, to the Eligible Structure. PACIFIC shall have no liability for any loss, cost or damage to plug-in or circuit packs, or other equipment delivered by AT&T or returned to AT&T as a result of, or during the shipping process, except for loss, cost or damage caused by PACIFIC's own negligence. Equipment received from AT&T by PACIFIC will be secured in the designated location by PACIFIC until installed, and AT&T shall endeavor to arrange for delivery of such equipment to be coincident with the installation start date.
- 1.6.2.6. AT&T will provide prepaid, preaddressed delivery materials to Pacific to return defective circuit packs and equipment to AT&T's designated location, or shall make other appropriate arrangements for return shipping.
- 1.6.2.7. AT&T shall be responsible for purchasing and providing cables to connect AT&T equipment in one bay to AT&T equipment in another bay, in quantities and lengths specified by PACIFIC.
- 1.6.2.8. AT&T is responsible for providing identification markings on all circuit packs, spares, test equipment, equipment, bays, and any other AT&T-

owned property provided to PACIFIC for virtual collocation.

1.6.2.9. AT&T will provide with its application the following:

- Itemized equipment list. This includes any software releases and software version.
- Projected Installation Schedule.
- Training Outline, including training on any manufacturer suggested test equipment.

1.6.2.10. AT&T will provide at the initial Method of Procedure ("MOP") meeting the following:

- Escalation Documentation
- Test and Acceptance Package
- Contact names and numbers to arrange for return shipment of defective circuit packs and plug-ins. AT&T will keep this information current.
- Functional contacts for the virtual collocation arrangements, including names, telephone numbers and each person's responsibilities (e.g., augments, trouble reports, emergency contact). AT&T will keep this information current.

1.6.2.11. AT&T will arrange for 2 telephones to be installed in each contiguous cluster of bays containing AT&T's virtually collocated equipment.

4.6.2.12. AT&T will provide remote, real-time network technical support, guidance and direction to PACIFIC for all collocated facilities and equipment using on-line telephone support.-

1.6.3. PACIFIC's Responsibilities.

1.6.3.1. PACIFIC will be responsible for the following, at no charge to AT&T unless a charge is expressly provided for in this Agreement:

- 1.6.3.1.1. Project Management/coordination of the installation.
- 1.6.3.1.2. Identifying training needs in response to AT&T's application
- 1.6.3.1.3. Monitoring of installation, at PACIFIC's option.
- 1.6.3.1.4. The coordination of floor space and detail engineering. PACIFIC shall provide site specific cable and frame assignments (CFA) a minimum of 14 days prior to turnover. PACIFIC shall use

the same engineering practices as it uses for its own similar equipment in determining placement of equipment and engineering routes for all connecting cabling between collocation equipment.

- 1.6.3.1.5. Pacific will provide on a per equipment bay basis, to each bay of AT&T equipment, negative 48 volts battery backed DC power at amperage to meet manufacturer's equipment specifications to power AT&T's transmission equipment. The nominal voltage range of the DC power will be 40 to 56 volts. The charges for power, including cabling and placement, will be set forth in Attachment 8.
 - 1.6.3.1.6. Provisioning of shielded cabling from PACIFIC's MDF or equivalent to AT&T's virtually collocated equipment.
 - 1.6.3.1.7. 8 pair Inside Wire (IW) for Plain Old Telephone Service (POTS) and/or circuits for retail service at AT&T's virtual equipment space. If additional IW is required, it will be installed under the retail service guidelines.
 - 1.6.3.1.8. Providing AC convenience outlets as requested by AT&T up to one per bay following existing central office standards.
 - 1.6.3.1.9. Providing 7X24 maintenance and repair for AT&T's virtually collocated equipment at the rates set forth in Attachment 8.
 - 1.6.3.1.10. Changing out and/or replacing AT&T's circuit packs/plug-ins as directed by AT&T, where AT&T has provided adequate spaces and plug-ins at each site where AT&T's virtual equipment is located. Provided PACIFIC has notified AT&T as it used spares and plug-ins, Pacific Shall have no liability for delays in repairs due to inadequate spares at the collocation site.
 - 1.6.3.1.11. Relocation of equipment, at PACIFIC's expense when initiated by PACIFIC.
- 1.6.3.2. PACIFIC will provide at the initial MOP meeting the following:
- 1.6.3.2.1. Escalation Documentation
 - 1.6.3.2.2. Functional contacts for the virtual collocation arrangements, including names, telephone numbers and each person's responsibilities (e.g., augments, trouble reports, and emergency contact). PACIFIC will keep this information current.

1.6.4. Joint Responsibilities.

- 1.6.4.1. PACIFIC and AT&T will cooperatively develop a site specific implementation schedule and plan.
- 1.6.4.2. Both Parties shall insure that the installation vendor meets required safety standards as contained in TP76200 and TP766300MP.
- 1.6.4.3. Where AT&T has identified that a major equipment component to its architecture, such as a chassis, requires replacement, and spares of these major components are not provided at the virtual collocation premises, AT&T will coordinate and schedule with PACIFIC to make arrangements to have this equipment delivered and replaced by AT&T's installation vendor.

1.6.5. Virtual Collocation Application, Quote, and Installation Interval

- 1.6.5.1. AT&T will submit a completed Virtual Collocation application to PACIFIC. PACIFIC will respond indicating whether or not space is available according to the following schedule:

Number of Applications Submitted by AT&T Within a 10 Day Period	Application Processing Interval
1-10	10 calendar days
11-20	20 calendar days
21-30	30 calendar days

Should AT&T submit 31 or more virtual collocation applications within 10 calendar days, the application processing interval shall be increased by 10 calendar days for every 10 additional applications or fraction thereof.

- 1.6.5.2. Within 20 calendar days after Pacific's initial response to the completed application, PACIFIC will respond to AT&T with a price quote for the virtual collocation arrangement. AT&T will have 45 calendar days to accept or reject the price quote. The price quote will expire after 45 calendar days. If AT&T accepts the price quote within the 45 calendar days, AT&T will submit a check to PACIFIC for 50% of the nonrecurring charges as indicated in the price quote.
- 1.6.5.3. PACIFIC's installation interval will be 110 days, and will begin on the day PACIFIC receives the check for 50% of the nonrecurring charges. The virtual collocation space will be ready for AT&T's vendor to begin equipment installation on calendar day 110 after PACIFIC receives the check for 50% of the nonrecurring charges. AT&T must pay the remaining 50% of the nonrecurring charges to PACIFIC before AT&T's vendor begins installation of the

equipment.

1.6.6. Post Installation Inspection.

- 1.6.6.1. Pursuant to sections 4.6.8.4 and 4.6.9 following, upon completion of installation, AT&T may enter the Eligible Structure to conduct a post-installation audit, to perform Test and Acceptance of its virtually collocated equipment, and to turn the virtually collocated equipment over to PACIFIC after the audit and Test and Acceptance have been successfully completed. A maximum of two AT&T representatives may participate in the audit and on-site acceptance testing. AT&T shall request the post-installation inspection within thirty (30) days of notification that the installation vendor has completed the installation of AT&T's virtually collocated equipment. AT&T will provide written notification to PACIFIC at this post-installation audit and acceptance test, confirming, if appropriate, that AT&T has signed off and accepted the virtually collocated equipment from its installation vendor.
- 1.6.6.2. A maximum of once per calendar quarter, AT&T may enter the Eligible Structure for routine inspection of its virtually collocated equipment.
- 1.6.6.3. PACIFIC security escort will be required whenever an AT&T employee or authorized agent (other than an IVEN-approved vendor) is on PACIFIC's property to inspect virtually collocated equipment. If AT&T requires access for more than four people at one time, AT&T shall contact Pacific for prior approval. Rates as specified in Attachment 8 for security escort will apply, except that no labor charges will apply for the post-installation inspection as described herein.
- 1.6.6.4. Access to PACIFIC's Eligible Structure will not be permitted for any other reason, except as provided herein.

1.6.7. Applicability of Charges for Installation, Maintenance and Repair of AT&T Virtually Collocated Equipment.

- 1.6.7.1. Rates and charges for virtual collocation are set forth in Attachment 8.
- 1.6.7.2. Pacific shall charge AT&T for all of the installation provided by Pacific, and maintenance and repair of AT&T's virtually collocated equipment at the hourly rate specified in Attachment 8.
- 1.6.7.3. For repairs under warranty by AT&T's IVEN-approved contractor (e.g., product change notices), AT&T will pay the IVEN-approved

contractor. Any of Pacific's associated charges for escort and observing services will be paid by AT&T to Pacific, but only to the extent that PACIFIC requires equivalent escort and observing services for its own IVEN-approved contractors.

1.6.8. Installation and Testing of Virtually Collocated Facilities and Equipment.

- 1.6.8.1. PACIFIC shall not be responsible for the design or engineering of AT&T's equipment, arrangement, or facilities, or for performance of the end-to-end connectivity. PACIFIC shall not be responsible for installation when AT&T uses an IVEN-approved contractor, but is responsible for installation, testing and performance when PACIFIC performs the installation work. In either event, PACIFIC is responsible for connectivity from the collocated equipment to PACIFIC's network, and for joint testing.
- 1.6.8.2. PACIFIC will be responsible for determining the placement of equipment and engineering routes for all cabling between AT&T's virtually collocated equipment and the appropriate distribution frame.
- 1.6.8.3. At AT&T's option, either PACIFIC will install AT&T's equipment or the installation will be performed by IVEN-approved third party vendor selected by AT&T. The installation shall be in accordance with the AT&T-provided installation design and specifications, which shall comply with the manufacturer's specifications and all applicable technical publications.
- 1.6.8.4. Prior to the installation vendor powering up the equipment, and after the frame connections and equipment have been installed, and within thirty (30) days of notification to AT&T that the installation vendor has completed the installation of the virtually collocated equipment, AT&T will contact PACIFIC's engineering representative to schedule a site visit for purposes of auditing the physical installation. This visit shall be scheduled within five (5) business days after AT&T's request and the visits shall take place within fifteen (15) days after AT&T's request, unless otherwise agreed. A maximum of two (2) AT&T representatives may participate in the audit. Should AT&T determine during the audit that the installation is not compliant with specifications, AT&T may schedule an additional audit after corrective work has been performed. AT&T will schedule the corrective work with PACIFIC. The visits for corrective work shall be scheduled within 48 hours after AT&T's request. AT&T shall be responsible for coordination with its installation vendor to be at the site for the audit and, when necessary, corrective work. Additional charges will apply unless PACIFIC acted as the installation vendor and the failure to comply with specifications was caused by PACIFIC.

1.6.9. Test and Acceptance

- 1.6.9.1. Once the installation audit is successfully completed, power must be turned up and tested, the virtually collocated equipment and remote monitoring capabilities must be tested, and connectivity must be tested. Power testing, and connectivity testing in certain situations, will require a cooperative test involving AT&T, its installation contractor, PACIFIC, and/or PACIFIC's vendor. AT&T and its installation contractor will perform the equipment and remote monitoring testing. To the extent possible, PACIFIC will work with AT&T to coordinate testing to minimize the number of visits required by AT&T and its contractor. AT&T will contact PACIFIC's engineering representative to schedule site visits for testing, which will be scheduled within 5 days of AT&T's request. Should AT&T determine during the testing that the virtually collocated equipment is not functioning properly, AT&T may schedule an additional acceptance test after corrective work has been performed. AT&T will schedule the corrective work with PACIFIC. The visits for corrective work shall be scheduled within 48 hours after AT&T's request.
- 1.6.9.2. AT&T shall be responsible of coordination with its installation vendor to be at the site for acceptance testing and, when necessary, corrective work.
 - 1.6.9.2.1. If AT&T orders retail/access services for its internal monitoring, testing, and alarming capabilities from PACIFIC, and these services are ordered, installed and accepted prior to AT&T's requested acceptance testing date, those retail/access services may be included in the acceptance testing, with AT&T monitoring from its remote site.
 - 1.6.9.2.2. If AT&T orders retail/access services for its internal monitoring, testing, and alarming capabilities from someone other than PACIFIC, then the acceptance testing will be for AT&T's virtually collocated equipment only and not the retail/access services provided by a third party.
- 1.6.9.3. Upon successful completion of the testing as described in 4.6.9.1 above, AT&T shall provide PACIFIC with written notification that AT&T has signed off and accepted the virtually collocated equipment.
- 1.6.9.4. AT&T shall accept the installation of equipment and facilities prior to the installation of any services using the equipment. Once the equipment is installed and accepted, AT&T will either order services or network elements from PACIFIC to connect to the equipment.

1.6.9.5. When the testing as described in 4.6.9.1 above has been successfully completed AT&T will contact PACIFIC to schedule turn over of the virtually collocated equipment to PACIFIC for performance of maintenance and repair. The turn over visit, to include AT&T, its installation vendor, and PACIFIC, will be scheduled at a time mutually acceptable to all parties.

1.6.10. Termination of Virtual Collocation

1.6.10.1. Upon termination of a virtual collocation arrangement, AT&T will work cooperatively with PACIFIC to remove AT&T's equipment and facilities from PACIFIC's property, at AT&T's expense. Unless otherwise agreed by the Parties, all equipment and/or facilities shall be scheduled for removal within 7 days, with removal completed within 30 days, of discontinuance of the virtual collocation arrangement. Any equipment not scheduled for removal or removed within the specified times may be removed by PACIFIC and stored in a non-PACIFIC location at the expense of AT&T. AT&T will be obligated to pay all applicable rates and charges associated with the discontinued virtual collocation arrangement until all associated equipment and facilities have been removed.

1.6.10.2. Discontinuance of Virtual Collocation. Upon removal of the virtual collocation equipment, AT&T will reimburse Pacific for all reasonable costs required to restore the space to its original conditions at the time of granting of the license. This includes, but is not limited to, reimbursement to remove any associated facilities, cabinets, and cabling.

1.6.11. Training.

1.6.11.1. AT&T will be responsible for training PACIFIC personnel on the repair and maintenance of AT&T's virtually collocated equipment, unless: (a) the equipment is already used by PACIFIC in like configurations in the Eligible Structure; or (b) PACIFIC technicians assigned to the Eligible Structure have already been trained on the repair and maintenance of that type of equipment in that type of configuration. Notwithstanding the foregoing, if the equipment is already used by PACIFIC but AT&T uses the equipment in a different configuration, AT&T will be responsible for any additional training required for repair and maintenance of the equipment in the configuration used by AT&T.

1.6.11.2. The training for which AT&T will be responsible includes training for the following additional functions, to the extent the functions will be performed by PACIFIC and additional training is necessary: (a) installation, provisioning, repair and maintenance of any unique

cabling and circuits inside the bay of equipment; (b) use of on-line documentation or schematics unique to the equipment and unlike that commonly used by PACIFIC; (c) any testing and repair methods and procedures or provisioning documents utilized by AT&T, consistent with the manufacturer's operations and maintenance (O&M) manual.

- 1.6.11.3. The training shall also include, if necessary, training when updates of technical publications or equipment information are issued.
- 1.6.11.4. PACIFIC will work cooperatively with AT&T to schedule such training prior to AT&T's final installation audit and acceptance testing referenced above.
- 1.6.11.5. As part of its application for virtual collocation, AT&T will indicate the type of equipment to be installed, the manufacturer's recommended training for operation and maintenance, and the Eligible Structure where the equipment will be installed. As part of its response to the application, PACIFIC will indicate whether training will be required for technicians assigned to the Eligible Structure. This training information will be in addition to any other information required in the application and response.
- 1.6.11.6. AT&T will be responsible for training no more than five (5) PACIFIC technicians responsible for the repair and maintenance of the various virtual collocation equipment types in a central office servicing, area unless a different number is mutually agreed upon. These technicians shall act as trainers for any additional PACIFIC technicians requiring training in order for PACIFIC to provide 7X24 repair/maintenance coverage during the term of this Agreement. The training for which AT&T is responsible will be in conjunction with the initial turn up of the equipment.
- 1.6.11.7. PACIFIC and AT&T will work cooperatively to determine the location and method of training, including where possible, use of PACIFIC classroom space in PACIFIC's facilities for training sessions. PACIFIC shall coordinate with AT&T to minimize the number of training sessions scheduled for technicians assigned to multiple central offices where AT&T is collocating equipment. In conducting the training sessions described above, AT&T will provide all training items, e.g., materials, instructors, rooms, meals (if applicable), and training on documentation updates at its expense. AT&T will also reimburse PACIFIC for any actual, reasonable travel expenses, lodging, meals or meal allowances PACIFIC personnel may incur as a result of training, provided that reimbursement shall be no greater than expenses for which PACIFIC would reimburse its own employees if the training were conducted on behalf of PACIFIC.

1.6.12. Intentionally omitted.

1.6.13. Repair and Maintenance of Equipment and Internal Cabling.

- 1.6.13.1. Except in emergency situations, and/or when Pacific's network reliability is at risk, AT&T will initiate the repair and maintenance process by contacting PACIFIC's Local Operations Center (LOC)
- 1.6.13.2. When initiating repair requests of AT&T's virtually collocated equipment, AT&T shall provide PACIFIC with the following:
- Notification that the purpose of the call is to establish a virtual collocation trouble ticket
 - PACIFIC Central Office CLLI
 - Location of collocated equipment (Bay, frame, shelf, circuit pack location and type, and bay telephone number)
 - A detailed description of the trouble
 - The name and telephone number of the AT&T employee who will cooperatively test with PACIFIC at no charge to PACIFIC
 - The trouble type
- 1.6.13.3. When PACIFIC's technician calls AT&T to perform a repair initiated by a trouble ticket, AT&T will provide the PACIFIC technician with the proper sequencing of repair tasks, including any testing necessary to determine needed repairs.
- 1.6.13.4. In the event PACIFIC is not meeting MTRI intervals or fails to clear service-affecting troubles within a reasonable time, or upon mutual agreement, which shall not be unreasonably withheld, AT&T may enter the Eligible Structure to assist in troubleshooting and resolving problems.
- 1.6.13.5. AT&T may request PACIFIC to perform routine maintenance and scheduled events, at mutually agreed upon times which will be billed at the rates set forth in Attachment 8. When requesting maintenance on AT&T-owned equipment, AT&T shall provide PACIFIC with bay telephone number, the location and identification of the equipment, a detailed description of the maintenance requested, and the estimated time required to perform the routine maintenance.
- 1.6.13.6. For routine maintenance and product upgrades covered by the manufacturer's warranty, AT&T will contact Pacific to arrange access for the manufacturer's representative. For service affecting problems covered by the manufacturer's warranty, Pacific shall perform repairs as described herein.

1.6.14. Mean Time Response Interval (MTRI)

1.6.14.1. PACIFIC will be responsible for repairing/maintaining AT&T's virtually collocated equipment within the same time periods and with failure rates that are no greater than those that apply to the performance of similar functions for comparable equipment of its own. At a minimum, PACIFIC agrees to meet service response intervals for repair and maintenance as defined below. AT&T will advise the LOC of the priority level for each trouble report based on the criteria below. The response interval is defined as the time from the conclusion of a trouble report call from AT&T to the LOC, which is the time when a trouble report is entered in PACIFIC's trouble report system by the LOC, to the time a PACIFIC technician notifies AT&T's technical support center from the specified trouble location of AT&T's virtually collocated equipment that the technician is ready to begin repairs. The Mean Time Response Intervals (MTRIs) for each priority level shall be calculated and reported to AT&T on a calendar monthly basis, within fifteen (15) days after the end of the month. PACIFIC shall follow the procedures set forth below if any MTRI in any month falls below the levels specified herein.

1.6.14.2. By the end of the month following the month in which any MTRI was not met, PACIFIC shall send AT&T a written report explaining in detail the reasons for the failure and steps taken to avoid recurrences. If PACIFIC fails to meet any MTRI for three consecutive months, PACIFIC's network operations representative responsible for the virtual collocation repair services state-wide shall meet, either telephonically or in person, with AT&T's carrier relations representative responsible for collocation to review the failure and additional steps taken by PACIFIC to avoid recurrences. Such meetings shall continue each month, or more frequently at AT&T's request, until all MTRI objectives are met.

1.6.14.3. Priority 1 Tickets (1 hour MTRI)

- 1.6.14.3.1. Any network alarm(s) that indicates service degradation on equipment and associated cabling. This could include LOS (Loss of Signal), LOF (Loss of Frame), LOP (Loss of Pointer) or excessive errors;
- 1.6.14.3.2. Telemetry problems causing the loss of surveillance and/or remote acc to the virtually collocated equipment.

1.6.14.4. Priority 2 Tickets (16 hours MTRI)

- 1.6.14.4.1. All other major cycling and solid minor non-service affecting alarms that are not a threat to customer service over night.

1.6.14.5. Priority 3 Tickets (48 hours MTRI)

- 1.6.14.5.1. Minor cycling alarms that have been determined not to be an immediate threat to customer service.

1.6.15. Provisioning and Repair of AT&T Circuits

- 1.6.15.1. Under the direction of AT&T, PACIFIC will provision, repair, and cooperatively test AT&T's services using PACIFIC owned cable facilities that terminate in the AT&T owned equipment virtually collocated in an Eligible Structure. Charges to provision, repair and test AT&T's equipment, circuits, and services will be at the rates set forth in Attachment 8. Charges for repair and testing will apply if trouble is found within AT&T's equipment or cabling.
- 1.6.15.2. For the disconnection of circuits, AT&T will issue a service order.
- 1.6.15.3. PACIFIC is responsible for cooperative testing of AT&T's end-to-end circuits and for performance of the PACIFIC-provided portion of the circuit, but is not otherwise responsible for the design, engineering, or performance of the end-to-end connection of AT&T's circuits.
- 1.6.15.4. AT&T shall notify PACIFIC that repair or maintenance is required by entering a trouble ticket into the LOC.

1.6.16. Delivery and Pickup of AT&T's Equipment.

- 1.6.16.1. All pickup and delivery of AT&T's equipment shall be at AT&T's expense. AT&T will arrange for any of its equipment that will be installed in an Eligible Structure to be delivered to the designated location for that Eligible Structure at a date and time agreed to by the Parties.
- 1.6.16.2. AT&T will arrange for any of its equipment that will be removed from an Eligible Structure to be picked up at a date and time agreed to by the Parties. All equipment shall be delivered to or picked-up from the Eligible Structure where that equipment will be installed or removed by AT&T or AT&T's agent on a date and time agreed to by the Parties.
- 1.6.16.3. Equipment Installation or Removal. Equipment installation and removal shall be performed during normal business hours, Monday through Friday, except holidays, except that any potentially service-affecting work (e.g., installation or removal of equipment powered by a fuse alarm panel that is used to power other equipment in the same bay) shall be performed during non-business hours at AT&T's request upon Pacific's approval, which approval shall not be unreasonably withheld. For purposes of this Section, labor

rates for work performed during non-business hours shall be at the premium rates set forth in Attachment 8. Requests for extended hours shall be approved in advance by PACIFIC'S Central Office Supervisor, which approval shall not be unreasonably withheld. The rates for equipment installation or removal are set forth in Attachment 8.

- 1.6.17. Equipment Storage Space. PACIFIC will provide adequate storage space in locking equipment storage cabinet(s) for storage of all AT&T owned equipment and circuit spares, unique tools, test equipment, O&M manuals and shipping materials, up to a maximum of two storage cabinets per six bays of virtually collocated equipment. The rates for storage space are the rates set forth in Attachment 8 for administrative space.
- 1.6.18. Request for Additional Space. To the extent that space is available and AT&T complies with the requirements of this Agreement, PACIFIC shall grant AT&T a license for floor space to accommodate AT&T's requests for a minimum of one equipment bay, with no maximum except as specified in AT&T's application.
- 1.6.19. Nonstandard Equipment Size. A standard 7 feet high steel relay rack with a width of 25 and 15/16 inches and a depth of 12 inches will be provided for the mounting of AT&T's virtually collocated equipment. Equipment that cannot be accommodated in a standard PACIFIC equipment bay will be accommodated on a space available basis. Rates will be established on an individual case basis.
- 1.6.20. Virtual Collocation Conversion to Physical Collocation. Virtual Collocation is separate and distinct from Physical Collocation. Requests to convert from Virtual Collocation to Physical Collocation will require a re-design of the services and re-termination of services to a physical collocation arrangement. Any requests to convert requires a new application be submitted, and the appropriate charges will apply.
- 1.6.21. Connecting Cable Space. Connecting harness cable space will be shared space for AT&T owned connecting cables in an Eligible Structure.
- 1.6.22. Virtual to Cage Connection. At the request of AT&T, PACIFIC will provide DSO, DS1, DS3, or OCN cabling and cross connection(s) to physical collocation arrangements in the same central office at the rates set forth in Attachment 8.
- 1.6.23. Section 4.2 of this Attachment (General Terms and Conditions) also applies to virtual collocation arrangements.
- 1.7. Performance Standards. Performance measurements and financial remedies applicable to collocation arrangements are described in Section 14 of the General Terms and Conditions of this Agreement.

- 1.8. Rate Elements. Rates for collocation arrangements are set forth in Attachment 8. Recurring charges shall commence on the date the collocation arrangement is made available for AT&T's use, unless that date occurs before the scheduled completion date and AT&T's is not ready to take possession. In that case, recurring charges shall commence on the date AT&T takes possession, but in no event later than the scheduled completion date.

5. 911

- 1.1.911 Arrangements are arrangements for routing 911 calls from AT&T End Users to the appropriate Public Safety Answering Point (PSAP), passing certain E911 End User information for display at the PSAP answering station.

- 1.2.911 Arrangements for Resale Services and for AT&T End Users Served by PACIFIC's LSNE and unbundled switch port with loop.

1.2.1. For Resale Services, PACIFIC shall provide access to E911/911 services, in the same manner it provides such access for PACIFIC's own retail End Users, at no additional charge beyond the price of the Resale Service. This access shall include E911/911 call routing to the appropriate PSAP. PACIFIC shall provide and validate AT&T End User information to the PSAP, and shall accept and respond to all calls from PSAPs concerning E911 service for AT&T End Users. PACIFIC shall use its service order process to update and maintain, on the same schedule that it uses for its own End Users, the AT&T End User service information in the ALI/DMS used to support E911 services. PACIFIC shall be responsible for detecting and correcting any errors in the ALI/DMS database and any discrepancies between that database and the MSAG. (See also Attachment 5, Section 3.5)

1.2.2. For AT&T's End Users served by PACIFIC's LSNE and unbundled switch ports with loops, PACIFIC shall provide access to E911/911 services, in the same manner it provides access to PACIFIC's own retail End Users, at no additional charge beyond the price of the LSNE or unbundled switch port with loop, except as set forth below. This access shall include E911/911 call routing to the appropriate PSAP. PACIFIC shall provide and validate AT&T End User information to the PSAP, and shall accept and respond to all calls from PSAPs concerning E911 service for AT&T End Users served by PACIFIC's standalone LSNE or by an unbundled switch port with loop. In order to assure that PACIFIC responds to all calls from PSAPs concerning E911 service for AT&T End Users served by PACIFIC's standalone LSNE or by an unbundled switch port with loop, PACIFIC shall do the following. Until PACIFIC implements the NENA 3 standard which displays Service and Facility Provider information to the PSAP, PACIFIC shall register and maintain a unique NENA ID for AT&T's End Users served by PACIFIC's standalone LSNE or unbundled switch port with loop ordered via LSRs using electronic systems (LEX or EDI). The associated contact

number will be the same number used with PACIFIC's own retail End Users' NENA ID. For AT&T End Users served by PACIFIC's LSNE and unbundled switch ports with loops, when AT&T orders these services using EDI/LEX, AT&T has the option of either sending End User information to update the DBMS directly to PACIFIC's MS Gateway or updating E911 via LSR. It is AT&T's responsibility to provide PACIFIC with accurate initial and updated End User information. For correction of errors for information submitted via MS Gateway, AT&T has the option of either having the errors returned to AT&T via the MS Gateway or having PACIFIC's Data Integrity Unit (DIU) correct any errors. PACIFIC's DIU shall correct any errors for information submitted via LSR. Corrections made by PACIFIC's DIU will be completed at the rate specified in Attachment 8.

1.3. All Other 911 Arrangements.

- 1.3.1. For 911 arrangements other than for Resale Services and AT&T End Users served by PACIFIC's LSNE and unbundled switch ports with loops, the provisions in this Section 5.3 apply.
- 1.3.2. PACIFIC shall provide the following information to AT&T and shall promptly notify AT&T of any changes:
 - 1.3.2.1. Notice of any rate centers in which DBMS management and selective routing for E911 calls is provided by PACIFIC and another E911 provider for different portions of the same rate center.
 - 1.3.2.2. PS-ALI interface information and access to the DBMS sufficient, when combined with a network connection purchased by AT&T's Customer from Pacific between the customer location and PACIFIC's E911 selective router, to allow AT&T to provide services to its own End Users equivalent to the PS-ALI and PRI with Informed E911 services provided by PACIFIC.
 - 1.3.2.3. A complete list of 10-digit emergency telephone numbers used by PACIFIC's operator service providers to handle emergency calls. PACIFIC shall provide updates at least equal in frequency and quality to updates provided for its own operator services.
- 1.3.3. PACIFIC shall provide and maintain such equipment at the E911 Selective Router and the DBMS as is necessary to perform the E911 services set forth herein. Pacific and AT&T shall cooperate to ensure the timely exchange of information and seamless operation of emergency call networks and resolution of any record discrepancies. AT&T will notify PACIFIC of any MSAG discrepancies AT&T identifies as a result of a DBMS entry for an AT&T End User rejected because of a MSAG error. Pacific shall continue to negotiate the addition and/or correction of MSAG entries with the E911 County Coordinator within the same timeframe that PACIFIC

would negotiate an addition and/or correction for its own End User. E911 arrangements provided to AT&T shall be at least equal in quality and functionality to the support and services that Pacific provides to its own End Users for such similar functionality, or to itself, its Affiliates or third parties. This shall include all of the following:

- 1.3.3.1. Transporting the 911 calls from where the Parties' facilities meet to connect AT&T switches to the Selective Router of the E911 systems.
- 1.3.3.2. Switching the 911 calls through the Selective Router to the designated primary PSAP or PSAP-determined alternate locations, according to routing criteria specified by the E911 customer.
- 1.3.3.3. Storing the names, addresses, and associated telephone numbers from AT&T's exchanges in the electronic data processing database for the E911 DBMS. AT&T or its representatives is responsible for downloading and updating this information. PACIFIC agrees to treat all data on AT&T subscribers provided under this Agreement as strictly confidential and to use data on AT&T subscribers only for the purpose of providing E911 services.
- 1.3.3.4. Transmission of ANI and ALI information associated with AT&T's End-Users accessing E911 service to the PSAP for display at an attendant position console.
- 1.3.3.5. PACIFIC shall provide and maintain sufficient dedicated E911 trunks from PACIFIC's Selective Router to the PSAP of the E911 customer, according to provisions of PACIFIC's Schedule CAL. PUC No. A. 9 and specifications of the E911 customer.
- 1.3.4. PACIFIC shall provide AT&T with an E911 Selective Router map that correlates the exchange or rate centers with the appropriate Selective Router in accordance with the terms of PACIFIC's Schedule CAL PUC No. A.9.
- 1.3.5. Upon request, PACIFIC shall provide AT&T with a file containing the Master Street Address Guide (MSAG) for the requested exchanges or communities via CD-ROM or other available electronic media, in accordance with the terms of PACIFIC's Schedule Cal PUC No. A.9. PACIFIC also shall provide AT&T, at no charge, read-only query access to the MSAGs to verify that street numbers and names for AT&T End Users are correct. In addition, AT&T may request and PACIFIC shall make available within 48 hours for retrieval by AT&T, statistical, transactional and End-User record reports of AT&T's End-User files downloaded by AT&T to PACIFIC's DBMS, so that AT&T may ensure the accuracy of AT&T's End-User records.
- 1.3.6. AT&T shall connect its switches to the E911 Selective Router by one-way outgoing trunks dedicated for originating 911 emergency service calls, according to the specifications in the E911 Technical Network Interface

Document contained in PACIFIC's CLEC Handbook. Trunks shall be established as CAMA MF trunks until SS7 connectivity is available. Thereafter, trunks shall be established with SS7 signaling. AT&T, at its option, may utilize new 911 interconnection technologies that PACIFIC has deployed within its 911 network (e.g., AIN) and PACIFIC agrees to make such technology available to AT&T on a reasonable implementation schedule. After SS7 signaling is established, AT&T may issue orders to disconnect existing CAMA MF trunks and connect SS7 trunks.

- 1.3.7. AT&T may order trunks for 911 connectivity by placing orders for UNE dedicated transport, and PACIFIC shall provision such trunks within 30 business days of receipt of AT&T's order, or such shorter time as may be established by law, rule, regulation or Commission or F.C.C. order.
- 1.3.8. PACIFIC shall assure sufficient capacity at the 911 tandem or selective router to meet AT&T's orders for interconnection within 30 business days after receipt of an order. Pacific Bell shall provide for interconnection of a minimum of two E911 trunks per trunk group for each switch from which AT&T provides or plans to provide local exchange service, and interconnection for as many additional trunks as may be required to assure a P.01 grade of service. AT&T will install additional trunks in pairs to provide diversity, and Pacific shall provide interconnection to the E911 selective router accordingly. Interconnection to the 911 tandem shall be established to provide path and route diversity, where route diversity exists.
- 1.3.9. AT&T acknowledges that its End-Users may be served by different Selective Routers and AT&T shall be responsible for providing facilities to route calls from its End-Users to the proper E911 Selective Router. PACIFIC shall notify AT&T of major changes and upgrades to the E911 network or database management services by Accessible Letter in advance of such changes.
- 1.3.10. PACIFIC and AT&T will work cooperatively to establish test criteria for E911 trunks and E911 database downloads. Prior to placing a trunk in service Pacific and AT&T shall cooperate in testing to assure proper functioning of the E911 system for calls delivered over the trunk.
- 1.3.11. Once E911 trunking has been established and tested between AT&T's end office and appropriate Selective Router, AT&T or its representatives shall be responsible for providing AT&T database records to PACIFIC for inclusion in PACIFIC's ALI database on a timely basis. PACIFIC and AT&T shall arrange for the automated input and periodic updating of the E911 database information related to AT&T End-Users. PACIFIC shall accept electronically transmitted files that conform to National Emergency Number Association ("NENA") Version #3 format, or as otherwise to agreed to by the Parties. AT&T shall adopt use of a Company Identifier (NENA standard five-character field) on all AT&T database records. The Company Identifier will

be used to identify the carrier of record in facility configurations. AT&T data shall be validated against the MSAG via the DBMS.

- 1.3.12. PACIFIC shall update the database within forty-eight hours of receiving the data from AT&T, unless PACIFIC detects an error (s). If PACIFIC detects an error in AT&T provided data, the data shall be returned to AT&T within forty-eight hours from when it was first provided to PACIFIC. AT&T shall respond to requests from PACIFIC to make corrections to database record errors by uploading corrected records within two (2) business days after the receipt of PACIFIC's notification of errors. If automated update capability is temporarily unavailable, PACIFIC shall provide alternative means to assure that AT&T's updates are completed within forty-eight hours after the time when Pacific would have received the data from AT&T had the automated capability been available. Manual entry shall be allowed only in the event that the system is not functioning properly. The AT&T End-User record will be updated in the E911 DBMS via the E911 DBMS electronic interface. The ALI and Selective Router databases will be subsequently updated by the E911 DBMS once the AT&T End-User record is updated in the E911 DBMS. The DBMS will send completion information back to the electronic interface for retrieval by AT&T.
- 1.3.13. AT&T will be responsible for the isolation, coordination and restoration of all 911 network maintenance problems to the AT&T demarcation (e.g. collocation). PACIFIC will be responsible for the coordination and restoration of all 911 network maintenance problems beyond the demarcation (e.g. collocation). AT&T is responsible for advising PACIFIC of the circuit identification when notifying PACIFIC of a failure or outage. The parties agree to work cooperatively and expeditiously to resolve any 911 outage. Pacific will refer network trouble to AT&T if no defect is found in PACIFIC's network. The Parties agree that 911 network problem resolution will be managed in an expeditious manner at all times.
- 1.3.14. Where PACIFIC manages the E911 database, PACIFIC shall establish a process for the management of NPA splits by populating the ALI database with the appropriate NPA codes.
- 1.3.15. Pacific will keep AT&T informed of its SS7 E911 trunk conversion schedule by Accessible Letter or upon request.
- 1.3.16. Pacific will keep AT&T informed of any plans and schedules for deployment of new technology for the E911 system by Accessible Letter or upon request.
- 1.3.17. Interconnection to the 911 tandem shall be established to provide path and route diversity, where route diversity exists. PACIFIC and AT&T will work together in good faith to accomplish diversity planning.
- 1.3.18. Pacific shall provide Telephone Number (TN) query to provide AT&T query access to the ALISA/DBMS database to verify the accuracy of AT&T End

User information.

- 1.3.19. **Methods And Practices.** With respect to all matters covered by this attachment, each Party will adopt and comply with standard industry operating methods and practices and will observe the terms and conditions of PACIFIC's tariff, rules and regulations of the FCC, the Commission and the State of California 911 program requirements and operations manual.
- 1.3.20. **Contingency.** The terms and conditions of this attachment are subject to renegotiation in the event that the E911 Customer or State of California orders changes to the E911 service that necessitate revision of this attachment.
- 1.3.21. **Basis Of Compensation.** Rates for access to E911 arrangements are set forth in Attachment 8. Charges shall begin on the date connection to E911 Service commences.
- 1.3.22. **Technical References.** In order to provide optimum 911 service, PACIFIC shall provide 911 Arrangements to AT&T in compliance with National Emergency Number Association (NENA) recommended standards, when appropriate and systematically feasible.

1.4. Liability

- 1.4.1. PACIFIC's liability and potential damages, if any, for its gross negligence, recklessness or intentional misconduct, is not limited by any provision of this Attachment. PACIFIC shall not be liable to AT&T, its End-Users or its E911 calling parties or any other parties or persons for any loss or damages arising out of errors, interruptions, defects, failures or malfunctions of the E911 Service, including any and all equipment and data processing systems associated therewith. Damages arising out of such interruptions, defects, failures or malfunctions of the system after PACIFIC has been notified and has had reasonable time to repair, shall in no event exceed an amount equivalent to any charges made for the service affected for the period following notice from AT&T until service is restored.
- 1.4.2. AT&T's liability and potential damages, if any, for its gross negligence, recklessness or intentional misconduct is not limited by any provision of this Attachment. In the event AT&T provides E911 Service to PACIFIC, AT&T shall not be liable to PACIFIC, its Customers or its E911 calling parties or any other parties or persons for any loss or damages arising out of errors, interruptions, defects, failures or malfunctions of the E911 Service, including any and all equipment and data processing systems associated therewith. Damages arising out of such interruptions, defects, failures or malfunctions of the system after AT&T has been notified and has had reasonable time to repair, shall in no event exceed an amount equivalent to any charges made for the service affected for the period following notice from the Customer until service is restored.

- 1.4.3. AT&T agrees to release, indemnify, defend and hold harmless PACIFIC from any and all loss, claims, demands, suits and other action, or any liability whatsoever, except for claims arising from PACIFIC's own negligence or other wrongful act, arising out of PACIFIC's provision of service hereunder or out of AT&T's End-Users' use of the E911 Service, whether suffered, made, instituted or asserted by AT&T, its End-Users, or by any other parties or persons, for any personal injury or death of any person or persons, or for any loss, damage or destruction of any property, whether owned by AT&T, its End-Users or others.
- 1.4.4. AT&T also agrees to release, indemnify, defend and hold harmless PACIFIC from any and all loss, claims, demands, suits or other actions involving an allegation of the infringement or invasion of the right of privacy or confidentiality of any person or persons, caused or claimed to have caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of the E911 Service features and the equipment associated therewith, including by not limited to the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing E911 Service hereunder, except which arise out of the negligence or other wrongful act of PACIFIC.

PACIFIC BELL
A Pacific Telesis Company
AGREEMENT NO:

CF 0041 (8-88)
REF. S.I. 81

POLE AND CONDUIT LICENSE AGREEMENT

PACIFIC BELL, a California corporation, hereinafter called "Licensor", and _____, hereinafter individually and collectively called "Licensee", mutually agree that the following terms and conditions shall govern Licensee's use of Outside Plant (as defined herein) in which Licensor has an ownership or other interest within the areas in or near the _____, State of California, which is delineated on the map hereto attached, marked "Exhibit A", and hereby made a part hereof.

1. GENERAL

This Agreement is subject to the interconnection agreement between Licensor and Licensee and the California Public Utilities Commission's Rules Governing Access to Rights-of-Way and Support Structures of Incumbent Telephone and Electric Utilities set forth in Appendix A to Decision 98-10-058 dated October 22, 1998, as the same may be amended from time to time ("Commission's Right of Way Rules"). In the event of any inconsistency between this Agreement and that interconnection agreement and the Commission's Right of Way Rules, the interconnection agreement and the Commission's Right of Way Rules shall prevail.

2. DEFINITIONS

- (a) Applicable Construction Requirements shall include Licensor's Manual of Construction Procedures if provided to Licensee, Administrative Guide for Authorized Licensees, and General Orders 95 and 128 of the California Public Utilities Commission.
- (b) Licensor, except as otherwise provided herein, shall mean Pacific Bell, its officers, directors, agents or employees.
- (c) Licensee, except as otherwise provided herein, shall mean the entity, its officers, directors, agents, employees and contractors, or person requesting permission to attach to or occupy Licensor's Outside Plant.
- (d) Outside Plant shall mean poles, underground conduit, manholes and handholes owned in whole or in part by Licensor or other owners of the Outside Plant.
- (e) Facilities shall mean cable, wires, appliances and other appurtenances.

3. LICENSEE'S USE OF OUTSIDE PLANT

Licensee's use of Licensor's Outside Plant shall be confined to supporting those Facilities which Licensor has given Licensee permission to install. Licensee shall not use the Facilities attached to or placed in Licensor's Outside Plant for any unlawful purpose.

4. SUBMITTING APPLICATIONS

(a) Whenever Licensee shall desire to place Facilities on or in any of said Outside Plant, Licensee shall make written application to Licensor in triplicate for permission to do so. Such application shall be substantially in the form of "Exhibit B" hereto attached.

(b) Upon receipt of said application, Licensor or Licensee shall survey the Outside Plant covered by said application to determine whether sufficient space is available to accommodate Licensee's Facilities and whether rearrangements or changes to said outside Plant or Facilities existing thereon or therein will be required to accommodate Licensee's facilities in accordance with Licensor's Applicable Construction Requirements. If Licensor determines that any such rearrangements or changes are required, Licensor shall return said application to Licensee together with a list of the rearrangements or changes required by all parties and an estimation of the cost to identify and perform Licensor's portion thereof. Licensor's estimate shall also include the cost to perform any inspections under Paragraph 10 of this Agreement. If Licensee still desires to use said Outside Plant, Licensee shall return its application marked to so indicate, together with an advance payment of Licensor's estimated costs as a deposit toward the actual cost to perform Licensor's portion of said work. Upon receipt of Licensee's marked application and advance payment, Licensor shall perform its portion of said work on or in said Outside Plant at Licensee's sole cost and expense.

(c) Licensor shall not be responsible to Licensee for any loss sustained by Licensee by reason of the refusal or failure of any other owner or user of said Outside Plant to make any rearrangements or changes to their Outside Plant or Facilities which will be required to accommodate Licensee's Facilities.

When Licensee requests rearrangements or changes to accommodate its facilities, Licensee shall be responsible for: (1) requesting that other owners make the required rearrangements or changes; (2) obtaining such approvals as are necessary from the other owners prior to placing Licensee's Facilities on or in Licensor's Outside Plant; (3) assuring that all necessary rearrangements or changes by such other owners have been completed before Licensee places its Facilities on or in said Outside Plant, if prior placement of Licensee's Facilities will result in a deviation from Applicable Construction Requirements; and (4) reimbursing the other owners for making any such rearrangements or changes.

5. PERMISSION TO OCCUPY

Upon completion of the work described in Paragraph 4 above, Licensor shall grant Licensee written permission to install, maintain and use the Facilities described in said application on or in the Outside Plant identified therein, subject to the terms and conditions of said application. Such permission shall be substantially in the form of "Exhibit C" hereto attached. Before commencing installation of said Facilities, Licensee shall provide Licensor with reasonable notice so that Licensor may arrange, at its option and at Licensee's sole cost and expense, to have Licensor's inspector present during said installation.

6. LAWFUL EXERCISE OF PERMISSION

Licensee shall obtain from public authorities and private owners of real property any and all permits, licenses or grants necessary from the lawful exercise of the permission granted by any application approved hereunder.

7. TIMEFRAMES FOR PLACEMENT OF FACILITIES

Licensee shall complete the placement of its Facilities on or in the Outside Plant covered by each approved application within nine months of the grant of written permission provided, however,

that said time limit shall be extended for an additional period not to exceed nine months if the delay is demonstrably attributable to the delay of a governmental agency in issuing a permit, in which case Licensee may have an additional period of time not to exceed nine more months to complete the placement of its Facilities, or unless the delay is demonstrably attributable to severely inclement weather, in which case Licensee's time to install its Facilities shall be extended by one day for each day of inclement weather, unless additional time is needed, in which case Licensor and Licensee shall mutually agree to a longer time period. In the event Licensee should fail to complete placement of its Facilities within said prescribed time limit, the permission granted by Licensor to place said Facilities may be revoked by Licensor upon thirty (30) days prior written notice to Licensee; provided, however, said revocation will be abeyed so long as Licensee undertakes and continues substantial effort to complete the placement of its Facilities. In the event permission is revoked, Licensee shall not have the right to place said Facilities without first reapplying for and receiving permission to do so as prescribed in Paragraph 4 above.

8. SUSPENSION OF WORK

Licensor shall have the right to require Licensee to suspend immediately, upon oral or written notice any work being performed or to be performed by licensee hereunder whenever in Licensor's sole opinion such work is being performed or is to be performed in a manner contrary to any of the provision of this Agreement, or in any manner which is likely to cause injury to persons or damage to property. Licensee shall not resume any such work until Licensor has given its oral or written approval to do so.

9. DAMAGE TO FACILITIES

Licensor and Licensee shall exercise precaution to avoid causing damage to each other's Facilities or those of others on or in said Outside Plant and shall make an immediate report of the occurrence of any such damage caused by its employees, agents or contractors, to the owner(s) of said Outside Plant or Facilities. The party causing the damage agrees to reimburse the damaged owner(s) for all reasonable direct costs incurred in making replacements or interruption of service or for interference with the operation of each other's facilities. Neither party shall be liable to the other for any indirect, special, or consequential damages.

10. INSPECTIONS

All work performed by Licensee shall be performed in accordance with this Agreement and Applicable Construction Requirements. Licensor shall have the right: (a) to inspect each new installation of Licensee's Facilities on or in the vicinity of said Outside Plant; and (b) to make periodic inspections of Licensee's Facilities upon thirty (30) days prior written notice to Licensee. Licensee shall pay Licensor upon demand Licensor's costs in making such inspection. If, upon completion of any said inspections, Licensor notifies Licensee to correct omission to violations of, or deviations from any of said Applicable Construction Requirements, Licensee shall correct said violations of, or deviations from any of said Applicable Construction Requirements, Licensee shall correct said omission, violations or deviations with 45 days, except that if, in Licensor's sole opinion, such omissions, violations or deviations present a serious threat of immediate bodily harm or injury or damage to property, Licensee shall make said corrections within 48 hours of Licensor's oral notice to do so. If Licensee fails to make said corrections within the required timeframes, Licensor may, at its option, make said corrections at Licensee's sole cost, risk and expense; provided further, however, that if Licensee fails to correct deviations which present a serious threat of immediate bodily harm or injury

or damage to property, Licensor may withhold permission for Licensee to use any Outside Plant covered by additional applications until said corrections are made by Licensee.

11. SUBSEQUENT PLACEMENT OF FACILITIES

(a) Licensee shall not have the right to place, nor shall it place, any additional Facilities on or in the Outside Plant without first making a written application for and receiving permission to do so, as prescribed in Paragraph 4 above; nor shall Licensee change the position of any Facilities on or in said Outside Plant without Licensor's prior written approval.

(b) If Licensor finds that Licensee has placed any Facilities on or in any part or parts of said Outside Plant without first making a written application for and receiving permission to do so, Licensor, without prejudice to its other rights or remedies under this Agreement may (1) require Licensee to remove such Facilities forthwith, or (2) remove said Facilities at the sole risk and expense of Licensee; provided however, prior to removal of such Facilities, Licensor shall provide Licensee or prospective Licensee a reasonable period of time, not to exceed 30 days in which to remove its Facilities or apply for authority to Licensor to attach or occupy and to pay the penalty provided in this Paragraph 11(b). Licensee shall pay Licensor upon demand Licensor's charges for such removal.

(c) Licensor and Licensee further agree that Licensee shall pay to Licensor a penalty of \$500 for each unauthorized attachment. No act or failure to act by Licensor with regard to said unauthorized use shall be deemed a ratification on the giving of permission for such use. If permission should subsequently be given for such use after Licensee has made written application therefor; said permission shall not operate retroactively or constitute a waiver by Licensor of any of its right or privileges under this agreement or otherwise.

12. NO OBLIGATION

(a) Nothing in this Agreement shall be construed to obligate Licensor to grant Licensee permission to use any particular Outside Plant. No use, however extended of any of said Outside Plant under this Agreement shall create or vest in Licensee any ownership or property rights therein; Licensee's rights hereunder shall be and remain a mere license. Nothing herein contained shall be construed to compel Licensor to maintain any particular Outside Plant for a period longer than demanded by its own service requirements.

(b) The Licensor retains the right, in its sole judgment, to determine the availability of space in a conduit system. In the event the Licensor determines that it would be in its best interest to abandon an underground structure, the occupant of a duct, or portion thereof, will have first right of refusal to purchase.

13. SUBSEQUENT MODIFICATIONS

(a) Licensor shall provide Licensee 60 days' written notice of any planned modification to Licensor's Outside Plant to meet Licensor's own service requirements or those of any other owner of an interest in Licensor's Outside Plant. Licensee shall, at Licensor's or other owner's expense, perform such work in connection with such planned modification as reasonably required by Licensor within such 60 day time frame, except that if such modification requires the rearrangement, relocation, or transfer of Licensee's Facilities, Licensor shall provide Licensee with an opportunity to review and comment on the planned modification and to assist in the development of plans. Licensee shall rearrange, relocate, or transfer its Facilities within a mutually agreeable time frame; provided, however, that, subject to paragraph 14 regarding Reclamation of Space by Licensor, if Licensee does not rearrange, relocate, or transfer its Facilities within a reasonable period of time after expiration of the

sixty (60) day notice period, Licensor, at its discretion, may perform such work at Licensor's expense. In the case of an emergency modification to Licensor's Outside Plant, Licensor may perform such work in connection with Licensee's Facilities as Licensor reasonably deems necessary to respond to the emergency, provided that where possible Licensor first provides verbal notice to Licensee and defers action until Licensee responds, before commencing such work.

(b) If technically feasible, Licensor will modify its Outside Plant to accommodate a request by Licensee for additional capacity. Before commencing the work necessary to provide such additional capacity, Licensor will notify all other parties that have Facilities on or in Licensor's Outside Plant, and when possible, will include those modifications required to accommodate other attaching parties, including Licensor.

(c) The cost of modifying Licensor's Outside Plant to accommodate Licensee's request, an existing or prospective attaching party's request, or the needs of Licensor (except as provided in paragraph 14 below), shall be borne by the party requesting such modification, except to the extent other parties attaching to the Outside Plant specifically benefit from the modification. In that case, the parties benefiting from the modifications shall share in the costs on a proportionate basis corresponding to the share of useable space occupied by each benefiting party.

(d) In the event of any service outage affecting both Licensor's and Licensee's Facilities, both parties shall mutually agree on reasonable restoral plans.

(e) With Licensor's prior concurrence, Licensee, without charge and where available, may temporarily use spare duct or innerduct for emergency maintenance purposes. Such Licensee emergency Facilities shall be removed within ninety (90) days after the date Licensee replaces its existing Facilities in one duct with the placement of substitute Facilities in another duct unless Licensee applies for and Licensor grants a license for such conduit system occupancy. In cases where an emergency exists that affects both parties, and where only one spare innerduct of duct is present, Licensor has maintenance priority.

14. RECLAMATION OF SPACE BY LICENSOR

(a) If Licensor has need of existing space which is being occupied by Licensee's Facilities, Licensor may reclaim such space if the space is reasonably and specifically needed to serve Licensor's customers, provided, however, that Licensor shall first give Licensee the option to pay for the costs of any rearrangements or expansions necessary to maintain Licensee's Facilities. Licensor shall only reclaim space if there are no other cost effective solutions to meet Licensor's needs, and there are no technological means of increasing capacity of the support structure for additional attachments. Licensor and Licensee shall negotiate in good faith to reach a cooperative solution to the capacity problem.

(b) Licensor may also reclaim space in the event Licensee refuses to pay the costs of rearrangements necessary to maintain its use of Licensor's Outside Plant. In the case of such refusal, Licensee shall promptly remove its Facilities at Licensee's own expense. If Licensee does not remove its Facilities within thirty (30) days after written notice from Licensor, Licensor may do so at Licensee's sole risk, cost and expense.

(c) In the event of a dispute over reclamation of space, Licensor shall not displace Licensee without first obtaining authorization from the Commission to do so.

15. MULTIPLE LICENSEES

If, in Licensor's judgment, Licensee's existing Facilities on or in any Outside Plant interfere with or prevent the placement of Facilities thereon or therein by additional Licensee, and if said Facilities could be placed on or in said outside Plant by rearranging Licensee's Facilities, by rearranging Licensor's or other owners existing Facilities, or by replacing said Outside Plant, Licensor

shall provide Licensee sixty (60) days notice in writing of the need and a request to rearrange or replace its Facilities and provide Licensee an opportunity to review and comment on the request and to assist in the development of plans to accommodate the Facilities of additional Licensees. Licensee shall cooperate with Licensor and additional Licensees to arrive at a mutually agreeable solution. The parties benefiting from the rearrangements shall share in the cost thereof on a proportionate basis corresponding to the share of useable space occupied by each benefiting party. Subject to paragraph 14 regarding Reclamation of Space by Licensor, in the event that Licensee does not rearrange or replace its Facilities within a reasonable period of time after expiration of the sixty (60) day notice period, Licensor, at its discretion, may (a) rearrange, relocate, or transfer Licensee's Facilities or (b) authorize the additional Licensee to rearrange, relocate, or transfer Licensee's Facilities; provided, however, that if Licensor elects to rearrange, relocate, or transfer Licensee's Facilities, the additional Licensee shall pay Licensor the cost thereof.

16. PERFORMANCE BY LICENSOR

If Licensee should fail to perform any work which it is obligated to do under this Agreement within the time allowed for such work, Licensor may elect, by prior written notice to Licensee, to perform such work at Licensee's sole risk and expense, and Licensee shall pay Licensor upon demand Licensor's charges for performing such work. Unless otherwise provided in this Agreement, prior to the termination of this Agreement or performing work on behalf of Licensee, Licensor shall provide Licensee with a reasonable period of time in which to cure any defaults or breaches of this Agreement.

17. VOLUNTARY REMOVALS

Licensee may at any time elect to permanently remove its Facilities from any said Outside Plant. In such case, Licensee shall immediately provide Licensor with written notice of such removal on the form from time to time prescribed by Licensor. Removal of said facilities from any part of said Outside Plant shall constitute a termination of Licensee's right to use such part. Licensor shall refund Licensee a pro rata portion of any prepaid annual charges.

18. RECURRING CHARGES

For the privilege of placing and maintaining its facilities on or in said Outside Plant, Licensee shall pay to Licensor amounts set forth in "Exhibit D" which is attached hereto and hereby made a part hereof.

19. PAYMENTS

All annual charges under this Agreement for use of Licensor's conduit or poles shall comply with the formula established by the California Public Utilities Commission. All other charges to Licensee such as make-ready and inspection charges shall be equal to the actual costs incurred by Licensor. All amounts payable by Licensee to Licensor under this Agreement shall, unless otherwise specified, be payable within sixty (60) days from the billing date. Balances unpaid after sixty (60) days will be subject to a late payment charges computed at the rate of eighteen percent (18%) per annum; provided however, that payment of said charge shall not waive or excuse the default.

20. DEFAULT

The occurrence of any of the following shall constitute a material, substantial breach and default of this Agreement by Licensee:

(a) The failure by Licensee to make any payment required to be made by Licensee hereunder and when payable where such failure continues for ten (10) calendar days from the date of written notice of delinquency by Licensor;

(b) The assignment, subletting or transfer of any interest under this Agreement in violation of Paragraph 32 of this Agreement;

(c) Cancellation, revocation or termination of the franchise by the franchising authority for any franchise area subject to this Agreement after Licensee has exhausted its administrative and judicial remedies;

(d) The failure of Licensee to maintain the insurance and bond requirements in compliance with Paragraphs 26 and 27 of this Agreement;

(e) The occurrence of any of the events set forth in Paragraph 21 ("Bankruptcy of Licensee");

(f) The failure to indemnify and hold Licensor harmless, to defend any suit or legal proceeding or to pay any claim as provided in Paragraph 24 of this Agreement;

(g) Any material violations of this Agreement, including, but not limited to violations of Paragraph 9 ("Damage to Facilities"), Paragraph 28 ("Liens") or Paragraph 29 ("Confidential Information") of this Agreement.

21. BANKRUPTCY OF LICENSEE

(a) The occurrence of any of the following shall constitute a default which may be a basis for termination of this Agreement:

(1) Licensee files for protection under the Bankruptcy Code of the United States or any similar provision under the laws of the State of California; or

(2) Licensee has a receiver, trustee, custodian or other similar official appointed for all or substantially all of its business or assets; or

(3) Licensee makes an assignment for the benefit of its creditors.

(b) Election to Assume Agreement

In the event that a petition for reorganization or adjustment of debts is filed under chapter 11 of the Bankruptcy Code, or a proceeding is filed under Chapter 7 of the Bankruptcy Code and is converted to Chapter 11, Licensee must elect to assume this Agreement within 120 days from the filing or conversion of the petition under chapter 11, or Licensee's trustee or the debtor-in possession be deemed to have rejected this Agreement.

(c) Cure or Adequate Assurance

For purpose of this section, "Assurance" shall mean no less than trustee or the debtor has and will continue to have sufficient unencumbered assets after the payment of all secured obligations and administrative expenses to assure that sufficient funds will be available to fulfill the obligations of debtor under this Agreement.

No election by trustee or debtor to assume this Agreement shall be effective unless each of the following conditions has been satisfied:

(1) trustee or debtor has cured all defaults under the Agreement or has provided Licensor with assurance that it will cure all defaults, including, but not limited to, such defaults which are susceptible of being cured by the payment of money within 10 days from the date of assumption and all other defaults under this Agreement by the performance of any act required promptly after the date of such assumption:

(2) Trustee or debtor has provided Licensor with assurance of future performance of the obligations under this Agreement and if such assurance has been provided, trustee or debtor shall also deposit with Licensor, as security for the timely payment of all monetary amounts under the Agreement, a faithful performance bond equal to two (2) years estimated semiannual charges:

(3) In the event that this Agreement is assumed in accordance with the paragraphs herein and thereafter debtor is liquidated or files a subsequent petition in bankruptcy under Chapter 11 of the Code, Licensor may, at its option, terminate this Agreement and all rights of debtor hereunder by giving debtor notice of election so to terminate within 30 days after the occurrence of either of such events.

(d) Assignment of Agreement

Any person or entity to which this Agreement is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed without further act or deed to have assumed all of the obligations arising under this Agreement on and after the date of such assignment. Any such assignee shall upon demand execute and deliver to Licensor an instrument confirming such assumption.

22. TERMINATION

Except as otherwise set forth in Paragraph 21 above, in the event of any material default or breach of this Agreement by Licensee, in addition to all other rights and remedies which Licensor may have at law or equity, Licensor shall have the immediate right to terminate this Agreement by giving Licensee thirty (30) days prior written notice of said termination: provided, however, that said notice shall specify the cause. In the event this Agreement is terminated as provided in this Paragraph 22, Licensor shall not be liable to Licensee or any other person or entity for any losses, damages or claims which may arise as a result of said termination. Licensee shall pay to Licensor any costs or expenses incurred by Licensor prior to the termination of said Agreement and Licensor shall refund to Licensee any advance payment after deducting any costs or expenses incurred prior to said termination.

Any termination of this Agreement in whole or in part shall not release Licensee from any liability or obligation hereunder, whether of indemnity or otherwise, which may have accrued or which may be accruing or which arises out of any claim that may have accrued or may be accruing at the time of termination.

23. COSTS AND ATTORNEYS' FEES

If Licensor or Licensee shall bring any action for any relief against the other, declaratory or otherwise, or any action by Licensor for the recovery of payments due under this Agreement, the losing party shall pay the prevailing party's costs and expenses, including reasonable attorneys' fees as ordered by the court or regulatory agency.

24. INDEMNITY

Licensee shall indemnify, defend and hold harmless as "Indemnitees" Licensor, its parent and affiliates, and their respective agents, employees, officers, directors and shareholders from and against any and all fines, penalties, losses, costs, damages, injuries, claims, expenses or liabilities ("Liabilities"), including, but not limited to, Liabilities resulting from the injury to or death of any person, or damage to or loss or destruction of any property arising out of, resulting from or in any way connected with this Agreement or the performance of this Agreement and directly or indirectly caused, in whole or in part, by the acts or omissions, negligent or otherwise, of Licensee or a contractor or an agent of Licensee or an employee of any of them except where such Liabilities arise from the negligence or willful misconduct of Licensor, its agents or employees. Licensor shall, as soon as practicable, notify Licensee of any suit or other legal proceeding asserting a claim for Liabilities. Upon request, Licensee shall, at no cost or expense to any Indemnitee, defend any such suit or legal proceeding, and Licensee shall pay any costs and attorneys' fees that may be incurred by any Indemnitee in connection with any such claim, proceeding or suit. Licensee shall also (1) keep Licensor and any other Indemnitee subject to such claim fully informed as to the progress of such

defense and (2) afford Licensor and such Indemnitee, each at its own expense, an opportunity to participate on an equal basis with Licensee in the defense or settlement of such claim.

Licensor shall indemnify, defend and hold harmless as "Indemnitees" Licensor, its parent and affiliates, and their respective agents, employees, officers, directors and shareholders from and against any and all fines, penalties, losses, costs, damages, injuries, claims, expenses or liabilities ("Liabilities"), including but not limited to, Liabilities resulting from the injury to or death of any person, or damage to or loss or destruction of any property arising out of, resulting from or in way connected with this Agreement or the performance of this Agreement and directly or indirectly caused, in whole or in part, by the acts or omissions, negligent or otherwise, of Licensor or a contractor or an agent of Licensor or an employee of any of them except where such Liabilities arise from the negligence or willful misconduct of Licensee or its agents or employees. Licensee shall, as soon as practicable, notify Licensor of any suit or other legal proceeding asserting a claim for Liabilities. Upon request, Licensor shall, at no cost or expense to any Indemnitee, defend any such suit or legal proceeding, and Licensor shall pay any costs and attorneys' fees that may be incurred by any Indemnitee in connection with any such claim, proceeding or suit. Licensor shall also (1) keep Licensee and any other Indemnitee subject to such claim fully informed as to the progress of such defense and (w) afford Licensee and such Indemnitee, each at its own expense, an opportunity to participate on an equal basis with Licensor in the defense or settlement of such claim.

25. LICENSOR'S RIGHTS

Licensor reserves to itself and to each other owner of Outside Plant the right to maintain said Outside Plant and to operate their Facilities thereon or therein in such a manner as will best enable them to fulfill their own service requirements, and neither Licensor nor any said other owner shall be liable to Licensee or any third party for any interruption to Licensee's service or any interference with the operation of Licensee's Facilities arising in any manner from the use of said Outside Plant and the Facilities thereon or therein by Licensor and each said other owner.

26. INSURANCE

(a) Any and all insurance and/or bonds that may be required under the law, ordinances and regulations of any governmental authority, including but not limited to, Workers' compensation Insurance, are and shall be the sole responsibility of Licensee.

(b) Licensee shall maintain in force insurance coverage and levels at or above those evidenced in the Certificate of Insurance attached to this Agreement as Exhibit "E". Licensor shall be named as an additional insured on any such policies.

(c) Prior to the execution of this Agreement, or if requested by Licensor at any time thereafter, Licensee shall provide Licensor with certification by a properly qualified representative of its insurer that Licensee's insurance complies with the provisions of this Paragraph 26. In addition, such certification shall describe the coverages as being either on an "occurrence" or "claims-made" form. Workers' Compensation Insurance shall contain a waiver of subrogation against and an assignment of statutory lien to Licensor, its parent or affiliates. If requested by Licensor, Licensee shall provide to Licensor a copy of any and all policies of insurance required pursuant to this Agreement.

(d) The insurance specified above shall:

- (1) name Licensor, its parent, affiliates, and directors, shareholders, and employees of Licensor, its parent and affiliates and "additional insured" in matters by this Agreement:
- (2) provide that said insurance is primary coverage with respect to all insureds:

(3) contain a standard Cross-Liability Endorsement which provides that the insurance applies separately to each insured, and that the policies cover claims or suits by one insured against the other: and

(4) not be terminated, called, lapsed, or materially changed without thirty (30) days prior written notice to Licensor, such notice to be provided to Licensor as specified in Paragraph 33 below ("Notice"). In the event said insurance is terminated, canceled, lapsed, or materially changed or if Licensee does not reinstate such insurance as is required under the provisions of this Paragraph 26 within fifteen (15) days after written notice to Licensor, Licensor may terminate this Agreement or, at Licensor's option and at Licensee's expense, Licensor may reinstate said insurance by purchasing policies at Licensee's expense providing the coverage set forth in this Paragraph 26.

(e) All insurance policies required by this Agreement shall be issued by companies licensed to transact business in the State of California and which hold a current Policy holder's Alphabetic and Financial Size Category Rating of not less than "A" according to Best's Insurance Reports.

(f) Licensee's obligations to maintain the insurance required herein, and to provide evidence of same, shall survive for a period of ten (10) years beyond the termination, cancellation, or expiration of this Agreement. If Licensee's coverages are on "claims-made" forms, Licensee agrees to maintain such insurance and to provide Licensor evidence thereof for the period stated in this Paragraph 26(f).

(g) at any time during the term of this Agreement, Licensor may require Licensee to obtain and maintain in force insurance with coverage of limits in addition to the foregoing.

27. FAITHFUL PERFORMANCE BOND

Licensee may be required to furnish in an amount to be specified by Licensor to cover the faithful performance by Licensee of its obligations under this Agreement. Said bond shall be issued by a commercial bonding company selected by Licensee and satisfactory to Licensor, shall be in such form and in such amount as Licensor shall specify from time to time, shall be maintained in full force and effect throughout the life of this Agreement, and shall not be subject to termination or cancellation except upon ninety (90) days' prior written notice by Certified Mail to Licensor at the address specified in Paragraph 33 below.

If Surety on the bond should give notice of the termination of said bond and if Licensee does not reinstate the bond within fifteen (15) days after written notice from Licensor, Licensor may by written notice to Licensee, terminate this Agreement and/or revoke permission to use the outside Plant covered by an or all applications submitted by Licensee hereunder, and Licensee shall remove, subject to the provisions of Applicable Construction Requirements, its Facilities from the Outside Plant to which said termination applies within thirty (30) days from such notification.

28. LIENS

Licensee and its contractors shall keep said Outside plant free from any statutory or common law lien arising out of any work performed, materials furnished or obligations incurred by Licensee, its agents or contractors. Licensee agrees to defend, indemnify and hold Licensor harmless from and against any such liens, claims or actions, together with costs of suit, and reasonable attorneys' fees incurred by Licensor in connection with any such claim or action. In the event that there shall be recorded against said outside Plant any claim of lien arising out of any such work performed, materials furnished or obligations incurred by Licensee or its contractors and such claim of liens not removed within ten (10) days after notice is given by Licensor to Licensee to do so, Licensor shall have the right to pay and discharge said lien without regard to whether such lien shall be lawful, valid or correct.

Licensee shall, within thirty (30) days after written notice from Licensor, reimburse Licensor for any such claim paid by it.

29. CONFIDENTIAL INFORMATION

Any specifications, drawings, sketches, models, samples, tools, computer programs, technical information, confidential business, customer or personnel information or data, written, oral or otherwise (all referred to as "Information"), obtained by Licensee from Licensor under this Agreement shall remain Licensor's property. All copies of such Information in written, graphic or other tangible form shall be returned to Licensor upon request. Unless such Information was previously known to Licensee to be free of any obligation to keep it confidential or has been or is subsequently made public by Licensor or a third party, it shall be kept confidential by Licensee, shall be used only in performing hereunder, and may be used for other purposes only upon such terms as may be agreed upon in writing. Except with Licensor's prior written agreement, Information which Licensee may disclose hereunder to Licensor shall be deemed non confidential, nonproprietary, and free from all restrictions on use or disclosure. If Licensee provides Licensor with any proprietary or confidential Information which is conspicuously marked as such, Licensor shall use the same degree of care to prevent its disclosure to others as Licensor with respect to its own proprietary or confidential Information.

30. PUBLICITY

Licensee agrees to submit to Licensor all advertising, sales promotions and other publicity relating to this Agreement or the work performed hereunder, wherein the name of Licensor or Licensor's parent or affiliates is mentioned, or wherein language, signs, markings or symbols are used from which name of Licensor or Licensor's parent or affiliates may, in Licensor's judgment, be reasonably inferred or implied. Licensee further agrees not to publish or use such advertising, sales promotion or publicity without the written approval of Licensor.

31. NO AGENCY RELATIONSHIP

Nothing contained in this Agreement shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto other than the relationship of Licensor and Licensee.

Licensee hereby declares and agrees that it is an independent Agency and is not an agent, employee or representative of Licensor. Licensee further agrees throughout the term of this Agreement that no contractor, employee, agent, representative or officer of Licensee shall represent to any third party that he/she is an employee, agent or contractor of Licensor and that Licensee's employees, agent and contractors shall conduct themselves in a professional manner and properly identify their name and company name when called upon to do so by any third party who has a right to know (e.g., property owners, law enforcement personnel, employees or agents of Licensor). Licensee shall be solely responsible for compliance with all applicable laws governing employment and for Licensee's own acts and those of its employees, agents and contractors during the performance of obligations under this Agreement.

32. ASSIGNMENT

Licensee shall not, without the prior written consent in writing of Licensor, assign, transfer, sublet this Agreement or permit any other person or entity to use any of its Facilities placed in or on Licensor's Outside Plant. Licensor shall not unreasonably delay its consent. Any attempted assignment in contravention of this paragraph shall be null and void. Subject to the foregoing, this

Agreement shall inure to the benefit of and be binding upon the respective heirs, administrators, executors, successors and assigns of the parties hereto.

33. NOTICE

Wherever in this Agreement notice is provided or required to be given by either party hereto to the other such notice shall be in writing and transmitted by mail or by personal delivery to Licensor at its office at _____, Attention: Structure License Coordinator and to Licensee at its office at _____, Attention: _____ or to such other address as either party hereto, may from time to time designate in writing for that purpose.

34. GENERAL PROVISIONS

(a) Filing with California Public Utilities Commission

Licensor declares that the filing of this Agreement with the California Public Commission, if required by General Order 96A, is not to be construed as a public offering by Licensor of the services or Facilities provided herein. This Agreement shall be subject to such changes or modifications as may be required or authorized by any regulatory commission in the exercise of its lawful jurisdiction, tribunal or court of competent jurisdiction.

(b) Executive Orders

Exhibit "F" (Executive Orders and Associated Regulations) is hereby made a part of this Agreement.

(c) Applicable Law

This Agreement shall be construed in accordance with the laws of the State of California.

(d) Time of Essence

Time is of the essence of this Agreement.

(e) Force Majeure

Except for the payment of monies due under this Agreement, neither party shall be deemed in default hereunder to the extent that any delay or failure in the performance of its obligations results from causes beyond its reasonable control and without its fault or negligence. In the event of any such excused delay, the time for performance shall be extended for a period equal to the time lost by reason of the delay. If any excused delay occurs, the party unable to perform shall give immediate notice to the other party, while simultaneously seeking, in good faith to utilize reasonable alternative means for accomplishing the purpose of this Agreement and preventing delay.

(f) No Third Party Beneficiaries

Except as otherwise provided in this Agreement, the provisions of said Agreement are for the benefit of the parties hereto and not for any other person.

(g) Waiver

Waiver by either party of any provision of this Agreement, or of default or breach by the other party, shall not be deemed a general waiver of provisions, or as a waiver by the nondefaulting party of any subsequent default or breach.

(h) Modification and Amendments

No provision of this Agreement shall be deemed waived, amended or modified by either party, unless such waiver, amendment or modification is in writing and signed by the authorized representative of the party against whom it is sought to enforce such waiver, amendment or modification.

(i) Entire Agreement/Conflict with Prior Agreements

This Agreement, the Interconnection Agreement between Licensor and Licensee, the Commission's Right-of-Way Rules and the Applicable Construction Requirements, as they may be

modified, and the Exhibits attached hereto or referenced herein constitute the entire Agreement between the parties with respect to the subject matter thereof. Except as otherwise provided in the Agreement, all prior agreements, representations, statements, negotiations, understandings and undertakings are superseded hereby.

(j) No Exclusive Rights

Nothing herein contained shall be construed as affecting any rights or privileges previously conferred by Licensor or any other owner of an interest in or of Facilities on or in said Outside Plant, by contract or otherwise, upon others to use any Outside Plant covered by this Agreement: and Licensor and each other such owner shall have the right to continue and extend such rights or privileges. The privileges herein granted to Licensee shall at all times be subject to any such existing contracts and arrangements.

EXECUTED THIS _____ day of _____, _____

LICENSOR:

PACIFIC BELL

BY _____
(SIGNATURE)

NAME: _____
(PRINT NAME)

TITLE: _____

LICENSEE:

BY _____
(SIGNATURE)

NAME: _____
(PRINT NAME)

TITLE: _____

RECIPROCAL NON-DISCLOSURE AGREEMENT

This reciprocal non-disclosure agreement (NDA) is made and entered into this _____ day of _____, 20__ by Pacific Bell Telephone Company (PACIFIC), AT&T Communications of California, Inc. (AT&T), _____ (PACIFIC Representative), and _____ (AT&T Representative).

1. AT&T desires to collocate equipment in a PACIFIC structure ("Structure") described as follows (check one): central office _____; or, a structure other than a central office, described as follows:

PACIFIC has notified AT&T that space does not exist in that Structure for collocation.

2. Pursuant to applicable orders of the California Public Utilities Commission (CPUC), PACIFIC has selected _____ and AT&T has selected _____ as representatives to examine the Structure to determine (1) if physical collocation is feasible, (2) if space is available for collocation, and (3) if PACIFIC can provide secured access to that space.

3. The examination will occur on _____, 20__. Prior to the examination, PACIFIC will provide to the AT&T Representatives all relevant documentation, including blueprints and plans for future facility expansions or enhancements. AT&T will provide to the Pacific Representative all relevant documentation relating to AT&T's plans to collocate in the Structure. The PACIFIC Representative attending the examination with the AT&T Representatives will (1) supervise the examination, (2) explain the relevant PACIFIC documentation and (3) answer any questions about the planned use of floor space within the Structure. The AT&T Representative answered any questions about AT&T's plans to collocate in the Structure.

4. The examination of the Structure may entail PACIFIC's disclosure to the AT&T Representatives of Confidential Information relating to PACIFIC's business plans or operations; network design, systems and procedures; and/or the sale, purchase and use of services. The AT&T Representatives shall treat as confidential all information received from PACIFIC regarding the examination of the Structure, regardless of the format of the information and whether or not such information is specifically identified as confidential. All such information received by AT&T from PACIFIC regarding the examination of the Structure shall herein be referred to as "Confidential Information."

5. The examination of the Structure may entail AT&T's disclosure to the

PACIFIC Representative of Confidential Information relating to AT&T's business plans or operations; network design, systems and procedures; and/or the sale, purchase and use of services. The PACIFIC Representative shall treat as confidential all information received from AT&T regarding the examination of the Structure or AT&T's plans for collocation in the Structure, regardless of the format of the information and whether or not such information is specifically identified as confidential. All such information received by PACIFIC from AT&T regarding the examination of the Structure or AT&T's plans for collocation in the Structure shall herein be referred to as "Confidential Information."

6. Notwithstanding the foregoing, Confidential Information shall not include any information that (1) was in the public domain at the time of the disclosure thereof, (2) entered the public domain through no fault of the PACIFIC or AT&T Representatives subsequent to the time of disclosure, (3) was in the PACIFIC or AT&T Representatives' possession free of any obligation of confidence at the time of disclosure, (4) was disclosed to the PACIFIC or AT&T Representatives by a nonparty source, free of any obligation of confidence, after disclosure by PACIFIC or AT&T, or (5) was developed by PACIFIC or AT&T independently and without reference to any Confidential Information.

7. All Confidential Information in whatever form (including, without limitation, information in computer software or held in electronic storage media) shall be and remain property of the disclosing Party. All Confidential Information shall be returned to the disclosing Party promptly upon request and shall not be retained in any form by the PACIFIC or AT&T Representatives.

8. Use and Disclosure of Confidential Information

a. The PACIFIC and AT&T Representatives shall not disclose any Confidential Information to any person except employees or agents of PACIFIC or AT&T, as the case may be, who have a need to know and who have been informed of and agree to abide by the obligations of this NDA. (In absolutely no event shall the PACIFIC and AT&T Representatives disclose any Confidential Information to any marketing/sales employee.) By allowing any such access, PACIFIC and AT&T agree to be and remain liable for any disclosure by any employee or agent, if the disclosure is not in accordance with this NDA.

b. PACIFIC or AT&T may use any Confidential Information produced, revealed, or disclosed by the other Party in connection with or during examination of the Structure for purposes of participating in the examination and regulatory proceeding set forth in Section II, Appendix A of D.98-12-068 to adjudicate any denial by PACIFIC of physical collocation to AT&T in the Structure, provided that said Confidential Information is filed pursuant to G.O. 66C. Neither Party will be required to re-file the CO floor plans as part of said report as the floor plans will be filed by PACIFIC pursuant to Section I of Appendix A of D.98-12-068.

c. PACIFIC or AT&T may use such Confidential Information in any filing required or permitted in proceedings in which Pacific seeks Section 271 approval, including any appeals, provided that the Party intending to use such Confidential Information has timely filed a report as required by Section II, Appendix A, D.98-12-068, if applicable, and the Party intending to use such Confidential Information notifies the disclosing Party's counsel in writing, as soon as possible, but not later than five business days prior to such use. Counsel for the Parties shall constructively explore means of identifying the Confidential Information (including, but not limited to, submission of testimony and briefs under seal and clearing the hearing room) so that the proprietary interest therein may be reasonably protected, while at the same time enabling an effective presentation. If the Parties are unable to agree upon a procedure to protect the Confidential Information, or if the requesting Party objects to the producing Party's claim that particular information is lawfully entitled to proprietary or confidential status, the requesting Party shall request a ruling from the assigned ALJ, judge, or other similar presiding official. The disclosing Party reserves the right to oppose such a request. Unless and until the presiding official provides otherwise, the Parties agree to be bound by the terms of this NDA.

9. A shorter notice period than specified in paragraph 8c may be authorized for the use of the Confidential Information in proceedings in which Pacific seeks Section 271 approval, including any appeals, including verbal notice, provided that good cause is shown and that the disclosing Party has a reasonable opportunity to review the material and assert that it should be protected from use and disclosure. If the Parties are unable to agree upon a procedure to protect the Confidential Information, or if the requesting Party objects to the producing Party's claim that particular information is lawfully entitled to proprietary or confidential status, the requesting Party shall request a ruling from the assigned ALJ, judge, or other similar presiding official. The disclosing Party reserves the right to oppose such a request. Unless and until the presiding official provides otherwise, the Parties agree to be bound by the terms of this NDA.

10. Except as provided in paragraphs 8 and 9 above, PACIFIC and AT&T may use the Confidential Information only in the regulatory proceeding adjudicating PACIFIC's denial of physical collocation to AT&T in the Structure. PACIFIC and AT&T may not use any Confidential Information for any marketing/sales activity.

11. This NDA does not prohibit the disclosure of Confidential Information where applicable law requires, including, but not limited to, in response to subpoenas and/or orders of a governmental agency or court of competent jurisdiction. In the event PACIFIC or AT&T receives an agency or court subpoena or order requiring such disclosure of Confidential Information, PACIFIC or AT&T shall promptly notify the other in writing.

12. PACIFIC and the PACIFIC Representative shall use not less than the same degree of care to avoid disclosure of AT&T Confidential Information that PACIFIC

and the PACIFIC Representative use to avoid disclosure of PACIFIC Confidential Information.

13. AT&T and the AT&T Representative shall use not less than the same degree of care to avoid disclosure of PACIFIC Confidential Information that AT&T and the AT&T Representatives use to avoid disclosure of AT&T Confidential Information.

14. AT&T acknowledges that, during the examination of the Structure, AT&T may come into possession of Confidential Information of other telecommunications carriers collocating in that Central Office. For the purposes of this agreement, all information relating to other such telecommunications carriers is to be considered Confidential Information. AT&T agrees to protect such Confidential Information of such other telecommunications carriers in the same manner as AT&T is agreeing herein to protect the Confidential Information of PACIFIC. AT&T agrees that all terms of this NDA will bind AT&T in regards to such Confidential Information of such other telecommunications carriers.

15. The obligations of the Parties under this NDA, concerning the protection of Confidential Information, shall continue and survive the inspection of the Structure and shall remain binding for a period of two (2) years after that inspection.

16. This NDA (i) is the complete agreement of the Parties concerning this subject matter and supersedes any prior such agreements; (ii) may not be amended except in writing signed by the Parties; and (iii) is executed by authorized representatives of each Party.

17. This NDA shall benefit and be binding on the Parties below and their successors and assigns.

AT&T Communications of California, Inc.

Pacific Bell Telephone Company

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Address: _____

Address: _____

Date: _____

Date: _____

AT&T Representative

PACIFIC BELL Representative

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Address: _____

Address: _____

Date: _____

Date: _____

ATTACHMENT 13

BILLING AND RECORDING

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BILLING AND RECORDING

1. GENERAL

This Attachment describes the requirements for the billing and recording of all charges by one Party to the other under this Agreement. The performance measurements applicable to Billing and Recording are set forth in Section 14 of the Preface of this Agreement.

- 1.1. Each Party shall be responsible for (1) all costs and expenses it incurs in complying with its obligations under this Attachment 13 and (2) the development, modification, technical installation and maintenance of any systems or other infrastructure which it requires to comply with and to continue complying with its responsibilities and obligations under this Attachment 13.
- 1.2. Each Party shall provide the other Party at no additional charge a contact person for the handling of any billing questions or problems that may arise during the implementation and performance of the terms and conditions of this Attachment.

2. CONNECTIVITY CHARGES BILLED BY PACIFIC TO AT&T

- 2.1. PACIFIC will bill and record in accordance with this Attachment those charges AT&T incurs as a result of AT&T purchasing from PACIFIC services under this Agreement, including Network Elements, Combinations and Resale Services (hereinafter "Connectivity Charges"). The Parties agree that each bill for Connectivity Charges, except for Resale Services bills, shall be formatted in accordance with CABS and comply with the requirements of this Attachment 13 and applicable requirements of the OBF.
- 2.2. PACIFIC shall deliver billing information for Resale Services in the CRIS format via CD Rom.
- 2.3. PACIFIC agrees to accept, process and pay all bill invoices that are not CABS-compliant, submitted by AT&T, as successor to TCG-Los Angeles, TCG-San Francisco and TCG-San Diego (collectively, "TCG"), until such time as AT&T completes the conversion of the TCG paper bill process in use as of October 1, 1999 to a CABS compliant process. AT&T shall use its reasonable best efforts to complete this conversion by January 1, 2001.
- 2.4. Each Network Element, Combination, or Resale Service purchased by AT&T shall be assigned a separate and unique billing code in the form agreed to by the Parties and such code shall be provided to AT&T on each Connectivity Bill in which charges for such Network Elements, Combinations, or Resale

Services appear. Each Connectivity Bill shall set forth the quantity and description of each such Network Element, Combination, or Resale Service provided and billed to AT&T. All Connectivity Charges billed to AT&T must indicate the state from which such charges were incurred.

- 2.5. PACIFIC shall provide AT&T monthly Connectivity Bills that include all Connectivity Charges incurred by and credits and/or adjustments due to AT&T for those Network Elements, Combinations, or Resale Services ordered, established, utilized, discontinued or performed pursuant to this Agreement. Each Connectivity Bill provided by PACIFIC to AT&T shall include: (1) all non-usage sensitive charges incurred for the period beginning with the day after the current bill date and extending to, and including, the next bill date, (2) any known unbilled non-usage sensitive charges for prior periods, (3) unbilled usage sensitive charges for the period beginning with the last bill date and extending up to, but not including, the current bill date, (4) any known unbilled usage sensitive charges for prior periods, and (5) any known unbilled adjustments.
- 2.6. The Bill Date, as defined herein, must be present on each bill transmitted by PACIFIC to AT&T.
- 2.7. Subject to Section 2.7.5, PACIFIC shall not provide any Connectivity Bills to AT&T having a Bill Date any later than the following dates:
 - 2.7.1. Ninety (90) days following the recording date for all Resale Service usage and LSNE usage, except for calls requiring data exchange with third party carriers, e.g., intraLATA O+ calls made within another state, which calls are subject to Section 2.7.2.
 - 2.7.2. One hundred twenty (120) days following the recording date for calls requiring data exchange with third party carriers.
 - 2.7.3. Ninety (90) days following the date the charges are incurred for all other Network Elements, Combinations, and all non-usage Resale Service or LSNE charges.
 - 2.7.4. If any billing error is identified, quantified and communicated in writing by PACIFIC to AT&T within the time periods set forth in Sections 2.7.1 through 2.7.3 above after Connectivity Charges are incurred, Pacific will have a maximum of one hundred twenty (120) days after the Connectivity Charges are incurred to render correct Connectivity Bills therefor.
 - 2.7.5. No payment shall be due from AT&T for any Connectivity Bill received by AT&T from PACIFIC that fails to meet the timeliness requirements of Sections 2.7.1 through 2.7.4 of this Attachment.

- 2.7.6. On each bill where "Jurisdiction" is identified, local and local toll charges shall be identified as "Local" and not as interstate, interstate/ interLATA, intrastate, or intrastate/intraLATA.
- 2.8. PACIFIC shall bill AT&T at the rates set forth in Attachment 8 for each Network Element, Combination, or Resale Service, supplied by PACIFIC to AT&T pursuant to this Agreement. PACIFIC will bill AT&T based on the actual Connectivity Charges incurred, provided, however, for those usage-based Connectivity Charges where actual charge information is not determinable by PACIFIC because the jurisdiction (i.e., interstate, interstate/interLATA, intrastate, intrastate/intraLATA, local) of the traffic is unidentifiable, the Parties will jointly develop a process to determine the appropriate charges. For usage-based Network Elements and Combinations and for reciprocal compensation, measurement of Connectivity Charges shall be in actual conversation seconds based upon a tenth of a second increment, and the total conversation seconds per chargeable traffic types will be totalled for the entire monthly bill cycle and then rounded to the next whole minute.
- 2.9. At AT&T's option and subject to PACIFIC's agreement which will not be unreasonably withheld, AT&T may request that certain categories of Connectivity Charges be included in separate Connectivity Bills which are to be sent to different billing addresses.
- 2.10. PACIFIC shall recognize AT&T as the customer of record for all Resale Services, UNEs and Combinations purchased by AT&T and will send all related notices, bills and other pertinent information directly to AT&T and not to AT&T's customer. The bill will include data to enable AT&T to reconcile the billed charges with the recorded call information furnished in accordance with the requirements of Attachment 14.
- 2.11. At either Party's request, the Parties will negotiate appropriate billing and collection and compensation arrangements for information services calls (e.g. 976) by AT&T customers, including a mechanism for AT&T to rate calls, a means to compensate the enhanced service provider and the appropriate fees due to AT&T for performing the billing and collection function. At either Party's request, the Parties shall negotiate appropriate compensation arrangements for "calling party pays" cellular or paging service, when that service is introduced. The Parties may set forth the additional terms relating to such services either in a separate agreement or in an addendum to this Agreement.
- 2.12. PACIFIC agrees that if it transmits Connectivity Billing information and data in a CABS format electronically to AT&T in a mechanized format, PACIFIC will also comply with the following specifications which are not contained in CABS

guidelines but which are necessary for AT&T to process Connectivity Billing information and data:

- The Billing Account Number ("BAN") shall not contain embedded spaces or low values.
- The Bill Date shall not contain spaces or non-numeric values.
- Each Connectivity Bill must contain at least one detail record.
- Any "From" Date should be less than the associated "Thru" Date and neither date can contain spaces.
- The Invoice Number must not have embedded spaces or low values.

3. ISSUANCE OF BILLS UNDER THIS AGREEMENT - GENERAL

- 3.1. PACIFIC and AT&T will issue all bills for charges under this Agreement in accordance with the terms and conditions set forth in this Section, and, where applicable as specified in this Attachment, in accordance with CABS.
- 3.2. PACIFIC and AT&T will establish monthly billing dates ("Bill Date") for each BAN or Billed Telephone Number ("BTN") (collectively referred to as "Account Number"), as further defined in the CABS documents, which Bill Date shall be the same day month to month. Each Account Number shall remain constant from month to month, unless changed by a Party. Each Party shall provide the other Party at least thirty (30) calendar days written notice prior to changing, adding or deleting an Account Number. The Parties will provide one Billing invoice associated with each Account Number.
- 3.3. All bills must be received by the other Party no later than ten (10) calendar days from Bill Date and at least twenty (20) calendar days prior to the payment due date (as described in this Attachment), whichever is earlier. Any bill received on a Saturday, Sunday or a day designated as a holiday by the Chase Manhattan Bank of New York (or such other bank as AT&T shall specify) will be deemed received the next business day. If either Party fails to receive billing data and information within the time period specified above, the payment due date will be extended by the number of days the bill is late.
- 3.4. PACIFIC and AT&T shall issue all bills containing such billing data and information in accordance with CABS Version 31.0, or such later versions of CABS as are published by Telcordia or its successor and implemented by PACIFIC or AT&T, except that if the Parties enter into a meet-point billing arrangement, such billing data and information shall also conform to the standards set forth in the MECAB document, or such later versions as are adopted by OBF, or its successor. To the extent that there are no CABS or MECAB standards governing the formatting of certain data, such data shall be issued in the format mutually agreed by the Parties.

- 3.5. Each Party will provide the other Party written notice of which bills are to be deemed the official bills to assist the Parties in resolving any conflicts that may arise between the official bills and other bills received via a different media which purportedly contain the same charges as are on the official bill. If either Party requests an additional copy(ies) of a bill, such Party shall pay the other Party a reasonable fee per additional bill copy as set forth in applicable tariffs or as mutually agreed, unless such copy was requested due to errors, omissions, or corrections or the failure of the transmission to comply with the specifications set forth in this Agreement.
- 3.6. To avoid transmission failures or the receipt of billing information that cannot be processed, the Parties shall provide each other with their respective process specifications and edit requirements. AT&T shall comply with PACIFIC's processing specifications when AT&T transmits billing data to PACIFIC. PACIFIC shall comply with AT&T's processing specifications when PACIFIC transmits billing data to AT&T. In addition, each Party will provide the other Party a contact person for the handling of all connectivity and test transmissions questions or problems. AT&T and PACIFIC shall provide each other reasonable notice if a billing transmission is received that does not meet such Party's specifications or that such Party cannot process. Such transmission shall be corrected and resubmitted to the other Party, at the resubmitting Party's sole expense, in a form that can be processed. The payment due date for such resubmitted transmissions will be twenty (20) days from the date that the transmission is received in a form that can be processed and that meets the specifications set forth in this Attachment.

4. ELECTRONIC TRANSMISSIONS

- 4.1. PACIFIC and AT&T agree that each Party will transmit Connectivity Billing information and data which is in the CABS format electronically via Connect: Direct (formerly known as Network Data Mover) to the other Party at the location specified by such Party. The Parties agree that a T1.5 or 56kb circuit to Gateway for Connect: Direct is required. AT&T data centers will be responsible for originating the calls for data transmission via switched 56kb or T1.5 lines. If PACIFIC has an established Connect: Direct link with AT&T, that link can be used for data transmission if the location and applications are the same for the existing link. Otherwise, a new link for data transmission must be established. PACIFIC must provide AT&T/Alpharetta its Connect: Direct Node ID and corresponding VTAM APPL ID before the first transmission of data via Connect: Direct. AT&T's Connect: Direct Node ID is "NDMATTA4" and VTAM APPL ID is "NDMATTA4" and must be included in PACIFIC's Connect: Direct software. AT&T will supply to PACIFIC its RACF ID and password before the first transmission of data via Connect: Direct. Any changes to either party's Connect: Direct Node ID must be sent to the

other party no later than twenty-one (21) calendar days before the changes take effect.

5. TAPE OR PAPER TRANSMISSIONS

- 5.1. In the event either Party does not have Connect: Direct capabilities upon the effective date of this Agreement, such Party agrees to establish Connect: Direct transmission capabilities with the other Party within the time period mutually agreed and at the establishing Party's expense. Until such time, the Parties will transmit billing information to each other via magnetic tape or paper (as agreed to by AT&T and PACIFIC). Connectivity billing information and data contained on magnetic tapes or paper for payment shall be sent to the Parties at the following locations. The Parties acknowledge that all tapes transmitted to the other Party via U.S. Mail or Overnight Delivery and which contain Connectivity Billing data will not be returned to the sending Party.

TO AT&T:

Tape Transmissions via U.S. Mail:	AT&T 300 North Point Parkway FLOC 144C09 Alpharetta, Georgia 30005 Attn: Bill Access Coordinator
Tape Transmissions via Overnight Delivery:	AT&T 300 North Point Parkway FLOC 144C09 Alpharetta, Georgia 30005 Attn: Bill Access Coordinator

Paper Transmissions via U.S. Mail:	AT&T Caller Service 6908 Alpharetta, Georgia 30009 Attn: AC&R Access Bill Coordinator
Paper Transmissions via Overnight Delivery:	AT&T 500 North Point Parkway FLOC B1404 Alpharetta, Georgia 30005 Attn: AC&R Access Bill Coordinator

TO PACIFIC:

Tape Transmissions:	To be specified by Pacific Bell when it elects tape transmission Attn:
Paper Transmissions:	Pacific Bell CLC Compensation Manager 370 3rd St., Rm. 514 San Francisco, CA 94107 Attn:

- 5.2. Each Party will adhere to the tape packaging requirements set forth in this subsection. Where magnetic tape shipping containers are transported in freight compartments, adequate magnetic field protection shall be provided by keeping a typical 6-inch distance from any magnetic field generating device (except a magnetron-tape device). The Parties agree that they will only use those shipping containers that contain internal insulation to prevent damage. Each Party will clearly mark on the outside of each shipping container its name, contact and return address. Each Party further agrees that it will not ship any Connectivity Billing tapes in tape canisters.
- 5.3. All billing data transmitted via tape must be provided on a cartridge (cassette) tape and must be of high quality, conform to the parties' record and label standards, 9-track, odd parity, 6250 BPI, group coded recording mode and extended binary-coded decimal interchange code ("EBCDIC"). Each reel of tape must be 100% tested at 20% or better "clipping" level with full width certification and permanent error free at final inspection. AT&T reserves the right to destroy a tape that has been determined to have unrecoverable errors. AT&T also reserves the right to replace a tape with one of equal or better quality.
- 5.4. Billing data tapes shall have the following record and label standards. The dataset serial number on the first header record of an IBM standard tape label also shall have the following format.

	CABS BOS
Record Length	225 bytes (fixed length)
Blocking Factor	84 records per block
Block size	18,900 bytes per block
Labels	Standard IBM Operating System

- 5.5. A single 6-digit serial number must appear on the external (flat) surface of the tape for visual identification. This number shall also appear in the "dataset serial number field" of the first header record of the IBM standard tape label. This serial number shall consist of the character "V" followed by the reporting location's four digit Originating Company Code and a numeric character chosen by the sending company. The external and internal label shall be the same. The dataset name shall appear on the flat side of the reel and also in the "data set name field" on the first header record of the IBM standard tape label. PACIFIC's name, address, and contact shall appear on the flat side of the cartridge or reel.
- 5.6. Billing tape labels shall conform to the following OBF standards, as the same may be amended from time to time:
- 5.6.1. Tape labels shall conform to IBM OS/VS Operating System Standards contained in the IBM Standard Labels Manual (GC26-3795-3). IBM standard labels are 80-character records recorded in EBCDIC, odd parity. The first four characters identify the labels:

Volume 1	Volume label
HDR1 and HDR2	Data set header labels
EOV1 and EOV2	Data set trailer labels (end-of-volume for multi-reel files)
EOF1 and EOF2	Data set trailer labels (end-of-data-set)

- 5.6.2. The HDR1, EOV1, and EOF1 labels use the same format and the HDR2, EOV2, and EOF2 labels use the same format.

6. TESTING REQUIREMENTS

- 6.1. At least thirty (30) days prior to any change in billing system interfaces or outputs, the Parties will conduct joint testing to ensure that bills can be processed by the Parties.
- 6.2. For AT&T, PACIFIC will send AT&T a mechanized Connectivity Bill for the first time via electronic transmission, or tape, or at least thirty (30) days prior to changing mechanized formats. PACIFIC shall send to AT&T Connectivity Bill data in the appropriate mechanized format for testing to ensure that the bills can be processed and that the bills comply with the requirements of this Attachment. PACIFIC shall also provide to AT&T's Company Manager, located at 500 North Point Parkway, FLOC B1104B, Alpharetta, Georgia 30302, PACIFIC's originating or state level company code so that it may be added to AT&T's internal tables at least thirty (30) calendar days prior to

testing or a change in PACIFIC's originating or state level company code. AT&T will notify PACIFIC within the time period agreed to by the Parties if Connectivity Billing transmission fails to meet AT&T's testing specifications. PACIFIC shall make the necessary corrections within the time period agreed to with AT&T to ensure that billing transmissions meet AT&T's testing specifications. AT&T will confirm testing results no later than ten (10) days after receipt of the test file. PACIFIC shall not send AT&T a mechanized Connectivity Bill (except for testing) until such bills meet AT&T's testing specifications. If PACIFIC meets AT&T's testing specifications, PACIFIC may begin sending AT&T mechanized Connectivity Bills on the next Bill Date, or within ten (10) days, whichever is later.

- 6.3. During the testing period, PACIFIC shall transmit to AT&T Connectivity Billing data and information via paper transmission. Test tapes shall be sent to AT&T at the following location:

Test Tapes:	AT&T 500 North Point Parkway FLOC B1104B Alpharetta, Georgia 30005 Attn: Access Bill Testing Coordinator
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7. BILL ACCURACY CERTIFICATION

The Parties agree that in order to ensure the proper performance and integrity of the entire Connectivity Billing process, the sending Party is responsible and accountable for transmitting to the receiving Party an accurate and current bill. PACIFIC agrees to implement control mechanisms and procedures to render a bill that accurately reflects the Network Elements, Combinations and Resold Services ordered and used by AT&T. Effective August 28, 1998, the Parties entered into a Local Resale Service Billing Supplier Quality Certification Operating Agreement to establish such mechanisms and procedures for Resold Services billing. AT&T and PACIFIC agree to negotiate additional similar agreements covering billing for other services on a connectivity by connectivity basis. All charges under this Agreement by PACIFIC to AT&T for a particular connectivity are exempt from Bill Period Closure procedures until such procedures are set forth in a billing certification operating agreement covering that connectivity.

8. MEET POINT BILLING

- 8.1. AT&T and PACIFIC will establish meet-point billing ("MPB") arrangements for jointly provided access to an IXC, in accordance with the Meet Point Billing guidelines adopted by and contained in the OBF's MECAB and MECOD documents, except as modified herein. Both parties will use their best reasonable efforts, individually and collectively, to maintain provisions in their respective federal and state access tariffs, and provisions within the National Exchange Carrier Association ("NECA") Tariff No. 4, or any successor tariff to reflect the MPB arrangements identified in this Agreement, in MECAB and in MECOD.
- 8.2. Billing to IXCs for Access Services jointly provided by the Parties via MPB arrangements shall be according to the "Multiple Bill/Single Tariff" method. For all traffic carried over the MPB arrangement, AT&T and PACIFIC shall each bill the IXC for its own portion of the applicable elements, according to the access rates set forth in each Party's own applicable tariffs. For purposes of this Agreement, the Party to whom the end office belongs is the Initial Billing Company ("IBC") and the Party to whom the tandem belongs or who meets the IBC at a point other than a tandem is the Subsequent Billing Company ("SBC").
- 8.3. Each Party shall provide the billing name, billing address, and carrier identification code ("CIC") of the IXCs that may utilize any portion of AT&T's network in an AT&T/PACIFIC MPB arrangement in order to comply with the MPB Notification process as outlined in the MECAB document. Each Party will be entitled to reject a record that does not contain a CIC code. Such information shall be provided by each Party to the other Party in the format and via the medium that the Parties agree.
- 8.4. The Parties agree to comply with the currently effective MECAB guidelines as mutually adopted by the Parties from time to time.
- 8.5. The Parties further agree that in those MPB situations where one Party sub-tends the other Party's access tandem, the Party providing the access tandem is only entitled to bill the access tandem fee and any associated local transport charges. The Parties also agree that the Party who provides the end office switching is entitled to bill end office switching fees, local transport charges, RIC charge, as appropriate, and such other applicable charges.
- 8.6. PACIFIC and AT&T will record and transmit MPB information in accordance with the standards and in the format set forth in this Attachment. PACIFIC and AT&T will coordinate and exchange the billing account reference ("BAR") and billing account cross reference ("BACR") numbers for the MPB

- arrangements described in this Agreement. Each Party will notify the other if the level of billing or other BAR/BACR elements change, resulting in a new BAR/BACR number.
- 8.7. The secondary billing company will provide to the initial billing company any necessary AMA records (in standard EMI format) within fourteen (14) days of the recording date. The initial billing company will provide the secondary billing company the necessary summary records within fourteen (14) days of the initial billing company's bill date. The data will be in a separate dataset from the usage records associated with the AT&T Resale access lines. File name and attributes will be specified by the receiving Party.
 - 8.8. If MPB data is not submitted by either Party within the period set forth in 8.7, or is not in the proper format as set forth in this Agreement, and if as a result the other Party is delayed in billing the IXC for the appropriate charges it incurs, the delaying Party shall pay the other Party a late MPB data delivery charge which will be the total amount of the delayed charges times the highest interest rate (in decimal value) which may be levied by law for commercial transactions, compounded daily for the number of days from the date the MPB charges should have been received to and including the date the MPB charge information is actually received.
 - 8.9. Failure of secondary billing company to provide the necessary AMA records (in standard EMI format) within sixty (60) days of the recording date, or of the initial billing company to provide the necessary summary records within sixty (60) days of the initial billing company's bill date, will result in the Party failing to deliver the data to be liable to the other Party for any charges the other Party is unable to bill the IXC.
 - 8.10. Errors in MPB data exchanged by the Parties may be discovered by AT&T, PACIFIC or the billable IXC. Both AT&T and PACIFIC agree to provide the other Party with notification of any discovered errors within ten (10) business days of the discovery. The other Party shall correct the error within twenty (20) business days of notification and resubmit the data. In the event the errors cannot be corrected within the time period specified above, the erroneous data shall be considered lost. If either Party fails to provide MPB data due to loss, uncorrectable errors or otherwise, the Parties shall follow the procedures set forth in Attachment 14, Section 6, for compensation of lost, damaged or destroyed Recorded Usage Data and compensate the other for the lost MPB billing data.
 - 8.11. Both Parties will provide the other a single point of contact to handle any MPB questions.
 - 8.12. The Parties agree to record MPB information in accordance with this subsection. These records shall be provided at a Party's request and shall

be formatted pursuant to Telcordia standards if such standards exist, and otherwise as agreed by the Parties. These records shall be transmitted to the other Party daily in EMR format via Connect: Direct, provided however that if AT&T and PACIFIC do not have Connect: Direct capabilities, such records shall be transmitted as the Parties agree. PACIFIC and AT&T agree that they will retain, at each Party's sole expense, copies of all AMA records transmitted to the other party for at least seven (7) calendar days after transmission to the other Party.

- 8.12.1. Each party will provide the other party with a CIC on each EMR record transmitted to the other party.

9. COLLOCATION

When AT&T collocates with PACIFIC in PACIFIC's facility as described in this Agreement, capital expenditures shall not be included in the Connectivity Bill provided to AT&T pursuant to this Attachment. All such capital expenses shall be identified as capital expense charges, given a unique and consistent Billing Account Number and billed through FABS, until such time as FABS is replaced by another billing system upon notice to AT&T and testing pursuant to Section 6 of this Attachment. All invoices for capital expenses shall be sent to the location specified by AT&T for payment. Bills for both capital and non-capital recurring collocation expenses shall comply with the CABS Billing Output Specifications ("BOS"). The bill label for those collocation charges shall be entitled "Expanded Interconnection Service."

10. RECIPROCAL COMPENSATION

The Parties shall bill each other reciprocal compensation for local exchange traffic, using a CABS format, in accordance with the standards set forth in this Agreement for traffic terminated to the other Party's customer, where both such customers bear NPA-NXX designations associated with the same LATA or other authorized area (e.g., extended area service zones in adjacent local calling areas). Where required, such traffic shall be recorded and transmitted in accordance with this Attachment. Further, the traffic exchanged pursuant to this Attachment shall be measured in billing minutes of use and shall be in actual conversation seconds. The total conversation seconds per chargeable traffic type will be totalled for the entire monthly billing cycle and then rounded to the next whole conversation minute. Reciprocal compensation for the termination of this traffic shall be charged at rates specified in Attachment 8 to this Agreement in accordance with terms and conditions set forth in Attachment 18. The Parties shall not bill each other for reciprocal compensation any later than ninety (90) days (including the time to correct any billing errors) following the recording date of the call. No payment shall be due for any reciprocal compensation bills that fail to meet this timeliness requirement.

11. BILLING AND PAYMENT OF CHARGES

- 11.1 Subject to the terms of this Agreement and except for bills rendered by PACIFIC in the CRIS format, AT&T and PACIFIC will pay each other within thirty (30) calendar days from the Bill Date, or twenty (20) calendar days from the receipt of the bill, whichever is later. For bills rendered by PACIFIC in the CRIS format, AT&T will pay PACIFIC within sixty (60) calendar days from the Bill Date, or fifty (50) calendar days from the receipt of the bill, whichever is later. If the payment due date is a Sunday or is a Monday that has been designated a bank holiday by the Chase Manhattan Bank of New York (or such other bank as AT&T specifies), payment will be made the next business day. If the payment due date is a Saturday or is on a Tuesday, Wednesday, Thursday or Friday that has been designated a bank holiday by the Chase Manhattan Bank of New York (or such other bank as AT&T specifies), payment will be made on the preceding business day.
- 11.2 Each Party shall make all payments to the other Party via electronic funds credit transfers through the Automated Clearing House Association (ACH) network to the financial institution designated by the Party receiving the payment. AT&T and PACIFIC shall abide by the National Automated Clearing House Association (NACHA) Rules and Regulations. Each ACH credit transfer shall be received by the billing Party no later than the applicable due date of each bill or late payment charges will apply as provided in Section 14 below. The Party receiving payment shall not be liable for any delays in receipt of funds or errors in entries caused by the paying Party or third parties, including the paying Party's financial institution. The paying Party is responsible for its own banking fees.
- 11.3 PACIFIC and AT&T shall provide each other with remittance advices, providing detailed account information for proper application of the payment made by the paying Party. The remittance advice shall be transmitted electronically by 1:00 A.M. Eastern Time on the date the payment is effective, via an 820 EDI process, or, if the Parties agree, through the ACH network. Such process shall be utilized by the Parties beginning no later than three (3) months after the Effective Date of this Agreement, unless otherwise agreed between the Parties.

12. DEPOSITS

- 12.1 If applicable under the terms of this Section 12, the deposit requirements set forth in this Section 12 apply to the resale services and network elements furnished under this Agreement. If PACIFIC furnishes to AT&T both resale services and network elements under this Agreement, AT&T

shall make two separate deposits where applicable, each calculated separately as set forth below in Sections 12.2 through 12.10, inclusive.

- 12.2 If AT&T has not established a minimum of twelve (12) consecutive months good credit history (as provided below in this Section 12.2) with PACIFIC, AT&T shall remit an initial cash deposit to PACIFIC prior to the furnishing of resale services or network elements under this Agreement. The deposit required by the previous sentence shall be determined as follows: (i) if, immediately prior to the Effective Date, AT&T was not operating as a local service provider in California, the initial deposit shall be in the amount of \$17,000; or (ii) if, immediately prior to the Effective Date, AT&T was operating as a local service provider in California, the deposit shall be in the amount calculated using the method set forth in Section 12.7 of this Agreement. This cash deposit will be held by PACIFIC as a guarantee of payment of charges billed to AT&T and shall be applied by PACIFIC against any Undisputed and Unpaid Charges (as those terms are defined in Section 16 hereof) after PACIFIC gives the notice provided for under Section 16.2 and before PACIFIC gives the notice provided for under Section 16.5. If AT&T has established the minimum of twelve (12) consecutive months' good credit history referred to above, PACIFIC shall waive the initial deposit requirement; provided, however, that the other terms and conditions set forth in this Section 12 shall continue to apply for the term of this Agreement and any extension(s) hereof. If no deposit requirement is then in effect, AT&T shall be required to pay a deposit during the term of this Agreement should PACIFIC give more than one notice to AT&T under Section 16.2 within any twelve (12) month period. The amount of this deposit shall be calculated in accordance with Section 12.7 hereof. In determining whether AT&T has established the minimum good credit history, AT&T's payment record for the most recent twelve (12) months shall be considered. If PACIFIC has given more than one notice under Section 16.2 hereof to AT&T within such twelve (12) month period, AT&T will not be considered to have established a good credit history. Any amounts Disputed (as defined in Section 16 hereof) by AT&T in complete compliance with Section 16.3 hereof shall not negatively impact AT&T's credit history under this Agreement.
- 12.3 Any cash deposit held by PACIFIC shall be credited to AT&T's account during the month following the expiration of twelve (12) months after the cash deposit was remitted, so long as AT&T has not been sent any notices under Section 16.2 of this Agreement during the most recent twelve (12) months. For the purposes of this Section 12, interest will be paid on all cash deposits until such deposit is returned to AT&T or applied against Unpaid Charges. If Undisputed Unpaid Charges exceed the amount of deposits held by PACIFIC, any accrued interest may be applied against Unpaid Charges in the same way and at the same time that the

deposit may be applied against Undisputed and Unpaid Charges pursuant to Section 12.2 hereof. Interest will be calculated as defined by the applicable PACIFIC tariff regulating retail deposits. Such interest shall be credited to AT&T's account on an annual basis.

- 12.4 So long as AT&T maintains timely compliance with its payment obligations, PACIFIC will not increase the deposit amount required. If AT&T fails to maintain timely compliance with its payment obligations or if AT&T's deposit is applied against Undisputed and Unpaid Charges pursuant to Section 12.2 hereof, PACIFIC reserves the right to require additional deposit(s) in accordance with this Section 12.
- 12.5 If during the first twelve (12) months of operations under this Agreement, AT&T is sent a notice under Section 16.2 by PACIFIC, the deposit amount shall be re-evaluated based upon AT&T's actual billing totals and shall be increased if AT&T's actual billing average for any two month period within such twelve (12) month period exceeds the deposit amount held.
- 12.6 Throughout the term of this Agreement and any extension(s) thereof, any time AT&T is sent, during a twelve (12) month period, more than one notice under Section 16.2 by PACIFIC, the deposit amount shall be re-evaluated based upon AT&T's actual billing totals and shall be increased if AT&T's actual billing average for any two month period within such twelve (12) month period exceeds the deposit amount held.
- 12.7 Whenever a deposit is re-evaluated as specified in Section 12.5 or Section 12.6, above, or calculated pursuant to Section 12.2, above, such deposit shall be calculated in an amount equal to the average billing to AT&T for a two month period plus the amount of any Undisputed Unpaid Charges.
- 12.8 Whenever a deposit is re-evaluated or an additional or new deposit is required under this Section 12, AT&T shall remit any such additional or new deposit amount to PACIFIC within fifteen (15) calendar days of receipt of written notification from PACIFIC requiring such deposit. If AT&T fails to furnish the required deposit within fifteen (15) calendar days of receipt of written notice requesting such deposit, PACIFIC shall commence the process set forth in Section 16 of this Agreement.
- 12.9 This cash deposit requirement may be satisfied in whole or in part with an irrevocable bank letter of credit reasonably acceptable to PACIFIC. No interest shall be paid by PACIFIC for any portion of the deposit requirement satisfied by an irrevocable bank letter of credit.

12.10 The fact that PACIFIC holds a cash deposit or irrevocable bank letter of credit does not relieve AT&T from timely compliance with its payment obligations under this Agreement.

13. BILLING DISPUTES

- 13.1 In the event either Party discovers a billing dispute, that Party may commence a dispute resolution process by sending written notice to the other Party describing the dispute. No Party may pursue any claim related to billing unless such written notice has first been given to the other Party. When such written notice has been given, each Party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve the billing dispute. 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 alternative dispute resolution procedures such as mediation to assist in the negotiations.
- 13.2 If the Parties are unable to resolve the dispute through the informal procedures described above in Section 13.1, then either Party may invoke the Alternative Dispute Resolution Process set forth in Attachment 3. Unless the Parties otherwise agree, a Party may invoke the procedures of Attachment 3 not earlier than sixty (60) days after the date of the letter initiating informal billing dispute resolution under Section 13.1 of this Attachment.

14. LATE PAYMENT CHARGES

If either Party fails to remit payment for any charges described in this Attachment by the payment due date, or if a payment or any portion of a payment is received by either Party after the payment due date, or if a payment or any portion of a payment is received in funds which are not immediately available to the other Party, then a late payment penalty shall be assessed. The late payment charge shall be calculated based on the portion of the payment not received by the payment date times the lesser of 1 ½ percent per month or the maximum rate permitted by applicable law, compounded daily for the number of days from the payment date to and including the date that payment is actually made. In no event, however, shall interest be assessed on any previously assessed late payment charges.

15. ADJUSTMENTS

15.1. Subject to the terms of this Attachment and Section 14 of this Agreement, the Parties will debit or credit each other for incorrect charges; charges for any service, Network Element or Combination of poor quality; and installation problems if caused by either Party. Adjustments will be administered per this Agreement, the applicable tariff or by mutual agreement. Such reimbursements shall be identified as an adjustment on the bill.

16. NONPAYMENT AND PROCEDURES FOR DISCONNECTION

16.1 Unless otherwise specified herein, this Section 16 shall apply only to resale services and network elements furnished under this Agreement.

16.2 Failure of AT&T to pay charges (or dispute charges pursuant to Section 16.3 hereof) may be grounds for termination of this Agreement. If AT&T fails to pay when due (pursuant to Section 13.1), any and all charges billed to AT&T under this Agreement, including any Late Payment Charges or miscellaneous charges ("Unpaid Charges"), and any portion of such Unpaid Charges remain unpaid and undisputed (in full compliance with Section 16.3 hereof) after the due date, PACIFIC shall notify AT&T in writing pursuant to the notice provisions of this Agreement that in order to avoid having service disconnected, AT&T must either remit payment to PACIFIC or dispute, pursuant to Section 16.3 below, such Unpaid Charges, in either case within fifteen (15) calendar days from PACIFIC's notice.

16.3 If AT&T desires to dispute any portion of the Unpaid Charges, AT&T shall notify PACIFIC in writing which portion(s) of the Unpaid Charges it disputes, including the total amount disputed and the specific details of the dispute (including, without limitation, the date of the bill in question, the ESBA or BAN number of the bill, the telephone number, circuit ID number or trunk number, the USOC information questioned, the amount billed and the amount in question, and the reasons that AT&T disputes the billed amount), and immediately pay to PACIFIC all undisputed Unpaid Charges. With respect to disputed Unpaid Charges, AT&T may either pay those amounts to PACIFIC or may pay the disputed Unpaid Charges into a mutually-agreed upon interest-bearing escrow account. AT&T is responsible for any charges assessed by the financial institution associated with any such escrow account. All disputes must be in good faith and have a reasonable basis. Unpaid Charges which are not disputed by AT&T in full compliance with this Section 16.3 are referred to

in this Section 16 and in Section 13 hereof as "Undisputed". Unpaid Charges which are disputed by AT&T in full compliance with this Section 16.3 are referred to in this Section 16 and in Section 13 hereof as "Disputed".

- 16.4 Disputes shall be resolved in accordance with the procedures identified in Section 13 of this Attachment. If any Disputed Unpaid Charges have been paid into escrow pursuant to Section 16.3, such amounts and related interest shall be disbursed from the escrow account in accordance with the result of such Dispute Resolution. If any Disputed charges have been paid to PACIFIC pursuant to Section 16.3, such amounts will be either retained by PACIFIC or returned to AT&T (along with interest determined pursuant to Section 14 (Late Payment Charges) hereof) in accordance with the result of such Dispute Resolution.
- 16.5 If any Unpaid Charges remain unpaid and Undisputed more than fifteen (15) calendar days after PACIFIC's notice pursuant to Section 16.2, PACIFIC shall notify AT&T (pursuant to the notice provisions of this Agreement) and the Commission (attention: Telecommunications Director), in writing that unless all remaining Unpaid Charges are paid or Disputed within sixteen (16) calendar days, the resale services and network elements furnished to AT&T under this Agreement for which Unpaid Charges are unpaid and Undisputed shall be disconnected. This notice shall further specify that to the extent PACIFIC has record(s) already in its possession that reflect the identity and the service provided and the serving address and the serving telephone number(s) for any of AT&T's End Users that will be affected by such disconnection, PACIFIC shall cause such End Users to be defaulted to PACIFIC's local service if PACIFIC's records, procedures and systems reasonably permit. On the same day that it sends the notice required by this Section 16.5, PACIFIC will suspend acceptance of any order (other than a disconnect order) from AT&T for any resale service or network element or other service that could be furnished under this Agreement.
- 16.6 If any Undisputed Unpaid Charges for resale services or network elements remain unpaid sixteen (16) calendar days after the notice required by Section 16.5 hereof, AT&T shall, at its sole expense, notify its End Users and the Commission (attention: Telecommunications Director), by Certified U.S. Mail that the End Users' service may be disconnected due to AT&T's failure to pay or Dispute the Unpaid Charges, and that its End Users must affirmatively select a new local service provider within five (5) calendar days and notify PACIFIC of such selection or their telephone service may be disconnected. This notice shall also advise AT&T's End Users that PACIFIC may assume the End User's account at the end of the five (5) calendar day period should the End User fail to select a new local

service provider and so inform PACIFIC in the interim. AT&T shall provide a copy of all such End User notifications to the Commission.

- 16.7 If any Undisputed Unpaid Charges for resale services or network elements furnished to AT&T under this Agreement remain unpaid more than twenty-one (21) calendar days after the notice required by Section 16.5 hereof, PACIFIC shall disconnect such resale services or network elements. On the same date that these resale services or network elements are disconnected, to the extent PACIFIC has record(s) already in its possession that reflect the identity and the service provided and the serving address and the serving telephone number(s) for any of AT&T's End Users that will be affected by such disconnection and who have not selected another local service provider, PACIFIC shall cause such End Users to be transferred directly to PACIFIC's local service. To the extent available at retail from PACIFIC, the End Users transferred to PACIFIC's local service shall receive the same services provided through AT&T immediately prior to the time of transfer.
- 16.8 Within five (5) calendar days of any such transfers to PACIFIC's local service, PACIFIC shall send notice to all transferred End Users that because of AT&T's failure to pay PACIFIC, their local service is now being provided by PACIFIC. PACIFIC shall also notify each transferred End User that the End User has thirty (30) calendar days to select a new local service provider.
- 16.9 If any End User transferred to PACIFIC's local service pursuant to Section 16.7 of this Agreement fails to select a new local service provider within the thirty (30) calendar day period referred to in Section 16.8, PACIFIC shall continue to serve such End User, at Pacific's retail rates and terms and conditions.
- 16.10 As provided in Section 16.7 of this Agreement, PACIFIC may discontinue Resale Services or Network Elements provided to AT&T pursuant to this Agreement, and shall have no liability to AT&T or AT&T's End Users in the event of such discontinuance.
- 16.11 Once the notice required by Section 16.5 of this Agreement has been sent to AT&T, PACIFIC shall not accept any order (other than a disconnect order) relating to resale services or network elements from AT&T until (i) all Undisputed Unpaid Charges are paid; and (ii) AT&T has furnished PACIFIC a cash deposit calculated pursuant to the terms and conditions of Section 12.7 of this Agreement.

ATTACHMENT 14

PROVISION OF CUSTOMER USAGE DATA

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Appendix I - Customer Usage Data Transfer Requirements
Appendix II - Data Exchange Agreement dated December 16, 1996

PROVISION OF CUSTOMER USAGE DATA

1. INTRODUCTION

- 1.1 This Attachment sets forth the terms and conditions for each Party's provision of recorded usage data to the other Party. PACIFIC will record and provide to AT&T unrated usage data when AT&T purchases Unbundled Switching Elements or Resale Service from PACIFIC ("Recorded Usage Data"). AT&T and Pacific will establish meet-point billing ("MPB") arrangements for jointly provided switched access to an IXC. Pacific as the Subsequent Billing Company (SBC) will record and provide to AT&T, the Initial Billing Company (IBC) any necessary detail records, and AT&T will provide to Pacific the necessary summary records

2. GENERAL REQUIREMENTS FOR RECORDED USAGE DATA

- 2.1. The Parties agree to provide each other with Recorded Usage Data in accordance with this Attachment.
- 2.2. PACIFIC's provision of Recorded Usage Data to AT&T shall be in accordance with the performance standards set forth in Section 14 of the Preface of this Agreement. Remedies for failure to meet such performance standards are also set forth in Section 14.
- 2.3. Both Parties shall retain Recorded Usage Data in accordance with applicable law and regulation.

3. USAGE DATA SPECIFICATIONS

- 3.1. Subject to Section 3.4, when AT&T purchases from PACIFIC Resale Service or LSNE, PACIFIC will provide to AT&T all Recorded Usage Data relating to local and IntraLATA toll calls originating from AT&T End Users (business and residence), including, but not limited to, the categories of information listed below. In addition, subject to Section 3.4, when AT&T purchases from PACIFIC LSNE, PACIFIC will provide to AT&T all Recorded Usage Data relating to switched access calls terminating to AT&T End Users (business and residence), including, but not limited to, the categories of information listed below.

- 3.1.1. Data to be supplied both for calls originating from AT&T End Users (business and residence) and for switched access calls terminating to AT&T LSNE End Users (business and residence)
 - 3.1.1.1. All available call attempt data
 - 3.1.1.2. Completed Calls
- 3.1.2. Data to be supplied for calls originating from AT&T End Users (Business and Residence)
 - 3.1.2.1. Use Of Class/Lass/Custom Features which are sold on a pay per use basis
 - 3.1.2.2. MTS portion of IntraLATA 976 Calls To Information Providers Reached Via PACIFIC Facilities And Contracted By PACIFIC
 - 3.1.2.3. Calls To Directory Assistance Where PACIFIC Provides Such Service To AT&T's Resale End Users
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 - 3.1.2.5. For PACIFIC-Provided Centrex Service, Station Level Detail
- 3.1.3. Data to be supplied for switched access calls terminating to AT&T End Users
 - 3.1.3.1. Data identifying the CIC of the originating IEC; and
 - 3.1.3.2. Where available, data identifying the calling party number.
- 3.2. Records shall include Complete Call Detail and Complete Timing Information.
- 3.3. PACIFIC shall provide to AT&T Recorded Usage Data for AT&T's End Users only. PACIFIC will not submit other carriers' local usage data as part of the AT&T Recorded Usage Data. Error procedures set forth in Appendix I to this Attachment, Section IV, paragraph 1.1.4. shall apply to any data of other carriers sent in error to AT&T.
- 3.4. Additional Provisions Regarding Call Detail

3.4.1. Resale Service

- 3.4.1.1. PACIFIC represents and warrants that as of the effective date of this Agreement it does not record local usage for its own flat rate End Users in the ordinary course of business. There are certain exceptions where special study or call detail analysis is performed, e.g., in cases where an incident of telephone harrassment is under investigation. If PACIFIC begins recording local usage for its own flat rate End Users in the ordinary course of business at a future date, PACIFIC will simultaneously begin such recording for AT&T resold flat rate End Users, at no additional charge. If at a future date PACIFIC begins recording local usage for its own flat rate End Users served by a particular switch, PACIFIC will simultaneously begin such recording for AT&T resold flat rate End Users served by that switch, at no additional charge.
- 3.4.1.2. If AT&T asks PACIFIC to develop the capability to provide AT&T local usage data on resold flat local service, and PACIFIC does not record local usage for its own flat rate End Users in the ordinary course of business, PACIFIC shall develop such capability consistent with Section 22 of the Preface (General Terms and Conditions) of this Agreement. In such event, PACIFIC shall be entitled to track and recover applicable development costs as set forth in Attachment 8.
- 3.4.1.3. As of the effective date of this Agreement, in some PACIFIC switches, the terminating number for measured local calls may not be recorded during periods of high volume usage. For all such calls, PACIFIC will inform AT&T of the minutes of use. If and when the limitation described in this Section is removed, PACIFIC will provide to AT&T at no additional cost, the terminating number for all measured local calls, including calls made during periods of high volume usage.

3.4.2. LSNE

- 3.4.2.1. When AT&T purchases a LSNE from PACIFIC, that LSNE as provided by PACIFIC will include all the functions and capabilities of the switch and the software deployed at that time within the switch relating to recording of usage data, including the capability to record all local usage and originating and

terminating numbers. The charge, if any, for the recording of usage data shall be included in the charge for the LSNE set forth in Attachment 8.

4. RECORDED USAGE DATA FORMAT

- 4.1. PACIFIC will provide Recorded Usage Data in the EMI format and by category, group and record type, as specified in the AT&T End User Usage Data Transfer Requirements, July, 2000 ("Data Requirements"), which is attached hereto and incorporated herein as Appendix I.
- 4.2. PACIFIC shall include the Working Telephone Number (WTN) of the call originator on each EMI call record.
- 4.3. End user usage records and station level detail records shall be in packs in accordance with EMI standards.
- 4.4. PACIFIC shall provide the recording point identification according to EMI call record format.

5. RECORDED USAGE DATA REPORTING REQUIREMENTS

- 5.1. PACIFIC shall segregate and organize the Recorded Usage Data in a format mutually agreed by the Parties.
- 5.2. PACIFIC shall provide segregated Recorded Usage Data to an AT&T biller locations as mutually agreed by the Parties.
- 5.3. Both Parties shall transmit, at no cost to the other Party, Recorded Usage Data in Telcordia EMI format, as modified by Appendix I to this Attachment, via CONNECT: Direct. If AT&T requests Recorded Usage Data in a format customized for AT&T, PACIFIC may charge AT&T on an ICB basis based upon PACIFIC's costs thereof.
- 5.4. AT&T will test and certify the CONNECT: Direct interface to ensure the accurate receipt of Recorded Usage Data. PACIFIC shall make industry standard changes necessary in the CONNECT: Direct interface to meet the requirements of this Attachment.
- 5.5. PACIFIC shall provide Recorded Usage Data to AT&T once a day Monday through Friday, excluding mutually designated holidays. PACIFIC shall provide to

AT&T the Recorded Usage Data for a Resale Service within the time period specified in Section 14 of this Agreement.

- 5.6. Each Party will establish a single point of contact to respond to AT&T call usage, data error, and record transmission inquiries from the other Party.

6. RECORDING FAILURES

- 6.1. AT&T Recorded Usage Data determined to have been lost, damaged or destroyed as a result of an error or omission by PACIFIC in its performance of the recording function or due to an aberrant switch overload of limited duration and frequency, shall, upon AT&T's request, be recovered by PACIFIC at no charge to AT&T. In the event the data cannot be recovered by PACIFIC, PACIFIC shall estimate the messages and associated revenue, with assistance from AT&T, based upon the method described below. This method will be applied on a consistent basis, subject to modifications agreed to by PACIFIC and AT&T. This estimate will be used by the Parties to determine any amounts owed to AT&T. PACIFIC will provide this amount to AT&T via a check accompanied by a statement that clearly identifies the purpose of the check .

6.1.1. Partial Loss. PACIFIC shall review its daily controls to determine if data has been lost. When there has been a partial loss, actual message and minute volumes shall be reported, if possible. Where actual data are not available, a full day shall be estimated for the recording entity, as outlined in Section 6.1.3 following. The amount of the partial loss is then determined by subtracting the data actually recorded for such day from the estimated total for such day.

6.1.2. Complete Loss. Estimated message and minute volumes for each loss consisting of an entire AMA tape or entire data volume due to its loss prior to or during processing, loss after receipt, degaussed before processing, receipt of a blank or unreadable tape, or lost for other causes, shall be reported.

6.1.3. Estimated Volumes. From message and minute volume reports for the entity experiencing the loss, PACIFIC shall secure message/minute counts for the four (4) corresponding days of the weeks preceding that in which the loss occurred and compute an average of these volumes.

6.1.4. Net Loss Calculation. The amount due to AT&T will be calculated based on the Average Revenue Per Minute (ARPM) minus the average charge per minute (ACPM) that AT&T would have paid to PACIFIC, times the

estimated lost minutes. The parties shall agree upon the appropriate ARPM and ACPM to apply.

EXCEPTIONS:

- 6.1.4.1. If the day of loss is not a holiday but one (1) (or more) of the preceding corresponding days is a holiday, use additional preceding weeks in order to procure volumes for two (2) non-holidays in the previous two (2) weeks that correspond to the day of the week that is the day of the loss.
 - 6.1.4.2. If the loss occurs on a weekday that is a holiday (except Christmas), PACIFIC shall use volumes from the two (2) preceding Sundays.
 - 6.1.4.3. If the loss occurs on Mother's Day, Christmas or the Monday after Thanksgiving, PACIFIC shall use volumes from that day in the preceding year.
- 6.2. AT&T may also request data be provided that has previously been successfully provided by PACIFIC to AT&T, provided the request includes the original data set name and is received within forty-five (45) days of original processing. PACIFIC reserves the right to bill AT&T for its direct costs of providing such data. If AT&T makes a request for recreation of data due to poor tape quality or transmission problems within forty-five (45) days of original processing, then no charge will apply. AT&T will include in such a request the original data set name.

7. CLEARINGHOUSE PROCEDURES

- 7.1. The Parties acknowledge that calls will be placed using the local service of one Party that will be billable to the customer for local service of another Party. In order to ensure that these calls are properly accounted for and billed to the appropriate customer, the parties have established clearinghouse procedures to accomplish these objectives in Appendix II of this Attachment.

APPENDIX I

TO

ATTACHMENT 14

CUSTOMER USAGE DATA

TRANSFER REQUIREMENTS

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SECTION I

SCOPE

1. GENERAL

This Attachment addresses the transmission by PACIFIC of AT&T usage to AT&T.

1.1. USAGE SUMMARY

Messages will be transmitted, via a direct feed, to AT&T in standard EMI format.

The following is a list of EMI records that AT&T can expect to receive from PACIFIC:

Header Record 20-21-01

Trailer Record 20-21-02

Detail Records* 01-01-01, 16, 18, 80, 81,

10-01-01, 16 (when available), 18, 19, 31, 32, 35, 37, 80, 81

11-01-01, 25

50-01-XX (PACIFIC shall provide these Detail Records to AT&T only in a transit call situation where 1) a call transits PACIFIC from a PACIFIC LSNE Customer to AT&T, where AT&T is providing facilities-based service, or where 2) interconnection traffic transits PACIFIC's network and terminates to AT&T where AT&T is providing facilities-based service, unless AT&T states in written correspondence to PACIFIC that it is able to bill the originating party accurately without such records, or 3) mutually agreed upon by the Parties.

Credit Records 03-01-XX

Rated Credits 41-01-XX

*Category 01 is usually utilized for Rated Messages; Category 10 is utilized for Unrated Messages. Category 10 "originating records" and Category 11 "terminating records" shall be used where AT&T is a PACIFIC LSNE user, for the purpose of indicating usage information, originating and terminating numbers, and to provide via Category 10, the identification of the terminating third party carrier when the terminating number is to a PACIFIC LSNE Customer, and via Category 11, the identification of the originating third party carrier to AT&T as the terminating carrier.

PACIFIC will provide the above list of detail records as part of its resale offering. PACIFIC shall make available to AT&T additional detail records as additional products are added to PACIFIC's resale offer.

Additional detail records provided by PACIFIC to AT&T in the future, whether as part of PACIFIC's resale offering or in connection with the provision of unbundled elements, may have identification numbers different from those listed above.

In addition, PACIFIC shall provide a 10-01-18 Specialized Service record to support the Special Features Star Services (see Appendix D for specific details) if these features are part of PACIFIC's offering.

For detailed information regarding EMI, refer to the current version of the Telcordia Practice BR010-200-010 Appendix.

1.2. ATTACHMENT CONTENT

This Attachment describes baseline requirements for the transfer of PACIFIC recorded, unrated usage to AT&T. Testing requirements and the reports needed to ensure data integrity are also included. Additional requirements and implementation details may be identified for conditions unique to PACIFIC. Modifications and/or exceptions to this Attachment must be negotiated and mutually agreed upon by PACIFIC and AT&T.

SECTION II

RECORDED USAGE TO BE TRANSMITTED TO AT&T

1. GENERAL

This section addresses the types of usage to be transmitted by PACIFIC to AT&T.

1.1. USAGE TO BE TRANSFERRED TO AT&T

1.1.1. AT&T USAGE TO BE TRANSFERRED

The following messages recorded by PACIFIC are to be transmitted to AT&T. PACIFIC recorded usage is defined as:

- intraLATA - Local

- intraLATA - Toll

NOTE: Rated incollect messages should be transmitted via the direct feed and can be intermingled with the unrated messages. No special packing is needed.

PACIFIC provides a direct return feed. AT&T may return via direct return feed, once developed, any of the above mentioned messages that cannot be rated and/or billed by AT&T, for reasons specified in the returns process. Returned messages will be sent to PACIFIC in EMI format. Standard EMI return codes will be utilized.

File transfer specifications are included within Section III.

1.2. AT&T USAGE

The Recorded Usage Data in a local resale environment includes all intraLATA toll and local usage. PACIFIC will provide AT&T with unrated EMI records associated with all intraLATA toll and local usage which PACIFIC records on AT&T's behalf.

Any Category, Group and/or Record types approved in the future for PACIFIC will be included if they fall within the definition of this local resale phase. PACIFIC will give

AT&T one hundred twenty (120) days advance notification of PACIFIC's intended implementation of additional Category, Group and/or Record types.

NOTE: PACIFIC messages will be packed using the packing criteria outlined in Section VI. PACIFIC shall pack records for rated messages and non-rated messages in separate packages. Any request by AT&T for packing in a different arrangement (for example, using AT&T's RAO) shall be separately negotiated by the parties and shall be at a reasonable additional charge to AT&T.

SECTION III

PACIFIC TO AT&T USAGE FEED

1. GENERAL

This section contains the information required for PACIFIC to transmit the usage defined in Section II to AT&T. This section specifically addresses the dataset requirements and processing.

1.1. DETAILED EMI RECORD EDITS

AT&T will perform detailed record edits on the unrated and rated messages upon receipt from PACIFIC. Messages that fail these edits may be returned to PACIFIC with mutually agreed upon return codes designated..

1.2. DUPLICATE RECORD CHECKS

AT&T will perform record checks on the unrated and rated messages to validate that duplicate messages are not sent by PACIFIC to AT&T, except where valid duplicate messages are applicable, e.g., ISDN bonded. PACIFIC shall perform record checks to validate that duplicate messages are not sent to AT&T in accordance with CMDS standards.

1.3. PACIFIC TO AT&T USAGE FEED

1.3.1. USAGE DATA TRANSPORT REQUIREMENTS

PACIFIC will provide the transport facility between the PACIFIC location and the AT&T location. It is AT&T's intent that usage data be transmitted via CONNECT:Direct whenever possible. In the event usage transfer cannot be accommodated by CONNECT:Direct because of extended (one business day or longer) facility outages, or if facilities do not exist, PACIFIC will contract for a courier service to transport the data via tape.

PACIFIC will provide AT&T with contacts, Remote Identifiers (IDs), and expected usage data volumes for each sending location.

AT&T will provide contacts responsible for:

Receiving usage transmitted by PACIFIC.

Receiving usage tapes from a courier service in the event of a facility outage.

1.3.2. PHYSICAL CHARACTERISTICS

In the event the electronic system for data transmission malfunctions, by mutual agreement PACIFIC shall provide the data to AT&T on tape or cartridge by courier. Such data will have the physical characteristics indicated in Appendix A. AT&T's intent is for variable block format (2,476 bytes) with a LRECL of 2472.

1.3.3. DATA DELIVERY SCHEDULES

Data will be delivered to AT&T by PACIFIC daily (Monday through Friday) or as negotiated. AT&T and/or PACIFIC Data Center holidays are excluded. PACIFIC and AT&T will exchange schedules of designated Data Center holidays.

1.3.4. RESENDING DATA

AT&T will notify PACIFIC as promptly as possible upon discovery of resend requirements if a pack or entire dataset must be replaced due to pack rejection, damage in transit, dataset name failure, etc.

1.3.5. PACK REJECTION

Critical edit failure on the Pack Header or Pack Trailer records will result in pack rejection (e.g., detail record count not equal to grand total included in the pack trailer). Notification of pack rejection will be made by AT&T within one business day of processing. Rejected packs will be retransmitted to AT&T by PACIFIC.

1.3.6. HELD PACKS AND MESSAGES

AT&T and PACIFIC will track pack number to control input based upon invoice sequencing criteria. PACIFIC will be notified of sequence failures identified by AT&T and resend procedures are to be invoked.

1.3.7. DATA CONTENT REQUIREMENTS

EMI is the format to be used for usage data provided to AT&T.

1.3.8. PACKING REQUIREMENTS

A pack shall contain a minimum of one message record or a maximum of 9,999 message records plus a pack header record and a pack trailer record. A file transmission contains a maximum of 99 packs. A dataset shall contain a

minimum of one pack. PACIFIC will provide AT&T one dataset per sending location with the agreed upon OCN populated in the Header and Trailer records.

Within the Header and Trailer records, the FROM RAO identifies the location that will be sending usage to AT&T. PACIFIC will populate the FROM RAO field with the unique numeric value identifying the location that is sending the data to AT&T. Also, Pack Header and Trailer will have the OCN appropriately populated.

The FROM RAO, OCN, and Remote Identifiers will be used by AT&T to control invoice sequencing and each will have its own invoice controls. The FROM RAO will also be used to determine where the message returns file, containing any misdirected and unguidable usage, will be sent.

AT&T has no special sort requirements for the packs sent by PACIFIC.

1.3.9. DATASET NAMING CONVENTION

AT&T may specify upon 30 day notice to PACIFIC any industry standard dataset name format for NDM files.

1.3.10. CONTROL REPORTS

AT&T accepts input data provided by PACIFIC in EMI format in accordance with the requirements and specifications detailed in this section of the Attachment. In order to ensure the overall integrity of the usage being transmitted from PACIFIC to AT&T, data transfer control reports will be required. These reports shall be provided by AT&T to PACIFIC on a daily or otherwise negotiated basis and reflect the results of the processing for each pack transmitted by PACIFIC.

1.4. MESSAGE VALIDATION REPORTS

AT&T will provide the following three daily (or otherwise negotiated) Message Validation reports to the designated PACIFIC System Control Coordinator. These reports will be provided for all data received within PACIFIC Local Resale Feed and will be transmitted Monday through Friday whether or not there have been any files transmitted.

1.4.1. MESSAGE VALIDATION PACK REJECT REPORT (A7287)

This report provides information on packs rejected by AT&T. It lists the header and trailer record of each rejected pack and indicates the error codes and the associated error message which explains why the pack was rejected.

An example of the report and a list of Valid Error Codes and associated error messages are provided in Appendix B.

1.4.2. MESSAGE VALIDATION PACK ACCEPTED REPORT (A7288)

This report provides vital statistics and control totals by Record ID, Type of Service, Message Counts and Record Counts, for all valid, rejected and dropped messages. The information is provided in the following report formats and control levels:

1. PACIFIC Total Messages
2. PACIFIC Total Records
3. RAO Total Messages
4. RAO Total Records
5. Pack Total (Record Counts and Message Counts)

The first four report formats include percentages that indicate the relationship of the daily input volume by Record ID and Type of Record to the total input volume provided by an RAO and PACIFIC.

An example of the report is provided in Appendix C.

1.4.3. MESSAGE VALIDATION DETAIL ERROR REPORT (A7289)

An EMR detailed error report is generated for each pack/ invoice that is received and processed by AT&T. The report lists, in vertical format, the complete 175 byte EMI record that has failed to pass the initial edit criteria. It prints this detailed information only for the first five EMI records that share a common error condition. The error condition is flagged on the report by one of two possible error codes preceding the field value. The error codes are:

(C) DENOTES CRITICAL ERRORS

(I) DENOTES INFORMATION ERRORS

The last two pages of the report for a given pack/invoice provide the following control totals:

Total Errors for each Field

Total Records Received

Total Records Dropped

Total Records rejected to MIU

Pack Reject Rate

Total Default Count (represents the number of Files on all of the input records that had to be programmatically altered to meet the EMI standards and specifications.)

If the entire pack/invoice has been rejected because of a Critical Error Rate greater than 0.5%, the last page of the report will display such a statement enclosed in asterisks.

AT&T has provided PACIFIC a sample of this report.

1.4.4. CONTROL REPORTS - DISTRIBUTION

Since PACIFIC is not receiving control reports, dataset names will be established during detailed negotiations.

SECTION IV

AT&T PROCESSING REQUIREMENTS

1. GENERAL

This section contains requirements for AT&T processing of Recorded Usage Data that has been transmitted to AT&T for billing.

1.1. AT&T RATING PROCESS

1.1.1. MESSAGE RATING

AT&T will rate any individual messages (as defined in Section II), that have not already been rated by PACIFIC (information provider messages will be rated by PACIFIC), prior to transmitting the usage to a billing environment within AT&T.

1.1.2. APPLICATION OF TAXES/FEES/SURCHARGES

AT&T will apply taxes, fees and surcharges as appropriate for the individual messages and/or customer accounts. The application of all taxes, fees and surcharges will be applied on all intralata local and toll usage received from PACIFIC.

1.1.3. DUPLICATE MESSAGES

AT&T has existing duplicate checks as part of their message processing or billing functions. AT&T will perform these checks on the rated/unrated messages sent by PACIFIC duplicate message disposition procedures and reports will be identified by AT&T during negotiations.

1.1.4. RECORD EDITS

1.1.4.1. AT&T RECORD EDITS

AT&T will perform detailed record edits on the rated and unrated messages prior to transmitting them to the billing environment. Rated & unrated records that do not pass AT&T edits will be returned to PACIFIC with thirty (30) days of the file date.

1.1.4.2. PACIFIC RECORD EDITS

If PACIFIC has existing detailed record edits for rated and unrated messages, PACIFIC is to perform these edits.

Rated and unrated records that do not pass AT&T edits will be returned to PACIFIC. PACIFIC will attempt to perform error correction on all records requiring such action as agreed upon through the detailed negotiations process.

1.1.5. AT&T TO PACIFIC MESSAGE RETURNS

At the discretion of AT&T, messages that have been sent to AT&T by PACIFIC that cannot be guided to an AT&T billed account or error in processing due to an error by PACIFIC will be returned to PACIFIC with the appropriate negotiated return codes.

SECTION V

TEST PLANS AND ACTIVITIES

1. GENERAL

This section defines the PACIFIC and AT&T activities which are required prior to implementation. The tests and activities described are necessary to ensure a smooth, accurate and well-programmed conversion. Specific test dates will be identified through the negotiations process.

1.1. INTERFACE TESTING

The purpose of this test is to ensure that the usage described in Section II can be sent by PACIFIC to AT&T and can be accepted and processed by AT&T. PACIFIC will provide a test file to AT&T's designated Regional Processing Center (RPC) in the format that will be used for live day-to-day processing. The file will contain one full day's production usage. The format of the file will conform to the requirements shown in Section III. AT&T will review the file and verify that it conforms to its data center requirements. AT&T will notify PACIFIC in writing whether the format is acceptable. AT&T will also provide PACIFIC with the agreed-upon control reports as part of this test.

1.2. OPERATIONAL TEST

The purpose of this test is to ensure that volumes of usage in consecutive sequence can be extracted, distributed, and processed by PACIFIC and AT&T.

PACIFIC is required to provide AT&T with PACIFIC recorded, unrated intraLATA local and toll usage (as defined in Section II) for a minimum of five (5) consecutive days. AT&T will provide PACIFIC with the message validation reports associated with test usage.

AT&T will rate and process the unrated intraLATA toll and local usage. AT&T will process this data to test bills. AT&T may request that the test usage contain specific usage volumes and characteristics to ensure a complete test. Specific usage volumes and characteristics will be discussed during detailed negotiations.

1.3. TEST FILE TRANSPORT

Test data should be transported via CONNECT:Direct whenever possible. In the event that courier service must be used to transport test media, the physical tape characteristics shall be consistent with the NDM format as described in Appendix A.

efforts to notify AT&T no less than one hundred twenty (120) calendar days before such changes are implemented.

PACIFIC will communicate the projected changes to the appropriate groups in AT&T so that potential impacts on AT&T processing can be determined.

AT&T personnel will review the impact of the change on the entire control structure as described in Section 1.5, Post Conversion Test Plan. AT&T will negotiate any perceived problems with PACIFIC and will arrange to have the data tested utilizing the modified software.

If it is necessary for PACIFIC to request changes in the schedule, content or format of usage data transmitted to AT&T, PACIFIC will notify AT&T.

1.3. REQUESTED CHANGES

If it is necessary for either Party to request changes in the schedule, content, or format of the usage data transmitted from PACIFIC, the requesting Party will notify the other Party and the terms and conditions of the change shall be mutually agreed upon pursuant to the process set forth in Section 1.5.2.

When the negotiated changes are to be implemented, AT&T and/or PACIFIC will arrange for testing of the modified data as described in Section 1.5, Post Conversion Test Plan.

1.4. AT&T SOFTWARE CHANGES

When AT&T plans to introduce any software changes which may impact the format or content structure of the usage data transmitted from PACIFIC, AT&T will use reasonable best efforts to notify the designated PACIFIC personnel, no less than one hundred twenty (120) calendar days before such changes are implemented.

The AT&T contact will communicate the projected changes to the appropriate groups in PACIFIC so that potential impacts on PACIFIC processing can be determined.

AT&T will negotiate any perceived problems with PACIFIC and will arrange to have the data tested utilizing the modified software.

Altering the one hundred twenty (120) day window for introducing software changes can be negotiated by both companies, dependent upon the scope and impact of the change.

1.5. POST-CONVERSION TEST PLAN

The test plan described below is designed to encompass all types of changes to the usage data transferred by PACIFIC to AT&T and the methods of transmission for that data.

1.5.1. Pacific System Change Description

For a PACIFIC system change that would be reasonably likely to impact AT&T, PACIFIC shall provide AT&T with an overall description of the change, stating the objective and a brief explanation of the reasons for the change.

During the initial negotiations regarding the change, PACIFIC shall provide a list of the specific records and/or systems impacted by the change to designated AT&T personnel.

Finally, PACIFIC shall also provide AT&T a detailed description of the changes to be implemented. It shall include sufficient detail for designated AT&T personnel to analyze and estimate the effects of the changes and to design tests to verify the accuracy of the implementation.

1.5.2. Change Negotiations

PACIFIC will notify AT&T in writing of all proposed change negotiations initiated by PACIFIC. In turn, AT&T will notify PACIFIC in writing of proposed change negotiations initiated by AT&T.

After formal notification of planned changes, whether originated by PACIFIC or AT&T, negotiation meetings shall be scheduled between designated AT&T and PACIFIC personnel. The first meeting should produce the overall change description (if not previously furnished) and the list of records and/or systems affected.

In subsequent meetings, the Parties shall jointly develop a detailed description of changes to be implemented and a detailed test procedure.

1.5.3. Control Change Analysis

Based on the detailed description of the changes and review thereof by the parties in negotiation meetings, designated AT&T personnel will:

- 1.5.3.1. Determine the impact of the changes on the overall structure.
- 1.5.3.2. Determine whether any single change has a potential control impact (i.e., High error rate on individual records that might result in pack rejection).
- 1.5.3.3. Determine whether any controls might be adversely affected.
- 1.5.3.4. Arrange for appropriate control structure changes to meet any of the above conditions.

1.5.4. Verification of Changes

Based on the detailed description of changes and review thereof in negotiation meetings, designated AT&T personnel will:

- 1.5.4.1. Determine the type of change(s) to be implemented.
- 1.5.4.2. Develop a comprehensive test plan.
- 1.5.4.3. Negotiate scheduling and transfer of modified data with PACIFIC.
- 1.5.4.4. Negotiate testing of modified data with the appropriate AT&T Regional Processing Center ("RPC").
- 1.5.4.5. Negotiate processing of verified data through the AT&T billing system with the RPC.
- 1.5.4.6. Arrange for review and verification of testing with appropriate AT&T groups.
- 1.5.4.7. Arrange for review of modified controls, if applicable.

1.5.5. Introduction of Changes

When all the testing requirements have been met and the results reviewed and accepted, designated AT&T personnel will:

- 1.5.5.1. Negotiate an implementation schedule.
- 1.5.5.2. Verify the existence of a contingency plan with the appropriate AT&T RPC.
- 1.5.5.3. Arrange for the follow-up review of changes with appropriate AT&T personnel.
- 1.5.5.4. Arrange for appropriate changes in control program, if applicable.
- 1.5.5.5. Arrange for long-term functional review of impact of changes on the AT&T billing system, i.e., accuracy, timeliness, and completeness.

SECTION VII

APPENDICES TO APPENDIX I

SUMMARY OF APPENDICES

APPENDIX A

PHYSICAL CHARACTERISTICS OF DATA TAPES/CARTRIDGES

APPENDIX B

MESSAGE VALIDATION PACK REJECT REPORT (A7287)

APPENDIX C

MESSAGE VALIDATION PACK ACCEPTED REPORT (A7288)

APPENDIX D

SPECIAL FEATURES STAR SERVICES

APPENDIX A

PHYSICAL CHARACTERISTICS OF DATA TAPES/CARTRIDGES

Data transported to AT&T by PACIFIC, or to PACIFIC by AT&T, on tape or cartridge via a courier will have the following physical characteristics:

Tape:	9-track, 6250 (or 1600) BPI (Bytes per inch)
Cartridge:	38,000 BPI (Bytes per inch)
LRECL:	2,472 bytes
Parity:	Odd
Character Set:	Extended Binary Coded Decimal Interchange Code (EBCDIC)
External labels:	Exchange Carrier name, Dataset Name (DSN) and volume serial number
Internal labels:	IBM Industry OS labels will be used. They consist of a single volume label and two sets of header and trailer labels. One file per sending 104 bytes EMI compacted format plus modules location with variable length records as applicable.

999999 99-99-99 99 999 999 9999 9999
99,999

ERRORS ERROR CODE ERROR MESSAGE

EC99.9

XX

XX

APPENDIX B (CONT'D)

MESSAGE VALIDATION PACK REJECT REPORT (A7287)

ERROR CODE	ERROR MESSAGES
EC01.2	First record after trailer is not a Pack Header.
EC03.2	From RAO is not numeric.
EC04.3	Invoice number on header invalid.
EC04.5	Company ID not numeric.
EC04.6	Independent company ID is not numeric.
EC04.7	Header Record ID is invalid.
EC04.8	Trailer Record ID is invalid.
EC04.9	Trailer Record count invalid.
EC05.0	Duplicate pack.
EC05.1	Old Pack.
EC05.2	RAO not found on table.

EC07.3	Error rate greater than invoice file threshold for RAO invoice number.
EC12.0	Remote ID in Dataset is not valid.
EC20.0	No detail records in pack.
EC13.0	Invalid status on Pack Header.
EC27.0	Pack exceeds limit of 9,999 detail records.
EC40.9	Pack Header record is missing.
EC41.0	Trailer record is missing.
EC42.0	Trailer message volume is not equal to accumulated message volume.
EC44.0	Header/Trailer date is invalid.
EC45.0	From RAO on Trailer Record is not equal to the from RAO on Header Record.
EC48.0	Invoice number on Trailer Record is not equal to the invoice number on the Header Record.

APPENDIX C

MESSAGE VALIDATION PACK ACCEPTED REPORT (A7288)

MM/DD/YY-----HH:MM:SS

RETEN CODE: 01R-00300

COMPANY XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX FROM RAO INVOICE NO. DATE CREATED
TOTAL RECORDS RECEIVED

-----999-----99-----MM/DD/YY-----
-----ZZ.ZZ9

-----MESSAGE COUNTS-----
-----RECORD COUNTS-----

RECORD ID TYPE OF RECORDVALID-----REJECTED----DROPPED----TOTAL-----VALID-----REJECTED--
--DROPPED---TOTAL

010102 OUTWATS (NON-SMDR)ZZ.ZZ9 ZZ.ZZ9 ZZ.ZZ9 ZZ.ZZ9
ZZ.ZZZ9 ZZ.ZZZ9 ZZ.ZZZ9

010103	ZZ.ZZZZ9	ZZ.ZZZZ9	OUTWATS (SMDR)ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZZ9	ZZ.ZZZZ9
010104	ZZ.ZZZZ9	ZZ.ZZZZ9	800 SERVICEZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZZ9	ZZ.ZZZZ9
			TOTAL WATS/800						
010101	ZZ.ZZ9	ZZ.ZZZZ9	MTS ZZ.ZZZZ9	ZZ.ZZZZ9	ZZ.ZZZZ9		ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9
010106	ZZ.ZZZZ9	ZZ.ZZZZ9	NON-DIAL CONFER BRIDGEZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZZ9	ZZ.ZZZZ9
010107	ZZ.ZZZZ9	ZZ.ZZZZ9	NON-DIAL CONFER LEG RECORDZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZZ9	ZZ.ZZZZ9
010108	ZZ.ZZZZ9	ZZ.ZZZZ9	DIAL CONFERENCE BRIDGEZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZZ9	ZZ.ZZZZ9
010111	ZZ.ZZZZ9	ZZ.ZZZZ9	ALLIANCE (AGTC)ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZZ9	ZZ.ZZZZ9
010116	ZZ.ZZZZ9	ZZ.ZZZZ9	DIAL-IT SERVICEZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZZ9	ZZ.ZZZZ9
010132	ZZ.ZZZZ9	ZZ.ZZZZ9	DIRECTORY ASSISTANCEZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZZ9	ZZ.ZZZZ9

010180	ZZ.ZZZ9	ZZ.ZZZ9	MARINE/AIRCRAFTZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZ9	ZZ.ZZZ9
010181	ZZ.ZZZ9	ZZ.ZZZ9	RADIO LINKZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZ9	ZZ.ZZZ9
010182	ZZ.ZZZ9	ZZ.ZZZ9	MARINE NON-DIAL CONFER BRIDGEZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZ9	ZZ.ZZZ9
010183	ZZ.ZZZ9	ZZ.ZZZ9	MARINE NON-DIAL CONFER LEG REC.ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZ9	ZZ.ZZZ9
0101XX	ZZ.ZZZ9	ZZ.ZZZ9	OTHER MTS RECORDSZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZ9	ZZ.ZZZ9
TOTAL NORTH AMERICAN MTS								
010201	ZZ.ZZZ9	ZZ.ZZZ9	IOTC/IDDD MTSZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZ9	ZZ.ZZZ9
0102XX	ZZ.ZZZ9	ZZ.ZZZ9	IOTC/IDDD OTHERSZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZ9	ZZ.ZZZ9
010301	ZZ.ZZZ9	ZZ.ZZZ9	IOTC BFC MTSZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZ9	ZZ.ZZZ9

0103XX	ZZ.ZZZ9	ZZ.ZZZ9	IOTC BFC OTHERSZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZ9	ZZ.ZZZ9
010401	ZZ.ZZ9	ZZ.ZZZ9	IOC MTS ZZ.ZZZ9	ZZ.ZZZ9	ZZ.ZZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9
0104XX	ZZ.ZZZ9	ZZ.ZZZ9	IOC OTHERSZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZ9	ZZ.ZZZ9
010501	ZZ.ZZ9	ZZ.ZZZ9	IOC MTS ZZ.ZZZ9	ZZ.ZZZ9	ZZ.ZZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9
0105XX	ZZ.ZZZ9	ZZ.ZZZ9	IOC OTHERSZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZ9	ZZ.ZZZ9
TOTAL OVERSEAS MTS								
015002	ZZ.ZZZ9	ZZ.ZZZ9	OUTWATS LINE SUMMARYZZ.ZZ9 ZZ.ZZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZ9	ZZ.ZZZ9
015004	ZZ.ZZZ9	ZZ.ZZZ9	800 LINE SUMMARYZZ.ZZ9 ZZ.ZZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZ9	ZZ.ZZZ9
015032	ZZ.ZZZ9	ZZ.ZZZ9	DIR. ASSISTANCE LINE SUMMARYZZ.ZZ9 ZZ.ZZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZ9	ZZ.ZZZ9
TOTAL OVERSEAS MTS								

03XXXX	ZZ.ZZZ9								
	ZZ.ZZZ9								
51/52	ZZ.ZZZ9								
	ZZ.ZZZ9								
71/72	ZZ.ZZZ9								
	ZZ.ZZZ9								
INVALID RECORD IDENTIFICATION									
ZZ.ZZZ9									
PACK TOTALS									

APPENDIX D

SPECIAL FEATURES STAR SERVICES

PACIFIC offers the following CLASS subscription or "pay per use" (STAR) Services in connection with Resale Service and LSNE. When identified, additional services can be negotiated to be included in this offer.

- 1) Auto Recall/Call Return..... This feature allows a customer to redial a number when a Busy signal is encountered.

- 2) Auto Callback/Repeat Dialing..... This feature allows a customer to automatically return the most recent incoming call, even if it is not answered.

The following CLASS subscription service is available in connection with Resale Service and LSNE. AT&T requires a usage record in order to provide call trace information to law enforcement authorities.

- 1) Call Trace This feature allows the tracing of nuisance calls.

The following CLASS services are only available through monthly subscription and are available in connection with Resale Service and LSNE only on a monthly subscription basis.

- 1) 3-Way Calling..... This feature allows for three (3) Parties to communicate on one line.

- 2) Automatic Redial..... This feature allows a customer to automatically redial the last number dialed.

Appendix II
DATA EXCHANGE AGREEMENT FOR THE DISTRIBUTION
OF INTRALATA MESSAGE DETAIL AND/OR THE
SETTLEMENT OF INTRALATA MESSAGE REVENUE
BETWEEN PACIFIC BELL
AND
AT&T COMMUNICATION OF CALIFORNIA, INC.

This Agreement for the Settlement of Rated Messages between Pacific Bell ("Pacific"), a California corporation, and AT&T Communications of California, Inc. ("Customer"), a California corporation (collectively "the Parties"), is entered into this 16th day of December, 1996.

WHEREAS, Customer is a reseller of Pacific's tariffed local access services; and

WHEREAS, Customer has requested another Bellcore Client Company to act as its Centralized Message Distribution Service ("CMDS") host for the distribution and/or settlement of intraLATA messages between Customer and other providers of local exchange service; and

WHEREAS, Customer's CMDS host will not, as a part of its hosting agreement with Customer, settle with other providers of local exchange service for third number billed calls transported by another provider of local exchange service if the billing number belongs to a Customer Subscriber and the billing number is in a different Bellcore Client Company territory from the originating and terminating telephone numbers ("Customer CATS Messages"); and

WHEREAS, Customer's CMDS host will not, as a part of its hosting agreement with Customer, settle with other providers of local exchange service for collect calls transported by another provider of local exchange service but which are billed to a Customer Subscriber or for third number billed messages for which the billing number is in the same Bellcore Client Company territory as the originating and terminating telephone numbers ("Customer Non-CATS Messages"); and

WHEREAS, Customer's CMDS host will not, as a part of its hosting agreement with Customer, settle with other providers of local exchange service for (i) collect calls transported by Customer but which are billed to a Pacific subscriber or billed to a subscriber of a provider of local exchange service for whom Pacific is the CMDS Host ("Pacific Subscriber") or (ii) for calling card calls or third number billed messages for which the billing number is in the same Bellcore Client Company territory as the originating and terminating telephone numbers ("Pacific Non-CATS Messages"); and

WHEREAS, the Parties desire to settle all Customer CATS Messages, Customer Non-CATS Messages, and Pacific Non-CATS Messages, as set forth in this Agreement;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the Parties hereby agree as follows:

1. DEFINITIONS

CMDS Host means the Bellcore Client Company that acts on behalf of a LEC to distribute and settle end user message detail through CMDS to other participating LECs.

Calling Card and Third Number Settlement ("CATS") means that part of CMDS which is a mechanized computer process used to maintain records regarding intercompany

settlements through which revenues collected by the billing company are distributed to the originating company.

Centralized Message Data System I ("CMDS") means the industry-wide data collection system located in Kansas City, Missouri, which handles the daily exchange of toll message details between participating telephone companies. CMDS toll message detail is defined as Collect, Calling Card and Third Number Billed Messages that are originated in one company and billed by another company.

Customer CATS Messages means messages transported by another provider of local exchange service but which are billed to a billing number belonging to a Customer Subscriber and the billing number is in a different Bellcore Client Company territory from the originating and terminating telephone numbers.

Customer Collect Messages means messages where the charges are billed to the called end user who is a Customer Subscriber and where the Transporting LEC is Pacific or any other LEC.

Customer Non-CATS Messages means Customer Collect Messages and/or Customer Third Number Billed Messages as those terms are defined herein.

Customer Subscriber means an end user who has authorized Customer to provide the end user with local exchange service and Customer provides the local exchange service through Pacific's tariffed local access services.

Customer Third Number Billed Messages means messages where (i) the charges are billed to a Customer Subscriber's telephone number that is not the originating or terminating telephone number, (ii) the Transporting LEC is Pacific or any other LEC, and

(iii) the originating and billed telephone numbers are located in the same Bellcore Client Company territory.

Local Access and Transport Area ("LATA") are those designated areas approved by the United States District Court for the District of Columbia in *United States of America v. American Telephone and Telegraph Company, et al.*, Civil Action Nos. 74-1698 and 82-0192.

Local Exchange Carrier ("LEC") means a carrier authorized to provide local, exchange access and intraLATA toll services.

Pacific Calling Card Messages means messages where (i) the charges are billed to a telecommunications line number based calling card issued by Pacific or a LEC for whom Pacific is the CMDS Host, (ii) the Transporting LEC is Customer, and (iii) the originating number and the line number on the calling card are located in the same Bellcore Client Company territory.

Pacific Collect Messages means messages where the charges are billed to the called end user who is a Pacific Subscriber and where the Transporting LEC is Customer.

Pacific Non-CATS Messages means Pacific Collect Messages, Pacific Calling Card Messages and/or Pacific Third Number Billed Messages as those terms are defined herein.

Pacific Subscriber means an end user who has authorized Pacific or a LEC for whom Pacific is the CMDS Host to provide the end user with local exchange service or who has billed an intraLATA call to a telecommunications calling card issued by Pacific or by a LEC for whom Pacific is the CMDS Host.

Pacific Third Number Billed Messages means messages where (i) the charges are billed to a Pacific Subscriber's telephone number that is not the originating or terminating telephone number, (ii) the Transporting LEC is Customer, and (iii) the originating and billed telephone numbers are located in the same Bellcore Client Company territory.

Transporting LEC means the LEC authorized by the end user originating the call to provide the end user with local exchange service.

2. SCOPE OF AGREEMENT

- A. This Agreement specifies the rights and obligations of the Parties with respect to (i) the distribution and/or settlement of Customer CATS and Non-CATS Messages billed to a Customer Subscriber where Pacific or any other LEC is the Transporting LEC and (ii) the settlement of Pacific Non-CATS Messages billed to a Pacific Subscriber where Customer is the Transporting LEC.
- B. This Agreement includes the following Exhibits which are incorporated herein by this reference:
 - 1. Exhibit A - Rate Schedule
 - 2. Exhibit B - Non-CMDS Outcollects Report
 - 3. Exhibit C - Non-CATS CLC Settlement Report
 - 4. Exhibit D - Reciprocal Non-Disclosure Agreement
- C. Except as expressly provided otherwise, the definitions set forth in Section 1 above shall govern all parts of this Agreement.
- D. The Parties shall file this Agreement by Advice Letter with the California Public Utilities Commission ("CPUC") within 14 days of executing this Agreement. The

Parties acknowledge that this Agreement is subject to changes or modifications directed by the CPUC or any other duly constituted governmental authority with appropriate jurisdiction. The Parties shall comply with any legal and all regulatory requirements necessary to effectuate this Agreement, including, but not limited to, any additional tariff filings.

3. DESCRIPTION OF SERVICES

- A. Pacific may receive rated Customer CATS Messages and Non-CATS Messages through CMDS, from one of the LECs for which Pacific is the CMDS Host, or from Pacific for messages originating within Pacific's network. Pacific shall forward rated Customer CATS Messages and Non-CATS Messages to Customer via a daily feed of unrated call detail records agreed upon by the Parties. Pacific shall forward Unbillable Messages and Uncollectible Messages as defined in Subsection 4(D) below, via a daily feed of unrated call detail records agreed upon by the Parties. All message detail shall be in EMR industry standard format agreed upon by the Parties and shall be exchanged at agreed upon intervals. Pacific shall also provide revenue settlement for all such messages; provided, however, that revenue settlement for Customer Non-CATS Messages shall only be provided by Pacific with those LECs that Pacific has executed an agreement covering the settlement of Non-CATS Messages. Pacific shall provide Customer with a list of all such LECs upon request.
- B. This Agreement covers, to the extent set forth below, the billing of 900/976 calls transported by Pacific pursuant to Schedule Cal.P.U.C. Nos. A.9.5.3 and A.9.5.2 ("California 900/976 Messages") that originate from a Customer Subscriber's telephone number:

1. Customer shall make available to Pacific, under terms and conditions set forth in a tariff filed with the CPUC, the billing name and address (BNA) of Customer Subscriber's originating California 900/976 Messages.
 2. Customer does not currently possess the capability to bill intraLATA or interLATA 900/976 messages on the bill Customer uses to bill its Subscribers for local service. In the event Customer obtains this capability and begins billing intraLATA or interLATA 900/976 messages on the bill Customer uses to bill its Subscribers for local service, Customer shall offer under equivalent terms and conditions the same billing capability to Pacific for California 900/976 Messages.
 3. In the event Customer's BNA tariff is not approved by the CPUC within 7 days of Customer commencing to resell Pacific's tariffed local access services in California, Pacific shall block access of Customer subscribers to all 900/976 numbers including California 900/976 numbers. Thereafter, if Customer's BNA tariff is approved by the CPUC, Pacific shall unblock access of Customer Subscribers to all 900/976 numbers.
- C. Customer shall forward Pacific Non-CATS Messages to Pacific through CMDS. Customer shall forward Rejected Messages, Unbillable Messages and Uncollectible Messages as defined in Subsection 4(B) below, to Pacific through CMDS.
- D. Pacific and Customer shall exercise good faith efforts to bill and collect all amounts due from its Subscribers for messages distributed under this Agreement. Pacific and Customer warrant that the billing and collection for messages distributed under this Agreement shall be at a performance level no less than the party uses for the billing of its own local exchange services, which in no event

shall be inconsistent with generally accepted industry standards of operation for the provision of billing and collection services. Pacific and Customer further agree that the billing and collection process for messages distributed under this Agreement shall comply with all relevant legal, regulatory and legislative authorities.

- E. To the extent contemplated by this Agreement, Pacific shall compensate the Transporting LECs for messages originating outside of Customer's network.
- F. Requests by Customer for changes to existing services and/or the provision of new services shall be handled on an individual case basis.

4. SETTLEMENT ARRANGEMENT

- A. For Customer CATS Messages and Non-CATS Messages billed to Customer Subscribers that Pacific forwards to Customer as set forth in Subsection 3(A) above, Pacific shall calculate the amount due based on the following formula:

Rated Value of Customer CATS and Non-CATS Messages

- Rejected/Unbillable/Uncollectible Messages
- Customer Billing Charge
- + Pacific Settlement Charge

= Amount Due Pacific

- B. As used in Subsection 4(A) above the following terms are defined as set forth below:

- 1. Rated Value of Customer CATS and Non-CATS Messages means the total computed charges for Customer CATS and Non-CATS Messages based

on the Transporting LECs schedule of rates. Settlement of Non-CATS Messages is contingent on the conditions set forth in Subsection 3(A) above being satisfied.

2. Rejected Messages means the rated value of Customer Non-CATS Messages that failed to pass the edits within the Customer's system and were returned to Pacific through CMDS.
3. Unbillable Messages means the rated value of Customer Non-CATS Messages that were not billable to a Customer Subscriber because of missing information in the billing record or other billing error, not the result of an error by Customer, that are returned to Pacific through CMDS.
4. Uncollectible Messages means the rated value of Customer Non-CATS Messages billed by Customer to subscribers that are unpaid, have been debited to final write-off by Customer and have been returned to Pacific through CMDS.
5. Customer Billing Charge means the Customer per message billing rate, as set forth in Exhibit A, times the number of Customer CATS and Non-CATS Messages forwarded by Pacific to Customer.
6. Pacific Settlement Charge means the Pacific per message settlement charge, set forth in Exhibit A, times the number of Customer CATS and Non-CATS Messages forwarded by Pacific to Customer. Only Customer CATS and Non-CATS Messages for which the Transporting LEC is other than Pacific shall be included in the calculation of the Pacific Settlement Charge.

- C. For Pacific Non-CATS messages billed to Pacific Subscribers that Customer's CMDS Host forwards to CMDS for distribution to Pacific, Pacific shall calculate the amount due based on the following formula:

Rated Value of Pacific Non-CATS Messages

- Unbillable/Uncollectible Messages
- Pacific Billing Charge
- Pacific Settlement Charge

= Amount Due Customer

- D. As used in Subsection 4(C) above the following terms are defined as set forth below:

1. Rated Value of Pacific Non-CATS Messages means the total computed charges for Pacific Non-CATS Messages based on Customer's schedule of rates.
2. Unbillable Messages means the rated value of Pacific Non-CATS Messages that were not billable to a Pacific Subscriber because of missing information in the billing record or other billing error, not the result of an error by Pacific, that are returned by Pacific to Customer via CMDS.
3. Uncollectible Messages means the rated value of Pacific Non-CATS Messages billed by Pacific to subscribers that are unpaid, have been debited to final write-off by Pacific and have been returned by Pacific to Customer via the daily feed described in Subsection 3(A) above.

4. Pacific Billing Charge means the Pacific per message billing rate, as set forth in Exhibit A, times the number of Pacific Non-CATS Messages received by Pacific through CMDS.
 5. Pacific Settlement Charge means the Pacific per message settlement charge, set forth in Exhibit A, times the number of Pacific Non-CATS Messages received by Pacific through CMDS. Only Non-CATS Messages for which the Transporting LEC is other than Pacific shall be included in the calculation of the Pacific Settlement Charge.
- E. Within 22 business days following the end of each calendar month, Pacific shall provide Customer with the following documents:
1. Non-CMDS Outcollects Report in the form of Exhibit B, as modified by Pacific over time, that calculates the Amount Due Pacific as set forth in Subsection 4(A).
 2. Non-CATS CLC Settlement Report in the form of Exhibit C, as modified by Pacific over time, that calculates the Amount Due Customer as set forth in Subsection 4(C).
 3. An invoice setting forth the Amount Due either Pacific or Customer based on netting the Amount Due Pacific and Amount Due Customer (the "Invoice").
- F. The Party owing the Net Amount Due as set forth in the Non-CATS CLC Settlement Summary Report shall have 22 days from receipt of the Non-CATS Settlement Report to pay the Net Amount Due penalty free. Payments shall be made by check unless otherwise agreed by the Parties.

1. If the due date falls on a Saturday, Sunday or bank holiday, the due date shall be the first non-holiday day following such Saturday, Sunday or bank holiday.
 2. Any payment received after the due date shall be subject to a Late Payment Charge. The Late Payment Charge shall be the portion of the Amount Due Pacific received after the payment date-times a late factor. The late factor shall be a 0.05% daily charge, not compounded, or as otherwise mandated by regulatory or governmental authorities. Any Late Payment Charge shall be included in the next applicable payment.
 3. Should Customer dispute any portion of the amount due, Customer shall notify Pacific in writing of the nature and basis of the dispute as soon as possible and prior to the due date. The Parties shall use their best efforts to resolve the dispute prior to the due date.
- G. That portion of the Amount Due Pacific and Amount Due Customer, calculated as set forth in Subsection 3(A) and 3(C), attributable to LECs for which Pacific is the CMDS Host shall be settled between Pacific and the LECs as set forth in the agreement under which Pacific provides the CMDS Hosting Service to the LEC. Pacific shall provide Customer with an updated list in writing of all LECs for which Pacific is the CMDS Host.

5. TERM

This Agreement shall become effective upon approval by the CPUC and shall remain in full force and effect until terminated as provided for in this Agreement.

6. AMENDMENTS: WAIVERS

This Agreement may be modified or additional provisions may be added by written agreement signed by or on behalf of both Parties. No amendment or waiver of any provision of this Agreement and no consent to any default under this Agreement shall be effective unless the same shall be in writing and signed by or on behalf of the Party against whom such amendment, waiver or consent is claimed. In addition, no course of dealing or failure of any Party to strictly enforce any term, right or condition of this Agreement shall be construed as a waiver of such term, right or condition.

7. ASSIGNMENTS

This Agreement shall not be assigned by either Party without the prior written consent of the other Party hereto, which consent shall not be unreasonably withheld, except that without such consent this Agreement may be assigned to the successor of either Party, to an affiliate of such Party or to a person, firm or corporation acquiring all or a controlling interest in the business assets of such Party, provided that such assignment without consent shall not relieve the assigning Party of its obligations and shall only be effective if the assignee agrees in writing to assume all the assignor's obligations under this Agreement. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the Parties.

8. COMPLIANCE WITH LAWS

All terms, conditions and operations under this Agreement shall be performed in accordance with, and are subject to, all applicable state and federal, legal and regulatory requirements of all duly constituted authorities.

9. GOVERNING LAW

This Agreement shall be governed by the local law of the State of California.

10. LIMITATION OF LIABILITY

- A. Each Party's liability to the other (as distinct from a Party's obligation to pay for services settled under this Agreement) for any loss, cost, claim, injury, liability or expense in connection with the activities set forth in this Agreement shall be limited to the amount of direct damages actually incurred. Neither party shall be liable to the other for any indirect, incidental, special, reliance or consequential damages of any kind, including (without limitation) damages for lost profits, regardless of the form of action, whether in contract, indemnity, warranty, strict liability, or tort, including (without limitation) negligence of any kind.

11. INDEMNIFICATION

- A. Each Party (the "Indemnifying Party") shall indemnify and hold harmless the other Party ("Indemnified Party") from and against any loss, cost, claim, liability, damage or expense, including reasonable attorneys' fees, to third parties, relating to or arising out of negligence or willful misconduct by the Indemnifying Party, its employees, agents or contractors in the performance of this Agreement or the failure of the Indemnifying Party to perform its obligations under this Agreement. In addition, the Indemnifying Party shall, to the extent of its obligations to indemnify hereunder, defend any action or suit brought by a third party against the Indemnified Party.

- B. The Indemnified Party shall notify the Indemnifying Party promptly in writing of any written claims, lawsuits or demand by third parties for which the Indemnified Party alleges that the Indemnifying Party is or may be responsible under this Paragraph and tender the defense of such claim, lawsuit or demand to the Indemnifying Party. The Indemnified Party also shall cooperate in every reasonable manner within the defense or settlement of such claim, demand or lawsuit.

- C. The Indemnifying Party shall not be liable under this Paragraph for settlements or compromises by the Indemnified Party of any claim, demand or lawsuit unless the Indemnifying Party has approved the settlement or compromise in advance or unless the defense of the claim, demand or lawsuit has been tendered to the Indemnifying Party in writing and the Indemnifying Party has failed to undertake the defense.

12. FORCE MAJEURE

Neither Party shall be held 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, such as acts of God, acts of civil or military authority, government regulations, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, strikes, power blackouts, volcanic action, or other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities, or acts or omissions of transportation common carriers.

13. TERMINATION

- A. Either Party may terminate this Agreement on 30 days written notice to the other Party if any regulatory, judicial or legislative action does not allow for continuation

of the settlement process as contemplated herein; provided, however, that if in the reasonable opinion of either Party's legal counsel the regulatory, judicial or legislative action conflicts with the settlement process provided under this Agreement, that Party may terminate this Agreement upon the effective date of the regulatory, judicial or legislative action. The terminating Party shall provide written notice of its intention to terminate.

- B. In the event of breach of any material provision of this Agreement by either Party, including but not limited to the nonpayments of amounts due, and the breaching Party fails to cure such breach to the non-breaching Party's satisfaction within 30 days of receiving notice of the breach, the non-breaching Party may, at its sole discretion, terminate this Agreement and be entitled to pursue all available legal and equitable remedies for such breach.
- C. Either Party may, upon 90 days written notice to the other Party, terminate this Agreement for any reason.

14. CONFIDENTIALITY AND PUBLICITY

- A. The Parties acknowledge that this Agreement contains commercially confidential information that may be considered proprietary by either or both Parties, and agree to limit the distribution of this Agreement to those individuals in their respective organizations with a need to know the contents of the Agreement. The Parties further agree that all confidential or proprietary information disclosed by either Party during the negotiation and term of this Agreement shall be protected by the Parties in accordance with the terms of Exhibit D - Reciprocal Non-Disclosure Agreement.

- B. Except as otherwise provided in this Agreement, neither Party shall publish or use the other Party's name, language, pictures or symbols from which the other Party's name may be reasonably inferred or implied in any advertising, promotion or any publicity matter relating directly or indirectly to this Agreement without the express written permission of the other Party.

15. AUDITS AND EXAMINATIONS

- A. As used herein "Audit" shall mean a comprehensive review of services performed under this Agreement; "Examination" shall mean an inquiry into a specific element or process of services performed under this Agreement. Upon 60 days written notice by the Requesting Party to the Non-Requesting Party, the Requesting Party shall have the right to audit and examine, during normal business hours and at reasonable intervals to be mutually determined, the Non-Requesting Party's records, books and documents, as may reasonably contain information relevant to the operation of this Agreement; provided, however, neither Party may perform more than one Audit and/or more than one Examination of the other Party under this Agreement in any 12-month period. Within the above-described 60-day period, the Parties shall reasonably agree upon the scope of the Audit or Examination, the documents to be reviewed, and the time, place and manner in which the Audit or Examination shall be performed.
- B. Each Party shall bear its own expenses occasioned by the Audit or Examination, provided that the expense of any special data extraction shall be borne by the Requesting Party. Within the above-described 60-day period, the Parties may also agree that, in lieu of an Audit or Examination by the Requesting Party, the Non-Requesting Party shall conduct an internal review and provide the Requesting Party with the results of that review; as a further alternative, the Requesting Party may request that an Audit or Examination be conducted by an

outside auditor. In the event of such outside Audit or Examination, the Requesting Party shall pay the fee of the outside auditor. In the event that the Non-Requesting Party requests that the Audit or Examination be performed by an outside auditor, the Requesting Party shall select and instruct such outside auditor in accordance with the above agreed-to procedures, and the costs shall be shared equally by the Parties.

- C. Where the Parties agree that an Audit or Examination discloses error(s), the Non-Requesting Party shall, in a timely manner, undertake corrective action for such errors(s). All information received or reviewed by the Requesting Party or its authorized representative in connection with the Audit or Examination is to be considered confidential and is not to be distributed, provided or disclosed in any form to anyone not involved in the Audit or Examination or the resolution of its findings (which may include any dispute resolution proceedings, including but not limited to mediation or judicial proceedings), nor is said information to be used for any other purposes. All information received or reviewed by the Requesting Party or its authorized representative in connection with any Audit or Examination that the requesting Party desires to distribute, provide or disclose in any dispute resolution proceeding shall be subject to protective arrangements as reasonably agreed to by the Parties. The Non-Requesting Party reserves the right to require any non-employee who is involved directly or indirectly in any Audit or Examination or the resolution of its findings as described above to execute a non-disclosure agreement satisfactory to the Non-Requesting Party.

16. DISPUTE RESOLUTION

- A. In the event of any disputes between Pacific and Customer with respect to the terms and conditions of this Agreement, or any subject matter referred to in or governed by this Agreement, such disputes shall be settled as follows, except for disputes in which a Party seeks injunctive relief or must file suit in order to avoid expiration of the applicable statute of limitations.

- B. Escalation Procedures - All disputes between the Parties shall be escalated through normal business procedures to a Intercompany Review Board consisting of one representative from each company at the vice-presidential level (or at such lower level as each Party's vice-president may delegate). Each Party has the right to request and, upon agreement of the other Party, to review any materials it deems pertinent to the dispute. The Intercompany Review Board shall consider any material submitted to it by either Party. Not to exceed 60 days from the date the dispute arises, each Party shall state in writing when it has received all materials it desires to review, and 30 days thereafter the Intercompany Review Board shall state in writing to the Parties the extent to which it has resolved the dispute. Both Parties agree to negotiate resolution of such problems in good faith.

17. SURVIVAL

Provisions contained in this Agreement that by their sense and context are intended to survive the expiration or termination of this Agreement shall so survive.

18. NOTICES

- A. Except as otherwise provided herein, all notices or other communication hereunder shall be deemed to have been duly given when made in writing and delivered in person or deposited in the United States mail, postage prepaid, return receipt requested and addressed as follows:

Customer: Billing Contracts
Industry Management Vice President
290 Davidson Ave.
Somerset, New Jersey 08873

Pacific: Carol Spain, Director
Wholesale Product Manager
370 Third Street, Room 311
San Francisco, CA 94107

- B. If personal delivery is selected to give notice, a receipt of such delivery shall be obtained. The address to which notices or communications may be given to either Party may be changed by written notice given by such Party to the other pursuant to this Section.

19. ENTIRE AGREEMENT

This Agreement, including all Exhibits and subordinate documents attached to or incorporated herein by reference, together constitute the entire Agreement between the Parties, and supersede all prior oral or written agreements, representations, statements, negotiations, understanding, proposals, and undertakings with respect to the subject matter hereof.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement as of the date first written above.

PACIFIC BELL

By /s/ Ann S. Fasting

Title Executive Director-Billing Solutions

Date Signed 12/16/96

AT&T COMMUNICATIONS OF CALIFORNIA, INC.

By /s/ Gary A. Rall

Title District Manager

Date Signed 12/3/96

(LC46 Report)

Effective 3/1

NON-CMDS OUTCOLLECTS

Billed By Company (e.g. XYZ)

OCN: _____

	INTERSTATE		INTRASTATE		MOU
	INTRA # Msgs.	INTER # Msgs.	INTRA # Msgs.	INTER # Msgs.	
Revenue Exch. Rcds	\$'s	\$'s	\$'s	\$'s	
- Collectibles	10	0	1000	10	10.00
- Billing and Collection (.05 per message)	(\$.50)	0			(\$.50)
- Ret. Uncollect.	1	0	10	0	0
Recording Services	15	11	22	19	
Sub-Total	26	11	1032	29	\$9.50
Msg. Processing charge @ .014 per msg.	\$.26	\$.11	\$ 10.32	\$.29	
Total	\$52.26	\$.11	\$10,020.32	\$ 9.79	
Access/Interconnection	# Messages	# Messages	# Messages	# Messages	MOU
- CABS - MOU	50	0	850	5	60
- CABS Cancel	2	0	35	0	
End User Billing	1	0	72	2	0
- 800 Service	50	0	60.		
- Errored Returns	0	0			
- Other Services					45

NOTES:

- Assumption is that all settlements will be handled as Net-Settlements
- One report will be created for each tape transmitted and a copy will be sent with each tape.
- A monthly summary will be created. Work effort 8852

NON-CATS CLC SETTLEMENT SUMMARY REPORT

Billed Revenue	Number of Messages	Billing Charges	Settlement Charges	Net Revenue Billed	Earned Revenue Source	Number of Messages	Billing Charges	Settlement Charges	Net Revenue Earned	NET REV Billed less Earned
----------------	--------------------	-----------------	--------------------	--------------------	-----------------------	--------------------	-----------------	--------------------	--------------------	----------------------------

XXXX XXXX

Pacific Bell

###,###,###.## ##,### \$##,###.## \$###.## \$##,###,###.## \$##,###,###.## ##,### \$#,###.## \$###.## \$##,###,###.## \$##,###,###.##

Non-Pacific Bell

###,###,###.## ##,### \$##,###.## \$###.## \$##,###,###.## \$##,###,###.## ##,### \$#,###.## \$###.## \$##,###,###.## \$##,###,###.##

NOTE: For credits (CR) in last column (NET REV.), a check should be rendered in that amount by Pacific Bell on behalf of xxxx.
 For Debits, a check should be received in that amount by Pacific Bell on behalf of xxxx.

Exhibit D
RECIPROCAL NON-DISCLOSURE AGREEMENT

1. GENERAL

It is recognized by the Parties, that during the negotiation and term of this Agreement, Pacific and Customer will exchange information from time to time which is confidential to Customer or Pacific.

2. IDENTIFICATION OF CONFIDENTIAL INFORMATION COVERED BY THIS EXHIBIT

The types or categories of information intended to be covered by and protected under these paragraphs shall only include information specifically designated and stamped "Proprietary" or "Confidential" and provided by one Party to the other Party (hereinafter, "Confidential Information").

3. HANDLING OF CONFIDENTIAL INFORMATION

Except for information not subject to the terms and conditions herein because of its prior disclosure or permitted or consented disclosure as described below, Confidential Information of one Party ("Disclosing Party") that is possessed by the other Party ("Receiving Party"), shall be treated in accordance with the following terms and conditions.

- a. The Receiving Party shall put in place and strictly enforce (using all of its prerogatives, including dismissal of contractors) procedures to ensure that its

employees, contractors or agents are aware of and fulfill the obligations under this Exhibit D to hold the Disclosing Party's Confidential Information in confidence.

- b. Confidential Information described above shall, consistent with the terms herein, be held in confidence by the Receiving Party and its employees, contractors or agents, shall be treated with the same degree of care as the Receiving Party would treat its own Confidential Information and, consistent therewith, shall not be disclosed to third persons but may be disclosed to agents who have a need for it; shall be used only for the purposes stated herein; and may be used or disclosed for other purposes only upon such terms and conditions as may be mutually agreed upon by the Parties in writing.
- c. Each Party agrees to give notice to the other Party of any demand to disclose or provide Confidential Information of said other Party to any Third Party, under lawful process, prior to disclosing or furnishing such Confidential Information, and the Receiving Party agrees to reasonably cooperate if the Disclosing Party deems it necessary to seek protective arrangements.

4. INFORMATION NOT SUBJECT TO HANDLING RESTRICTIONS

Notwithstanding any other provision of this Agreement to the contrary, Confidential Information shall not be deemed confidential or proprietary and the Receiving Party shall have no obligation to prevent disclosure of such Confidential Information if such Confidential Information:

- a. Is already known to the Receiving Party;

- b. Is or becomes publicly known, through publication, inspection of the product, or otherwise and through no wrongful act of Receiving Party;
- c. Is received from a Third Party without similar restriction and without breach of this Exhibit;
- d. Is independently developed, produced, or generated by Receiving Party;
- e. Is furnished to a Third Party by the Disclosing Party without a similar restriction on the Third Party's rights; or
- f. Is approved for release by written authorization of the Disclosing Party.

5. RETURN OR DESTRUCTION OF CONFIDENTIAL INFORMATION

Upon request, the Receiving Party will return all Confidential Information to the Disclosing Party or destroy all such Confidential Information.

6. OBLIGATIONS TO MAINTAIN CONFIDENTIALITY - DURATION

The obligations to maintain confidentiality of received Confidential Information set forth in Paragraph 3 shall survive expiration of the Agreement of which this Exhibit is a part by a further term of three years.

ATTACHMENT 15

LOCAL NUMBER PORTABILITY AND NUMBER ASSIGNMENT

LOCAL NUMBER PORTABILITY AND NUMBER ASSIGNMENT

1. PROVISION OF LOCAL NUMBER PORTABILITY

- 1.1. PACIFIC and AT&T shall provide number portability in accordance with requirements of the Telecommunications Act of 1996.
- 1.2. PACIFIC and AT&T shall work to implement the LRN-PNP solution in accordance with relevant FCC rulings and the North American Numbering Council (NANC) guidelines, including those specified in Section 2 of this Attachment, and any published guidelines of the SW-WC Operations Team. The FCC and NANC guidelines shall prevail in the event of any conflict with the guidelines of the SW-WC.

2. REQUIREMENTS FOR LRN-PNP

- 2.1. The Parties shall adhere to industry standards for LRN-PNP including, but not limited to, the following publications and FCC Orders:
- 2.2. ATIS, TRQ No. 1, *Technical Requirements for Number Portability - Operator Services Switching Systems*, April 1999;
- 2.3. ATIS, TRQ No. 2, *Technical Requirements for Number Portability - Switching Systems*, April, 1999;
- 2.4. ATIS, TRQ No. 3, *Technical Requirements for Number Portability - Database and Global Title Translation*, April 1999;
- 2.5. FCC First Report and Order and Further Notice of Proposed Rulemaking; FCC 96-286; CC Docket 95-116, RM 8535; Adopted: June 27, 1996; Released: July 2, 1996;
- 2.6. FCC First Memorandum Opinion And Order On Reconsideration; FCC 97-74, CC Docket No. 95-116, RM-8535; Adopted: March 6, 1997; Released: March 11, 1997;
- 2.7. NANC Report from the LNP Administration Selection Working Group, April 25, 1997; and
- 2.8. FCC Second Report and Order, FCC 97-298, CC Docket No. 95-116, RM 8535, Adopted August 14, 1997, Released August 18, 1997.

3. LOCATION ROUTING NUMBER - PERMANENT NUMBER PORTABILITY ALTERNATIVES

- 3.1. At either Party's option, an entire NXX may be moved to the other Party's switch. This is accomplished by LERG reassignment rather than LRN-PNP.
- 3.2. When requested by AT&T, PACIFIC agrees to port to AT&T unassigned numbers in Pacific's inventory when those numbers are reserved in accordance with FCC-approved guidelines.
- 3.3. Both Parties shall offer number portability for any portion of an existing DID block without requiring porting of the entire block of DID numbers.
- 3.4. PACIFIC and AT&T shall permit End Users who port a portion of DID numbers to retain DID service on the remaining portion of the DID numbers, provided such is consistent with applicable tariffs; provided that the Parties agree that nothing herein shall be deemed a waiver or estoppel of AT&T's positions that: (1) PACIFIC should permit End Users who port a portion of a DID block to retain DID service on the remaining portion of the DID block; and (2) that PACIFIC should offer End Users who port a portion of a DID block a discount that is proportional to the amount of the DID block that has been ported, nor shall AT&T be prejudiced in any present or future proceedings from asserting said positions.

4. LRN-PNP "N-1" QUERY METHODOLOGY

- 4.1. For inter-LATA or intra-LATA toll calls, the toll carrier is the "N-1" carrier. The originating carrier will pass the call to the appropriate toll carrier who will perform a query to an external routing database and efficiently route the call to the appropriate terminating local carrier, either directly or through an access tandem office. Where one carrier is the originating local service provider (LSP) and the other is the designated toll carrier, the originating LSP will not query toll calls delivered to the toll carrier or charge the toll carrier for such queries.
- 4.2. For a local call to a ported number, the originating carrier is the "N-1" carrier. PACIFIC will set in each LNP-capable switch the appropriate LRN triggers to query calls to numbers in those NXXs shown in the LERG as being portable. AT&T will set, or cause to be set, in each LNP-capable switch the appropriate LRN triggers to query calls to numbers in NXXs with at least one ported number.
- 4.3. A Party shall be charged for an LRN-PNP query by the other Party only if the Party to be charged is the N-1 carrier and it was obligated to

perform the LRN-PNP query but failed to do so. Parties are not obligated to perform the LNP-PNP query prior to the first port in an NXX.

- 4.4. On calls originating from a Party's network, the Party will populate the Jurisdiction Information Parameter (JIP) with the first six digits of the originating LRN in the Initial Address Message.

5. NUMBER PORTABILITY ADMINISTRATION CENTER (NPAC) SERVICE MANAGEMENT SYSTEM (SMS) ADMINISTRATION

- 5.1. PACIFIC and AT&T shall cooperate to facilitate the administration of the NPAC SMS through the process prescribed in the documents referenced in Section 2 of this Attachment.

6. ORDERING

- 6.1. Porting of numbers with PNP will be initiated via Local Service Requests (LSRs) in accordance with the ordering/provisioning requirements, including the requirements relating to coordinated hot cuts, set forth in Attachment 9 and will be subject to the provisions of Section 14 of this Agreement relating to performance measures and incentives.

7. CUT-OVER PROCESS

- 7.1. PACIFIC and AT&T shall cooperate in the process of porting numbers from one carrier to another so as to limit service outage for the ported subscriber. Both Parties shall use their best efforts to update their respective LNP databases from the NPAC SMS data within 15 minutes, or within any other time period established by industry standards, of receipt of a download from the NPAC SMS.
- 7.2. At the time of porting a number via LRN from PACIFIC, PACIFIC shall insure that the PACIFIC line record for that End User is deleted from the LIDB.
- 7.3. PACIFIC will perform acceptance testing for LNP-PNP for those services specified in Attachment 9. Both Parties shall perform intracompany testing prior to scheduling intercompany acceptance testing.
- 7.4. If the unconditional LRN trigger is set, PACIFIC shall remove the line translations for the ported number from the end office at the same time that the unconditional LRN trigger is removed.
- 7.5. On coordinated hot cuts where the unconditional LRN trigger is not set, neither Party shall remove the ported number from the end office from which a number is being ported prior to instructions to do so from the porting Party. The ported-to Party will use reasonable best efforts to

remove the line translations for the ported number within 30 minutes after receipt of such instructions. The Parties recognize that it is in the best interest of the consumer for this removal to be completed in the most expedient manner possible. While using reasonable best efforts to remove the line translations for the ported number from the end office within 30 minutes, the Parties recognize there will be instances where the interval may be longer. The Parties agree that in no event shall the interval be longer than 59 minutes. The interval for removing the line translations for the ported number from the end office shall commence upon the Frame Due Time (FDT) shown on the porting party's LSR, or as otherwise negotiated by the Parties on a project basis, unless the unconditional LRN trigger is set.

- 7.6. The Party from whom a number is ported will set the unconditional LRN trigger, where technically feasible, at the other Party's request.

8. DIRECTORY LISTINGS

- 8.1. Where PACIFIC has control of directory listings and/or directory assistance for NXX codes containing ported numbers, PACIFIC will retain the directory listings for ported telephone numbers in its directory assistance data base if requested by AT&T. AT&T will indicate whether or not it wishes PACIFIC to retain a particular ported number in its directory assistance data base through the electronic order interfaces described in Attachment 9.

9. EXCLUDED NUMBERS

- 9.1. Neither Party shall be required to provide number portability for excluded numbers (e.g., 500 and 900 NPAs, 950 and 976 NXX number services, others as excluded by FCC rulings issued from time to time and either Party's internal communication NXXs as shown in the LERG as not portable) under this Agreement unless subsequently ordered by regulatory authorities.

10. MASS CALLING

- 10.1. Both PACIFIC and AT&T are required to offer number portability of telephone numbers with "choke" (i.e., mass calling) NXXs in a manner that complies with the LNPA Working Group High Volume Call-In Report to the NANC of February 18, 1998, until such time as that Report may be modified by the NANC or FCC.

11. OPERATOR SERVICES

11.1 If Integrated Services User Part (ISUP) signaling is used, both Parties shall provide, if technically feasible, the JIP in the SS7 Initial Address Message (IAM). (See ATIS, TRQ No. 1, Technical Requirements for Number Portability - Operator Services Switching Systems, April 1999). The Provisions of this Agreement pertaining to Operator Services, LIDB/LVAS and Directory Assistance shall also apply when LRN-PNP is in place.

12. SS7 TCAP MESSAGES

12.1 The Parties shall exchange with each other SS7 TCAP messages as may be required for the implementation of Custom Local Area Signaling Services (CLASS) features residing in each Party's network. Call routing of these SS7 TCAP messages shall be restricted to providing CLASS features for intraLATA calls only. Should call routing of SS7 TCAP messages for interLATA calls be technically feasible and deployed in PACIFIC's network, it will be made available to AT&T.

13. PRICING

13.1 PACIFIC shall bill the amount set forth in PACIFIC Access Services Tariff #1 for LRN-PNP queries made by PACIFIC in accordance with applicable FCC rulings. AT&T shall pay the amounts billed, subject to AT&T's right to challenge tariff filings made by PACIFIC and to obtain true-ups authorized by the FCC. AT&T shall not be responsible for any charges billed for queries made prior to the first port in an NXX.

14. ASSIGNMENT OF NXX CODES AND TELEPHONE NUMBERS

14.1 Nothing in this Agreement shall be construed to limit or otherwise adversely impact in any manner either Party's right to employ or to request and be assigned any North American Numbering Plan (NANP) number resources from the numbering administrator including, but not limited to, central office (NXX) codes pursuant to the Central Office Code Assignment Guidelines or other approved industry guidelines, or to establish, by tariff or otherwise, Exchanges and Rating Points corresponding to such NXX codes. Each Party is responsible for administering the NXX codes it is assigned.

14.2 AT&T shall comply with the industry-approved Central Office Code (NXX) Assignment Guidelines (most current version) or other industry guidelines and the FCC's Second Report & Order in CC Docket 95-116, released August 18, 1997 (Local Number Portability). This will enable AT&T and Pacific to identify the jurisdictional nature of traffic for intercompany

compensation until such time as both Parties have implemented billing and routing capabilities to determine traffic jurisdiction on a basis other than NXX codes. If the laws and regulations governing NXX code assignment change, then the Agreement shall be amended to reflect such change.

- 14.3 Pursuant to Section 7.3 of the North American Numbering Council Local Number Portability Architecture and Administrative Plan report, which was adopted by the FCC Second Report and Order, CC Docket 95-116, released August 18, 1997, portability is technically limited to rate center/rate district boundaries of the incumbent LEC due to rating and routing concerns. Therefore, Parties shall assign telephone numbers from their NXX's only to those customers that are physically in the rate center to which the NXX is assigned.
- 14.4 It shall be the responsibility of each Party to program and update its own switches and network systems to recognize and route traffic to the other Party's assigned NXX codes at all times. Neither Party shall impose fees or charges on the other Party for such required programming and updating activities.
- 14.5 The Parties will each be responsible for the input of their respective number assignment information into the Routing Database Systems (RDBS) and into the Telcordia Rating Administrative Data Systems or other appropriate system(s) necessary to update the Local Exchange Routing Guide (LERG), unless negotiated otherwise.
- 14.6 Neither Party is responsible for notifying the other Parties' end users of any changes in dialing arrangements, including those due to NPA exhaust.
- 14.7 NXX Migration
 - 14.7.1 Where either Party has activated an entire NXX for a single End User, or activated more than half of an NXX for a single End User with the remaining numbers in that NXX either reserved for future use or otherwise unused, and such End User chooses to receive service from the other Party, the first Party shall cooperate with the second Party to have the entire NXX reassigned in the LERG (and associated industry databases, routing tables, etc.) to an end office operated by the second Party provided that the requested rate center is the same rate center that physically serves the customer in a non-foreign exchange arrangement. Such transfer will require development of a transition process to minimize impact on the network and on the End User(s)' service and will be subject to appropriate industry lead times (currently

forty-five (45) days) for movements of NXXs from one switch to another. The Party to whom the NXX is migrated will pay an interim NXX migration charge of \$7,500.00 per NXX to the Party formerly assigned the NXX. This interim NXX migration charge shall be subject to true-up, based upon the Commission's approval of PACIFIC's cost study supporting a permanent charge.

14.8 Test Numbers

- 14.8.1 Each Party is responsible for providing to the other a valid test number. This test number shall be a number terminating to a milliwatt tone to provide answer supervision and allow simultaneous connection from multiple test lines. This number should also remain in service indefinitely for regressive testing purposes.

ATTACHMENT 16

SECURITY

1. PROTECTION OF SERVICE AND PROPERTY

- 1.1. For the purpose of notice permitted or required by this Attachment, each Party shall provide the other Party a SPOC available twenty-four (24) hours a day, seven (7) days a week.
- 1.2. PACIFIC and AT&T shall each exercise the highest degree of care to prevent harm or damage to the other Party, its employees, agents or customers, or their property. Each Party, its employees, agents, or representatives agree to take reasonable and prudent steps to provide for the adequate protection of property and services of the other Party.
- 1.3. Each Party having on its premises any equipment, support equipment, systems, tools and data of the other Party, or spaces which contain or house the other Party's equipment or equipment enclosures, shall restrict access thereto to employees and authorized agents of that other Party.
- 1.4. PACIFIC shall use electronic controls to protect all spaces which house or contain AT&T equipment or equipment enclosures, but if electronic controls are not available, PACIFIC shall either furnish security guards at those PACIFIC locations already protected by security guards on a seven (7) day per week, twenty-four (24) hour a day basis; and if none, PACIFIC shall permit AT&T to install silent intrusion alarms back to manned sites. AT&T agrees that PACIFIC shall be the SPOC with all law enforcement authorities or public agencies with respect to problems or alarms related to AT&T's equipment or equipment enclosures located on PACIFIC's premises. In no event will AT&T contact law enforcement authorities or public agencies as a result of a silent alarm.
- 1.5. PACIFIC shall furnish to AT&T a current written list of PACIFIC's employees who PACIFIC authorizes to enter spaces which house or contain AT&T equipment or equipment enclosures, with samples of the identifying credentials to be carried by such persons.
- 1.6. AT&T shall furnish to PACIFIC a current written list of AT&T's employees or agents who AT&T authorizes to enter PACIFIC's Central Offices, with samples of identifying credentials to be carried by such persons.
- 1.7. With respect to any equipment, support equipment, systems, tools and data of one Party on the premises of the other Party, or spaces which contain or house the other Party's equipment or equipment

enclosures, each Party shall comply with the security and safety procedures and requirements stated in this Agreement.

- 1.8. PACIFIC shall allow AT&T to inspect or observe spaces which house or contain AT&T equipment or equipment enclosures (with the exception of virtually collocated equipment) at any time within normal business hours and shall furnish AT&T with all keys, entry codes, lock combinations, or other materials or information which may be needed to gain entry into any secured AT&T space. In the event of an emergency, AT&T shall contact a SPOC provided by PACIFIC for access to spaces which house or contain AT&T equipment or equipment enclosures. Such PACIFIC SPOC shall be available to receive calls from AT&T twenty-four (24) hours a day, seven (7) days a week and make access available to AT&T within three (3) hours after receiving a call from AT&T.
 - 1.9. PACIFIC agrees not to use card access readers and devices that use cards which are encoded identically (or that use mechanical coded locks) on doors to collocation cages or other enclosures which house AT&T equipment.
 - 1.10. Keys used in PACIFIC's keying systems for spaces which contain or house AT&T equipment or equipment enclosures shall be limited to PACIFIC employees and representatives for emergency access only. AT&T shall have the right to require PACIFIC to change locks at PACIFIC's expense where there is evidence of inadequate security. In all other cases, AT&T may require PACIFIC to change locks at AT&T's expense.
 - 1.11. PACIFIC shall install security studs in the hinge plates of doors having exposed hinges if such doors lead to spaces which contain or house AT&T equipment or equipment enclosures.
 - 1.12. PACIFIC shall use reasonable measures to control unauthorized access from passenger and freight elevators to spaces which contain or house AT&T equipment or equipment enclosures.
 - 1.13. PACIFIC shall provide notification within two (2) hours to designated AT&T personnel to indicate an actual or attempted security breach.
2. ADDITIONAL PROVISIONS APPLICABLE TO COLLOCATION SPACES
- 2.1. With respect to collocation, in the event of any conflict between the security provisions in this Attachment 16 and those in Attachment 10, the provisions in Attachment 10 shall prevail.

- 2.2. PACIFIC shall be responsible for the security of AT&T's collocation areas. Security measures shall meet the requirements contained in Attachment 10. If a security issue arises or if AT&T believes that PACIFIC's security measures fail to meet such requirements, AT&T shall notify PACIFIC and the Parties shall work together to address the problem. PACIFIC shall, at a minimum, do the following:
 - 2.3. PACIFIC shall design collocation cages, when used, to prevent unauthorized access.
 - 2.4. PACIFIC shall establish procedures for controlling access to the collocation areas by employees, security guards and others. Those procedures shall limit access to the collocation equipment areas to PACIFIC's employees, agents or invitees having a business need to be in these areas. PACIFIC shall require all persons entering the collocation equipment areas to wear identification badges.
 - 2.5. PACIFIC shall provide card key access to all collocation equipment areas, along with a positive key control system for each collocater's cage area, when used.
 - 2.6. AT&T security personal may audit the collocation area at a PACIFIC location for compliance with security procedures.
3. DISASTER RECOVERY
 - 3.1. PACIFIC shall maintain for AT&T the same level of disaster recovery capability to be used in the event of a system failure or emergency as PACIFIC provides for itself. At AT&T's request, PACIFIC will provide to AT&T explanations of and updates to the written summary of such capability PACIFIC provided to AT&T.
4. EMERGENCY RESTORAL PROCEDURES
 - 4.1. General
 - 4.1.1. In the event of an emergency, restoration procedures may be affected by the presence of AT&T facilities in or on PACIFIC structures. While PACIFIC maintains no responsibility for the repair of damaged AT&T facilities (except under a special maintenance contract), it must nonetheless control access to AT&T structures if restoral of affected facilities is to be achieved in an orderly fashion.

4.2. Prioritizing

4.2.1. Where PACIFIC and AT&T are involved in emergency restorals, PACIFIC's Maintenance District Manager or his/her on-site representative shall control access to PACIFIC's structures according to the following guidelines:

4.3. Service Disruptions/Outages

4.3.1. While exercising its right to first access, PACIFIC shall grant nondiscriminatory access to all occupants in or on its facilities and shall make every effort to accommodate as many occupants as is reasonably safe. Therefore, PACIFIC shall not deny reasonable, simultaneous access unless public or other safety considerations would prohibit such access.

4.3.2. Where simultaneous access is not possible, PACIFIC shall grant access according to longevity in/on the structure (i.e., first in time, first in right).

4.3.3. Where longevity in the structure cannot be ascertained, PACIFIC shall prioritize access on a first come, first served basis.

4.4. Service Affecting

4.4.1. While exercising its right to first access, PACIFIC shall grant nondiscriminatory access to all occupants in or on its facilities and PACIFIC shall make every effort to accommodate as many occupants as is reasonably safe. Therefore, PACIFIC shall not deny reasonable, simultaneous access unless public or other safety considerations would prohibit such access.

4.4.2. Where simultaneous access is not possible, PACIFIC shall grant access to occupants according to the level of damage to its facilities and the likelihood that damage will result in service disruption. Where likelihood that damage will result is not clearly discernible, PACIFIC shall grant access according to longevity in/on the structure (i.e., first in time, first in right).

4.4.3. Where longevity in the structure cannot be ascertained, PACIFIC shall prioritize access on a first come, first served basis.

4.5. Point of Contact

4.5.1. When an emergency situation arises which necessitates AT&T access to a manhole after PACIFIC's normal business hours, AT&T shall call PACIFIC's Emergency Control Center (ECC). AT&T shall direct all calls during normal business hours to the appropriate PACIFIC Single Point of Contact (SPOC). For after-hours calls, PACIFIC's ECC will contact the Maintenance Center responsible for after-hours coverage of the affected area. The maintenance supervisor contacted by the ECC will return AT&T's call and will arrange for access with on-call maintenance field personnel during the emergency condition.

5. DATA PROTECTION

5.1. Each Party shall install controls in any of its data bases to which the other Party has access:

5.1.1. to deny access to data base users after a pre-determined period of inactivity; and

5.1.2. to protect the other Party's proprietary information and the other Party's customer proprietary information.

5.2. PACIFIC shall maintain controls over databases used by AT&T to protect both ongoing operational and update integrity, at parity with control features that PACIFIC provides to itself.

5.3. Each Party shall assure that all approved system and modem access is secured through security servers. Access to or connection with a network element shall be established through a secure network or security gateway, including compliance with the Data Connection Security requirements identified in Attachment 9. Dial-up access to modems connected to network entry points shall be protected by individual authentication of the user (e.g., passwords, smart cards, tokens).

5.4. With respect to access to the network or gateway of the other Party, each Party will comply with the Data Connection Security requirements identified in Attachment 9.

- 5.5. Each Party shall either use a security software package or perform manual checks to monitor user and machine integrity and confidentiality, such as password assignment and aging, directory and permission configuration, and system accounting data.
- 5.6. Each Party shall maintain accurate and complete records detailing the individual data connections and systems to which it has granted the other party access or interface privileges. These records will include, but are not limited to, log-in identification, user request records, system configuration, time limits of user access or system interfaces.
- 5.7. Security requirements for data connection between AT&T and Pacific used for access to OSS Interfaces are set forth in Attachment 9. With respect to such data connections, in the event of any conflict between the security provisions in this Attachment 16 and those in Attachment 9, the provisions in Attachment 9 shall prevail.

6. NETWORK FRAUD CONTROL

- 6.1. Subject to applicable compensation, if any, stated in Attachment 8, PACIFIC shall make available to AT&T for use with any services provided by PACIFIC to AT&T under this Agreement all present and future fraud control features, including prevention, detection, or control functionality utilized in PACIFIC's network. At present these features include (i) disallowance of call forwarding to international locations, (ii) coin originating ANI II digits, and (iii) dial tone reorigination patches, (iv) terminating blocking of 800 and (v) 900/976 blocking.
- 6.2. In addition, subject to Section 6.3.3 of this attachment, Section 3.9 of Attachment 5 and Section 9.4.2 of Attachment 6, PACIFIC shall provide partitioned access for fraud control within pertinent Operations Support Systems ("OSS").
- 6.3. Rates:
 - 6.3.1. Terminating blocking of 800 and 900/976 blocking are available as Resale Services and usage-based UNEs, at the rates specified in Attachment 8.
 - 6.3.2. Disallowance of call forwarding to international locations, coin originating ANI II digits, and dial tone reorigination patches, are available with Resale Services, or usage-based UNEs, at no additional charge.

6.3.3. Future fraud control features and functionalities will be available at rates, if any, subject to the Act, regulations thereunder and relevant FCC and Commission decisions.

7. LAW ENFORCEMENT INTERFACE

- 7.1. Each Party shall provide the other Party with a single point of contact to interface on a twenty-four (24) hour, seven (7) day a week basis on law enforcement and service annoyance issues, including, without limitation, call traces, wiretaps and traps.
- 7.2. PACIFIC will provide necessary assistance to law enforcement personnel to facilitate the execution of court orders addressed to PACIFIC that authorize wiretaps and dialed number recorders relating to services and facilities of AT&T customers. PACIFIC will notify law enforcement personnel that the court order applies to an AT&T circuit, not a PACIFIC circuit. When AT&T's End User service is provided via a Pacific UNE port, the circuit will be treated as an AT&T circuit for purposes of referring law enforcement personnel pursuant to this paragraph. Therefore, AT&T will be required to re-direct the law enforcement personnel to Pacific for execution of court orders. PACIFIC will bill the appropriate law enforcement agency for these services under its customary practices.
- 7.3. When requested by AT&T for security purposes, PACIFIC shall use reasonable best efforts to provide AT&T with Recorded Usage Data within two hours of the call completion but in any event shall provide such data not later than twenty-four hours of call completion. The Data may be provided in AMA format.
- 7.4. To the extent required by law, PACIFIC shall provide soft dial tone to allow only the completion of calls to final termination points required by law.

ATTACHMENT 18

INTERCONNECTION

ATTACHMENT 18

1. LOCAL INTERCONNECTION TRUNK ARRANGEMENTS

- 1.1. The Parties will establish Local Interconnection Trunks to exchange Local Traffic, IntraLATA Toll Traffic, and Transit Traffic; provided, however, that either Party may also deliver Local and IntraLATA Toll Traffic to the other Party over Switched Access trunks. Local Interconnection Trunks will be provisioned as one-way trunks unless both Parties agree to implement two-way trunks on a case-by-case basis. Neither Party shall terminate interLATA traffic over Local Interconnection Trunks.
- 1.2. When the Parties jointly provide Switched Access services to third party carriers, two-way Meet Point Trunks separate from Local Interconnection Trunks will be established for that purpose.
- 1.3. Interconnection Points
 - 1.3.1 For the purpose of interconnecting AT&T's network with Pacific's network or Unbundled Network Elements provided by PACIFIC, PACIFIC shall permit AT&T to interconnect with PACIFIC at any technically feasible point, including, without limitation, Tandems, End Offices, designated points of interface (facility or switch) or customer premises.
 - 1.3.2 Intentionally omitted.
 - 1.3.3 For the purpose of receiving Local Calls, IntraLATA Toll Calls, Transit Calls and Meet Point Calls (collectively "Interconnection Traffic") from the other Party, the Parties shall mutually agree to the quantity and location of Points of Interconnection ("POIs") that each Party will establish within each respective LATA. The POI locations of one Party may be exactly the same, partially the same or completely different than the POI locations of the other Party.
 - 1.3.3.1 In the event that the Parties cannot reach mutual agreement as to the quantity or location of POIs, the default shall be a PACIFIC POI at the location of each of PACIFIC's Tandem Switches and an AT&T POI at the location of each AT&T switch. A PACIFIC POI is a point on PACIFIC's network where AT&T interconnects and delivers Interconnection Traffic from AT&T's network to PACIFIC. An AT&T POI is a point on AT&T's network where PACIFIC interconnects and delivers Interconnection Traffic from its network to AT&T.

- 1.3.3.2 For traffic that originates from AT&T and is delivered to a POI at the location of a PACIFIC Tandem Switch, AT&T shall either:
- 1.3.3.2.1 establish tandem trunks between the AT&T switch and the location of the PACIFIC POI and compensate PACIFIC on a usage basis for tandem switching and transport to the appropriate PACIFIC end office; or
 - 1.3.3.2.2 establish direct end office trunks between the AT&T switch and the appropriate PACIFIC end office, by AT&T providing facilities between the AT&T switch and the PACIFIC POI, and PACIFIC providing facilities between the PACIFIC POI and the PACIFIC end office. Upon request PACIFIC shall provide such facilities, and direct end office trunks shall be established over these interconnected facilities.
 - 1.3.3.2.3 Notwithstanding PACIFIC's obligations under Section 1.3.3.2.2, as an alternative to the arrangements described in that section, AT&T may, at its option and in its sole discretion, provide or cause to be provided, facilities to any PACIFIC end office and deliver traffic destined for that end office over such facilities.
- 1.3.3.3 Once POIs are established either by mutual agreement or default, each Party shall specify to the other Party the POI associated with each switch it operates. The sending Party agrees to terminate its Interconnection Traffic to the POI specified by the receiving Party or, when mutually agreed to, a secondary POI identified as part of any jointly-developed trunk service plans.
- 1.3.3.4 The Parties will work cooperatively to establish the most efficient trunking network in accordance with the provisions set forth in this Agreement and accepted industry practices.
- 1.3.3.5 On its side of the POIs, each party will be responsible for engineering, provisioning and maintaining facilities on which Local Interconnection Trunks are provisioned.
- 1.3.3.6 Nothing in this section limits AT&T's right to interconnect with PACIFIC at any technically feasible point for access to Unbundled Network Elements.

1.4 Interconnection Within Each LATA

- 1.4.1 Each Party will establish Local Interconnection Trunk Groups in the LATA(s) in which it originates or terminates Local and/or IntraLATA Toll Traffic with the other Party.
- 1.4.2 The Parties may not route traffic sent on Local Interconnection Trunks or Meet Point Trunks to an Access Tandem destined for an NXX that subtends another Tandem. The Parties agree that direct trunking to an end office from either Party's End Office or Access Tandem is permitted under the terms of this section.
- 1.4.3 Each Party will provide (or cause to be provided) facilities to each POI of the other Party within the LATA. The Parties will utilize such interconnected facilities to establish End Office-to-End Office or End Office-to-Tandem or Tandem-to-Tandem trunk groups.
- 1.4.4 Each Party shall provide sufficient facilities to deliver its originating Interconnection Traffic to the other Party's applicable POI for termination.

1.5 Methods of Interconnection

- 1.5.1 The Parties shall interconnect their networks utilizing one of the following methods in accordance with the provisions set forth in this section.
- 1.5.2 When one Party interconnects with the other Party at the other Party's premises, it will be according to the provisions set forth in the following subsections.
 - 1.5.2.1 AT&T may terminate its interconnection facilities from collocation space in PACIFIC's Eligible Structures. PACIFIC shall provide collocation to AT&T pursuant to the terms set forth in Attachment 10 (Ancillary Functions).
 - 1.5.2.2 AT&T, at its sole discretion, may permit PACIFIC to utilize space and power in AT&T facilities specified by AT&T solely for the purpose of terminating Interconnection Traffic. The pricing, terms and conditions of such arrangement shall be pursuant to Section 12 (Space License).
 - 1.5.2.3 The Parties may mutually agree to establish Mid-Span Fiber Meet arrangements in accordance with the following.

- 1.5.2.3.1 Each Party shall bear its own costs to install and operate the facilities on its side of the POI.
 - 1.5.2.3.2 The Parties will work cooperatively in the selection of compatible transmission equipment and the location of the Mid-Span Fiber Meet.
 - 1.5.2.3.3 The Parties will work cooperatively to establish joint access to transmission overhead signals and commands for such facilities. The Parties agree that the data communications channel should be disabled on Mid-Span Fiber Meets.
 - 1.5.2.3.4 Trunks provisioned over the Mid-Span Fiber Meet arrangement may be one-way or two-way trunks.
- 1.5.3. The Parties may chose from the following options as methods for providing interconnection facilities for which the Party is responsible.
- 1.5.3.1 When available, a Party requesting interconnection may lease facilities offered by the other Party under tariff. Such leased facilities shall be provided at the rates, terms, and conditions set forth in the providing Party's applicable tariff, except that in the event of any conflict between this Agreement and the tariff, the terms of this Agreement shall prevail.
 - 1.5.3.2 The Party requesting interconnection may utilize facilities provided by a third party. The Party utilizing this option shall comply with industry standards to maintain network integrity and shall be solely responsible for any charges or fees assessed by the third party for use of its facilities.
 - 1.5.3.3 AT&T may utilize the Network Elements provided by PACIFIC pursuant to Attachment 6, at the rates set forth in Attachment 8, for interconnection facilities.
 - 1.5.3.4 The Parties may agree to establish a POI and use intra-building cable within a commercial building (other than a telephone central office) where both have constructed broadband facilities into the building.

1.5.3.5 The Parties may mutually agree to and may utilize any other technically feasible method of interconnection.

1.6 Sizing and Structure of Interconnection Facilities.

- 1.6.1 The Parties agree to jointly manage the capacity of Local Interconnection Trunk Groups by developing and implementing engineering guidelines which will encourage the economic deployment of increasingly robust and diverse interconnection between their networks. The Parties agree that these guidelines, when developed, will form the basis for creation of additional trunking. The respective engineering groups will work cooperatively to assure that reasonable diversity is achieved among the trunk groups between each Party's switches within each LATA.
- 1.6.2 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 during planning and forecasting meetings.
- 1.6.3 The interconnection facilities provided by each Party shall be formatted using either Alternate Mark Inversion Line Code or Superframe Format Framing. DS3 facilities will be optioned for C-bit Parity where technically feasible.
- 1.6.4 The Parties agree to utilize Bipolar 8 Zero Substitution Extended Super Frame ("B8ZS ESF") facilities where available to establish 64KB CCC trunks. Where additional equipment is required, such equipment shall be obtained, engineered, and installed on the same basis and with the same intervals as any similar growth job for IXC, CLC, or PACIFIC internal customer demand for 64K CCC trunks.
- 1.6.5 When interconnecting at PACIFIC 4ESS access tandems but not any other type of tandem switches, sixty four kilobit clear channel capability (64 K CCC) ISDN calls cannot be combined with voice calls on the same B8ZF ESF facilities and trunk group. Trunk groups that carry voice only traffic will be provisioned with AMI line code and SF framing facilities.
- 1.6.6 When interconnecting at PACIFIC's digital end offices, the Parties have a preference for use of B8ZS ESF facilities and 64CCC trunks for all traffic between their networks. Where available, such trunk equipment will be used for Local Interconnection Trunk Groups. Where AMI facilities with non-64KB CCC trunks are

used, either Party may request upgrade to B8ZS ESF facilities and 64KB CCC trunks when such equipment is available.

- 1.6.7 Interconnection will be established utilizing either a DS-1 or DS-3 interface, or with the mutual agreement of the Parties, another technically feasible interface (e.g., STS-1).
- 1.7 Intentionally omitted.
- 1.8 Signaling Protocol. The Parties will interconnect their networks using SS7 signaling as defined in GR-317 and GR-394, including ISDN User Part ("ISUP") for trunk signaling and Transaction Capabilities Application Part ("TCAP") for CCS-based features in the interconnection of their networks. Either Party may establish CCS interconnections either directly and/or through a third party. CCS interconnection, whether direct or by third party shall be pursuant to PUB L-780023-PB/NB and in accordance with the rates, terms and conditions of the Parties' respective tariffs. The Parties will cooperate in the exchange of TCAP messages to facilitate full interoperability of CCS-based features between their respective networks, including all CLASS features and functions, to the extent each carrier offers such features and functions to its own end users. The Parties will provide all CCS signaling parameters, including CPN, and will honor all privacy indicators.
- 1.9 Transit Signaling: AT&T may choose to route SS7 signaling information (e.g., ISUP, TCAP) from AT&T's signaling network to another carrier's signaling network via PACIFIC's signaling network for the purpose of signaling call processing and network information between AT&T and the other carrier's network, whether or not PACIFIC has a direct-traffic trunk to the terminating address, provided that AT&T furnishes PACIFIC with:
 - 1.9.1 the destination point codes of all the switches to which it wishes to send transit signaling;
 - 1.9.2 the identity of the STPs in PACIFIC's network in which each DPC will be translated;
 - 1.9.3 the identity of the STPs in the other signaling network to which such transit signaling will be sent; and
 - 1.9.4. a letter from the other party authorizing PACIFIC to send such signaling messages

AT&T agrees to pay the rates for Transit Signaling as specified in Attachment 8.

- 1.10 Each Party shall deliver to the other Party over the Local Interconnection Trunk Group(s) only such traffic which is destined for those publicly dialable NPA NXX codes served by end offices that directly subtend the Access Tandem or to those LECs, CLCs and CMRS providers that directly subtend the Access Tandem.
- 1.11 Intentionally omitted.
- 1.12 Unless otherwise agreed to, each Party shall deliver all traffic destined to terminate at either Party's end office or tandem in accordance with the serving arrangements defined in the Local Exchange Routing Guide ("LERG").
- 1.13 Where the Parties deliver over the Local Interconnection Trunk group miscellaneous calls (e.g., time, weather, NPA-555, California 900, Mass Calling Codes) destined for each other, they shall deliver such traffic in accordance with the serving arrangements defined in the LERG.
- 1.14 N11 codes (e.g., 411, 611 and 911) shall not be sent between AT&T's and PACIFIC's network over the Local Interconnection Trunk groups. Where necessary (e.g., 911), the Parties will establish separate trunk groups to carry traffic associated with such codes.
- 1.15 The Parties will convert all existing interconnection arrangements and trunks to the interconnection arrangements described in this Attachment 18 in accordance with the following:
 - 1.15.1 Within 45 days after the Effective Date of this Agreement, the Parties will mutually develop an operations plan based on sound engineering and operations principles, which will specify the guidelines to convert from the existing interconnection arrangements to the interconnection arrangements described in this Attachment 18. Such guidelines will conform to standard industry practices, such as OBF procedures.
 - 1.15.2 Each Party shall bear its own costs to convert from the existing interconnection arrangements to the interconnection arrangements described in this Attachment 18.
 - 1.15.3 The Parties will complete the conversion within one year of the Effective Date of this Agreement, unless otherwise mutually agreed.
 - 1.15.4 If, following one year after the Effective Date of the Agreement, there exist any interconnection arrangements that have not been converted to the interconnection arrangements described in this

Attachment 18, then either Party may elect to initiate an Alternative Dispute Resolution proceeding, pursuant to Attachment 3 of this Agreement, to require the other party to complete such conversion, and to obtain per-diem liquidated damages in the amount of \$20 per trunk per day from the other Party for each interconnection trunk that remains under the former interconnection arrangement due to the fault of that Party.

2. THIRD-PARTY (TRANSIT) TRAFFIC

- 2.1 Transit Traffic Service provides the first Party with the ability to use its connection to the second Party's tandem and/or transport facilities for the delivery of calls which originate or terminate with the first Party and terminate to or originate from a carrier other than the second Party, such as another LEC or a wireless carrier.
- 2.2 PACIFIC shall terminate traffic from third-party LECs, CLCs, or CMRS providers delivered to PACIFIC's network through an AT&T tandem. Transit traffic shall be considered within the scope of forecasting obligations set forth in Section 7 below.
- 2.3 Intentionally omitted.
- 2.4 PACIFIC shall complete traffic delivered from AT&T destined to third-party LECs, CLCs or CMRS providers in the LATA. PACIFIC shall have no responsibility to ensure that any third-party LEC, CLC or CMRS provider will accept such traffic.
- 2.5 PACIFIC shall accept, from any third-party LEC, CLC, or CMRS provider in the LATA, traffic destined to AT&T and shall terminate such traffic to AT&T's network.

3. COMPENSATION FOR CALL TERMINATION

- 3.1 In all cases, Resale Services (whether purchased by AT&T or a third party) provided by PACIFIC will be treated in the same manner as PACIFIC's End User customers for the purposes of call termination charges.
- 3.2 For purposes of compensation under this Agreement, the telecommunications traffic traded between AT&T and PACIFIC will be classified as either Local, Transit, IntraLATA Toll, or InterLATA toll. The Parties agree that, notwithstanding the classification of traffic in this Agreement, either Party is free to define their own "local" calling areas for purposes or its provision of telecommunications services to its end users. The provisions of this Attachment apply to calls originated over the originating carrier's facilities or, unless otherwise provided in the Agreement, over unbundled network elements. AT&T shall not provision

Feature Group A services over Pacific's network until compensation arrangements are established.

- 3.3. Intentionally omitted.
- 3.4. The compensation arrangements set forth in this Attachment are not applicable to (i) Exchange Access traffic, (ii) traffic originated by one Party on a number ported to its network that terminates to another number ported on that same Party's network or (iii) any other type of traffic found to be exempt from reciprocal compensation by the FCC or the Commission.
- 3.5. Reciprocal Compensation applies to traffic terminated at either parties' end office switch. Traffic that is delivered from a DSLAM directly to an ISP and that bypasses the terminating switch is not subject to intercarrier compensation.
- 3.6. The Parties shall bill each other reciprocal compensation in accordance with the standards set forth in this Agreement for Local Calls. Such traffic shall be recorded and transmitted to AT&T in accordance with Attachment 13 (Billing and Recording) of this Agreement. Reciprocal compensation for the transport and termination of Local Traffic shall be charged at rates specified in Attachment 8 (Pricing) of this Agreement. Pacific Bell and AT&T shall receive the end-office terminating switching rate for termination of all Local Calls, and the tandem switching and common transport rates when those functions are provided.
- 3.7. Where AT&T provides service to an AT&T Customer using any combination of Network Elements that includes the unbundled local switching Network Element, AT&T will deal directly with a third party carrier for purposes of reciprocal compensation. The following reciprocal compensation terms shall apply in all cases where AT&T purchases PACIFIC's LSNE. These terms and conditions are in addition to the terms and conditions outlined in Attachment 6. Pacific is required to provide AT&T with timely, complete and correct information to enable AT&T to meet the requirements of this section.
 - 3.7.1. For Local intra-switch calls where AT&T has purchased PACIFIC's LSNE, the Parties agree to impose no call termination charges pertaining to reciprocal compensation on each other.
 - 3.7.2. For local inter-switch calls where AT&T has purchased PACIFIC's LSNE, and AT&T's end user originates a call that is terminated to a PACIFIC end user, AT&T will pay PACIFIC local switching-interoffice terminating reciprocal compensation.

- 3.7.3 For local inter-switch calls where AT&T has purchased PACIFIC's LSNE, and PACIFIC's end user originates a call that is terminated to an AT&T end user, PACIFIC will not pay AT&T local switching-interoffice terminating reciprocal compensation, nor will PACIFIC bill AT&T local switching-interoffice terminating for the use of the local switching UNE.
- 3.8. Nothing in this Agreement shall be construed in any way to constrain either Party's choices regarding the size of the local calling areas that it may establish for its customers.
- 3.9 For purposes of the reciprocal compensation provisions of this Agreement, except for traffic that is delivered from a DSLAM directly to an ISP and that bypasses the terminating switch, all traffic that is exchanged between the Parties and that is originated by or terminated to an enhanced service provider shall be settled on the same basis as if such traffic were a voice telephone call. Accordingly, Local Traffic originated by or terminated to any enhanced service provider, including internet service providers, is subject to payment of reciprocal compensation under this Agreement.
- 3.10 Intentionally omitted.
- 3.11 Intentionally omitted.
- 3.12 Neither party shall be prohibited from designating different rating and routing points for the delivery of telephone calls for purposes of providing customers a local presence within a foreign exchange. Calls shall be rated in reference to the rate center of the assigned NXX prefix of the calling and called parties' numbers. PACIFIC is entitled to receive tandem switching and transport compensation for its facilities used in the carriage of traffic from the rate center where the calling party physically resides to the point of interconnection closest to the switch used for terminating calls to the NXX rate center where the call terminates. This section is applicable only to traffic with disparate rating and routing points. The outcome of the Commission's rulemaking in R.00-02-005 on this issue will be incorporated into this Agreement on a prospective basis.
- 3.13 Compensation for terminating IntraLATA Toll Calls is governed by each Party's applicable tariff.
- 3.14 Intentionally omitted.
- 3.15 AT&T and PACIFIC may establish meet-point billing ("MPB") arrangements to provide a common transport option to Switched Access customers via an access tandem switch maintained by either Party, in accordance with the MPB guidelines adopted by and contained in the Ordering and Billing Forum's MECAB and MECOD documents, except as

may be otherwise agreed in this Agreement. The arrangements described in this Section 3.15 are intended to be used to provide Switched Access service that originates and/or terminates on a telephone exchange service that is provided by either Party, where the transport component of the switched Exchange Access service is routed through a tandem switch that is provided by either Party.

- 3.16 In each LATA, the Parties shall establish MPB arrangements between the applicable rating point/PACIFIC local serving wire center combinations.
- 3.17 Interconnection for the MPB arrangement shall occur as outlined in Section 4 (Meet-Point Trunking Arrangements) of this Attachment.
- 3.18 The rate elements to be billed by each Party are as set forth in Attachment 13 (Billing and Recording) of this Agreement.
- 3.19. Transit Traffic Compensation:
 - 3.19.1 The Transit Rate element applies when one Party sends Local or IntraLATA Toll traffic to a third party network through the other Party's tandem. The originating Party is responsible for payment of the Transit Rate. The Transit Rate element is only applicable when calls do not terminate to the other Party's End User. The Transit Rate is specified in Attachment 8.
 - 3.19.2 In the event one Party originates traffic that transits the other Party's network to reach a third party telecommunications carrier with whom the originating Party does not have a traffic interexchange agreement, then the originating Party will pay the transiting Party any lawful charges that any terminating third-party carrier imposes or levies on the transiting Party for the delivery or termination of such traffic, provided that (i) such charges are no greater than those that would be imposed or levied on, or incurred by, the transiting Party if such traffic were originated by the transiting Party rather than the other Party, (ii), the transiting Party provides to the originating Party data supporting the transiting Party's belief that the originating Party is responsible for the third party charges and (iii) the transiting Party provides the originating Party with notice of such proposed charges and the opportunity to contest such charges with the third-party carrier prior to making payment. Neither the terminating party nor the tandem provider will be required to function as a billing intermediary, e.g. clearinghouse.
 - 3.19.3 Subject to section 3.19.6 below, AT&T shall not bill PACIFIC for terminating any Transit traffic, whether identified or unidentified, i.e. whether PACIFIC is sent CPN or is not sent CPN by the

originating company. However, in the event AT&T indicates to Pacific that unidentified transit traffic volume has become significant, Pacific agrees to work with AT&T to explore alternatives and to devise a jointly agreed approach to minimizing the amount of unidentified transit traffic.

- 3.19.3.1 The transiting Party will pass the original and true CPN if it is received from the originating third party.
- 3.19.4 Consistent with the requirements of Attachment 13 (Billing and Recording) of this Agreement, each Party will calculate terminating interconnection minutes of use based on standard Automatic Message Accounting ("AMA") recordings made within each Party's network. Except as may otherwise be provided in this Agreement, these recordings will be the basis for each Party to generate bills to the other Party. Where available, each Party agrees to forward to the other with each call information that may be used to identify the originating and terminating telephone numbers for each call and each carrier involved in transmission of the call.
- 3.19.5 Intentionally omitted.
- 3.19.6 Where the Parties are performing a transiting function as defined in Section 2.1 above and AT&T is a PACIFIC LSNE user, the transiting Party will pass the original and true CPN if it is received from the originating carrier. The transiting Party will also provide records in accordance with Attachment 14, including providing the OCN of the originating third party carrier to the terminating Party. In the event that the originating OCN is not included in the records provided to AT&T from PACIFIC, PACIFIC will be billed for termination of calls on a default basis.
- 3.19.7 Meet-Point Billing compensation arrangements are described in Attachment 13 (Billing and Recording), Section 8.
- 3.19.8 The Parties expect that most networks involved in Transit Traffic will deliver each call to each involved network with CCS and the appropriate TCAP message to facilitate full interoperability of those services supported by ILEC and billing functions. PACIFIC agrees to ensure that AT&T receives, in accordance with the record transfer provisions of Attachment 14 (Provision of Customer Usage Data) of this Agreement, equivalent information on all calls that are originated by any other LEC, CLC or CMRS provider with which PACIFIC interconnects and which are subsequently terminated to AT&T.