

AMENDED, EXTENDED AND RESTATED AGREEMENT

by and between

TELEPHONE OPERATING COMPANY OF VERMONT LLC (“FAIRPOINT”)

and

VERIZON NEW ENGLAND INC., D/B/A VERIZON MASSACHUSETTS (“VERIZON”)

FOR THE COMMONWEALTH OF

MASSACHUSETTS

AND

THE STATE OF

VERMONT

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AMENDED, EXTENDED AND RESTATED AGREEMENT

PREFACE

This Amended, Extended and Restated Agreement ("Agreement") shall be deemed effective as of April 1, 2008 (the "Effective Date"), between Telephone Operating Company of Vermont LLC, Corporate Trust Company ("FairPoint"), a limited liability company organized under the laws of the State of Delaware, with offices at 1209 Orange Street, Wilmington, DE 19801 and Verizon New England Inc. d/b/a Verizon Massachusetts ("Verizon"), a corporation organized under the laws of the State of New York with offices at 185 Franklin Street, Boston, MA 02110 (Verizon and FairPoint may be referred to hereinafter, each, individually as a "Party", and, collectively, as the "Parties").

GENERAL TERMS AND CONDITIONS

In consideration of the mutual promises contained in this Agreement, and intending to be legally bound, pursuant to Section 252 of the Act, Verizon and FairPoint hereby agree as follows:

1. The Agreement

- 1.1 This Agreement includes: (a) the Principal Document; (b) the Tariffs of each Party applicable to the Services that are offered for sale by it in the Principal Document (which Tariffs are incorporated into and made a part of this Agreement by reference); and, (c) an Order by a Party that has been accepted by the other Party.
- 1.2 Except as otherwise expressly provided in the Principal Document (including, but not limited to, the Pricing Attachment), conflicts among provisions in the Principal Document, Tariffs, and an Order by a Party that has been accepted by the other Party, shall be resolved in accordance with the following order of precedence, where the document identified in subsection "(a)" shall have the highest precedence: (a) the Principal Document; (b) the Tariffs; and, (c) an Order by a Party that has been accepted by the other Party. The fact that a provision appears in the Principal Document but not in a Tariff, or in a Tariff but not in the Principal Document, shall not be interpreted as, or deemed grounds for finding, a conflict for the purposes of this Section 1.2.
- 1.3 This Agreement constitutes the entire agreement between the Parties on the subject matter hereof, and supersedes any prior or contemporaneous agreement, understanding, or representation, on the subject matter hereof, provided, however, notwithstanding any other provision of this Agreement or otherwise, this Agreement is an amendment, extension and restatement of the Parties' prior interconnection and resale agreement(s), if any, and, as such, this Agreement is not intended to be, nor shall it be construed to create, a novation or accord and satisfaction with respect to any prior interconnection or resale agreements and, accordingly, all monetary obligations of the Parties to one another under any prior interconnection or resale agreements shall remain in full force and effect and shall constitute monetary obligations of the Parties under this Agreement (provided, however, that nothing contained in this Agreement shall convert any claim or debt that would otherwise constitute a prepetition claim or debt in a bankruptcy case into a postpetition claim or debt). In connection with the foregoing, Verizon expressly reserves all of its rights under the Bankruptcy Code and Applicable Law to seek or oppose any relief in respect of the assumption, assumption and assignment, or rejection of any interconnection or resale agreements between Verizon and FairPoint.

- 1.4 Except as otherwise provided in the Principal Document, the Principal Document may not be waived or modified except by a written document that is signed by the Parties. Subject to the requirements of Applicable Law, a Party shall have the right to add, modify, or withdraw, its Tariff(s) at any time, without the consent of, or notice to, the other Party.

2. Term and Termination

- 2.1 This Agreement shall be effective as of the Effective Date and, unless cancelled or terminated earlier in accordance with the terms hereof, shall continue in effect until March 31, 2010 (the "Initial Term"). Thereafter, this Agreement shall continue in force and effect unless and until cancelled or terminated as provided in this Agreement.
- 2.2 Either FairPoint or Verizon may terminate this Agreement effective upon the expiration of the Initial Term or effective upon any date after expiration of the Initial Term by providing written notice of termination at least ninety (90) days in advance of the date of termination.
- 2.3 If either FairPoint or Verizon provides notice of termination pursuant to Section 2.2 and on or before the proposed date of termination either FairPoint or Verizon has requested negotiation of a new interconnection agreement, unless this Agreement is cancelled or terminated earlier in accordance with the terms hereof (including, but not limited to, pursuant to Section 12), this Agreement shall remain in effect until the earlier of: (a) the effective date of a new interconnection agreement between FairPoint and Verizon; or, (b) the date one (1) year after the proposed date of termination.
- 2.4 If either FairPoint or Verizon provides notice of termination pursuant to Section 2.2 and by 11:59 PM Eastern Time on the proposed date of termination neither FairPoint nor Verizon has requested negotiation of a new interconnection agreement, (a) this Agreement will terminate at 11:59 PM Eastern Time on the proposed date of termination, and (b) the Services being provided under this Agreement at the time of termination will be terminated, except to the extent that the Purchasing Party has requested that such Services continue to be provided pursuant to an applicable Tariff or Statement of Generally Available Terms (SGAT).

3. Glossary and Attachments

The Glossary and the following Attachments are a part of this Agreement:

Additional Services Attachment

Interconnection Attachment

Pricing Attachment

Schedule 1

Schedule 2

4. Applicable Law

- 4.1 The construction, interpretation and performance of this Agreement shall be governed by (a) the laws of the United States of America and (b) the laws of the Commonwealth of Massachusetts, without regard to its conflicts of laws rules. All

disputes relating to this Agreement shall be resolved through the application of such laws.

- 4.2 Each Party shall remain in compliance with Applicable Law in the course of performing this Agreement.
- 4.3 Neither Party shall be liable for any delay or failure in performance by it that results from requirements of Applicable Law, or acts or failures to act of any governmental entity or official.
- 4.4 Each Party shall promptly notify the other Party in writing of any governmental action that limits, suspends, cancels, withdraws, or otherwise materially affects, the notifying Party's ability to perform its obligations under this Agreement.
- 4.5 If any provision of this Agreement shall be invalid or unenforceable under Applicable Law, such invalidity or unenforceability shall not invalidate or render unenforceable any other provision of this Agreement, and this Agreement shall be construed as if it did not contain such invalid or unenforceable provision; provided, that if the invalid or unenforceable provision is a material provision of this Agreement, or the invalidity or unenforceability materially affects the rights or obligations of a Party hereunder or the ability of a Party to perform any material provision of this Agreement, the Parties shall promptly renegotiate in good faith and amend in writing this Agreement in order to make such mutually acceptable revisions to this Agreement as may be required in order to conform the Agreement to Applicable Law.
- 4.6 If any legislative, regulatory, judicial or other governmental decision, order, determination or action, or any change in Applicable Law, materially affects any material provision of this Agreement, the rights or obligations of a Party hereunder, or the ability of a Party to perform any material provision of this Agreement, the Parties shall promptly renegotiate in good faith and amend in writing this Agreement in order to make such mutually acceptable revisions to this Agreement as may be required in order to conform the Agreement to Applicable Law. If within thirty (30) days of the effective date of such decision, determination, action or change, the Parties are unable to agree in writing upon mutually acceptable revisions to this Agreement, either Party may pursue any remedies available to it under this Agreement, at law, in equity, or otherwise, including, but not limited to, instituting an appropriate proceeding before the Commission, the FCC, or a court of competent jurisdiction, without first pursuing dispute resolution in accordance with Section 14 of this Agreement.
 - 4.6.1 Notwithstanding Section 4.6 above, to the extent Verizon is required by a change in Applicable Law to provide to FairPoint a Service that is not offered under this Agreement to FairPoint, the terms, conditions and prices for such Service (including, but not limited to, the terms and conditions defining the Service and stating when and where the Service will be available and how it will be used, and terms, conditions and prices for pre-ordering, ordering, provisioning, repair, maintenance and billing) shall be as provided in an applicable Verizon Tariff, or, in the absence of an applicable Verizon Tariff, as mutually agreed by the Parties in a written amendment to the Agreement that, upon the request of either Party, the Parties shall negotiate in accordance with the requirements of Section 252 of the Act. In no event shall Verizon be required to provide any such Service in the absence of such a Verizon Tariff or amendment.
 - 4.6.2 Notwithstanding Section 4.6 above, to the extent FairPoint is required by a change in Applicable Law to provide to Verizon a Service that is not

offered under this Agreement to Verizon, the terms, conditions and prices for such Service (including, but not limited to, the terms and conditions defining the Service and stating when and where the Service will be available and how it will be used, and terms, conditions and prices for pre-ordering, ordering, provisioning, repair, maintenance and billing) shall be as provided in an applicable FairPoint Tariff, or in the absence of an applicable FairPoint Tariff, as mutually agreed by the Parties in a written amendment to the Agreement that, upon the request of either Party, the Parties shall negotiate in accordance with the requirements of Section 252 of the Act. In no event shall FairPoint be required to provide any such Service in the absence of such a FairPoint Tariff or amendment.

4.7 Notwithstanding anything in this Agreement to the contrary, if, as a result of any legislative, judicial, regulatory or other governmental decision, order, determination or action, or any change in Applicable Law, Verizon is not required by Applicable Law to provide any Service, payment or benefit, otherwise required to be provided to FairPoint hereunder, then Verizon may discontinue the provision of any such Service, payment or benefit, and FairPoint shall reimburse Verizon for any payment previously made by Verizon to FairPoint that was not required by Applicable Law. Verizon will provide thirty (30) days prior written notice to FairPoint of any such discontinuance of a Service, unless a different notice period or different conditions are specified in this Agreement (including, but not limited to, in an applicable Tariff) or Applicable Law for termination of such Service in which event such specified period and/or conditions shall apply. For the avoidance of any doubt, this Section 4.7 is self-effectuating and no amendment to this Agreement shall be required to implement it.

4.8 Notwithstanding, anything in this Agreement to the contrary, if, as a result of any legislative, judicial, regulatory or other governmental decision, order, determination or action, or any change in Applicable Law, FairPoint is not required by Applicable Law to provide any Service, payment or benefit, otherwise required to be provided to Verizon hereunder, then FairPoint may discontinue the provision of any such Service, payment or benefit, and Verizon shall reimburse FairPoint for any payment previously made by FairPoint to Verizon that was not required by Applicable Law. FairPoint will provide thirty (30) days prior written notice to Verizon of any such discontinuance of a Service, unless a different notice period or different conditions are specified in this Agreement (including, but not limited to, in an applicable Tariff) or Applicable Law for termination of such Service in which event such specified period and/or conditions shall apply. For the avoidance of any doubt, this Section 4.8 is self-effectuating and no amendment to this Agreement shall be required to implement it.

5. Assignment

5.1 Neither Party may assign this Agreement or any right or interest under this Agreement, nor delegate any obligation under this Agreement, without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed. Any attempted assignment or delegation in violation of this Section 5 shall be void and ineffective and constitute default of this Agreement.

6. Assurance of Payment

6.1 Upon request by Verizon, FairPoint shall, at any time and from time to time, provide to Verizon adequate assurance of payment of amounts due (or to become due) to Verizon hereunder.

- 6.2 Assurance of payment of charges may be requested by Verizon if FairPoint (a) prior to the Effective Date, has failed to timely pay a bill rendered to FairPoint by Verizon or its Affiliates, (b) on or after the Effective Date, fails to timely pay a bill rendered to FairPoint by Verizon or its Affiliates, (c) in Verizon's reasonable judgment, at the Effective Date or at any time thereafter, is unable to demonstrate that it is creditworthy, or (d) admits its inability to pay its debts as such debts become due, has commenced a voluntary case (or has had a case commenced against it) under the U.S. Bankruptcy Code or any other law relating to bankruptcy, insolvency, reorganization, winding-up, composition or adjustment of debts or the like, has made an assignment for the benefit of creditors or is subject to a receivership or similar proceeding.
- 6.3 Unless otherwise agreed by the Parties, the assurance of payment shall consist of an unconditional, irrevocable standby letter of credit naming Verizon as the beneficiary thereof and otherwise in form and substance satisfactory to Verizon from a financial institution acceptable to Verizon. The letter of credit shall be in an amount equal to two (2) months anticipated charges (including, but not limited to, both recurring and non-recurring charges), as reasonably determined by Verizon, for the Services to be provided by Verizon to FairPoint in connection with this Agreement. If FairPoint meets the condition in subsection 6.2 (d) above or has failed to timely pay two or more bills rendered by Verizon or a Verizon Affiliate in any twelve (12)-month period, Verizon may, at its option, demand (and FairPoint shall provide) additional assurance of payment, consisting of monthly advanced payments of estimated charges as reasonably determined by Verizon, with appropriate true-up against actual billed charges no more frequently than once per Calendar Quarter.
- 6.4 [Intentionally Left Blank].
- 6.5 [Intentionally Left Blank].
- 6.6 Verizon may (but is not obligated to) draw on the letter of credit upon notice to FairPoint in respect of any amounts to be paid by FairPoint hereunder that are not paid within thirty (30) days of the date that payment of such amounts is required by this Agreement.
- 6.7 If Verizon draws on the letter of credit, upon request by Verizon, FairPoint shall provide a replacement or supplemental letter of credit conforming to the requirements of Section 6.3.
- 6.8 Notwithstanding anything else set forth in this Agreement, if Verizon makes a request for assurance of payment in accordance with the terms of this Section 6.8, then Verizon shall have no obligation thereafter to perform under this Agreement until such time as FairPoint has provided Verizon with such assurance of payment.
- 6.9 The fact that a letter of credit is requested by Verizon hereunder shall in no way relieve FairPoint from compliance with the requirements of this Agreement (including, but not limited to, any applicable Tariffs) as to advance payments and payment for Services, nor constitute a waiver or modification of the terms herein pertaining to the discontinuance of Services for nonpayment of any amounts payment of which is required by this Agreement.

7. Audits

- 7.1 Except as may be otherwise specifically provided in this Agreement, either Party ("Auditing Party") may audit the other Party's ("Audited Party") books, records,

documents, facilities and systems for the purpose of evaluating the accuracy of the Audited Party's bills. Such audits may be performed once in each Calendar Year; provided, however, that audits may be conducted more frequently (but no more frequently than once in each Calendar Quarter) if the immediately preceding audit found previously uncorrected net inaccuracies in billing in favor of the Audited Party having an aggregate value of at least \$1,000,000.

- 7.2 The audit shall be performed by independent certified public accountants selected and paid by the Auditing Party. The accountants shall be reasonably acceptable to the Audited Party. Prior to commencing the audit, the accountants shall execute an agreement with the Audited Party in a form reasonably acceptable to the Audited Party that protects the confidentiality of the information disclosed by the Audited Party to the accountants. The audit shall take place at a time and place agreed upon by the Parties; provided, that the Auditing Party may require that the audit commence no later than sixty (60) days after the Auditing Party has given notice of the audit to the Audited Party.
- 7.3 Each Party shall cooperate fully in any such audit, providing reasonable access to any and all employees, books, records, documents, facilities and systems, reasonably necessary to assess the accuracy of the Audited Party's bills.
- 7.4 Audits shall be performed at the Auditing Party's expense, provided that there shall be no charge for reasonable access to the Audited Party's employees, books, records, documents, facilities and systems necessary to assess the accuracy of the Audited Party's bills.

8. Authorization

- 8.1 Verizon represents and warrants that it is a corporation duly organized, validly existing and in good standing under the laws of the State of New York and has full power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement.
- 8.2 FairPoint represents and warrants that it is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware serving the Vermont exchanges listed in Schedule 1 and Schedule 2, and has full power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement.
- 8.3 FairPoint Certification.

Notwithstanding any other provision of this Agreement, Verizon shall have no obligation to perform under this Agreement until such time as FairPoint has obtained such FCC and Commission authorization as may be required by Applicable Law for conducting business in the State of Vermont in the exchanges listed in Schedule 1 and Schedule 2. FairPoint shall not place any Orders under this Agreement until it has obtained such authorization. FairPoint shall provide proof of such authorization to Verizon upon request.

9. Billing and Payment; Disputed Amounts

- 9.1 Except as otherwise provided in this Agreement, each Party shall submit to the other Party on a monthly basis in an itemized form, statement(s) of charges incurred by Verizon under this Agreement.
- 9.2 Except as otherwise provided in this Agreement, payment of amounts billed for Services provided under this Agreement, whether billed on a monthly basis or as

otherwise provided in this Agreement, shall be due, in immediately available U.S. funds, on the later of the following dates (the "Due Date"): (a) the due date specified on the billing Party's statement; or (b) twenty (20) days after the date the statement is received by the billed Party. Payments shall be transmitted by electronic funds transfer.

- 9.3 If any portion of an amount billed by a Party under this Agreement is subject to a good faith dispute between the Parties, the billed Party shall give notice to the billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. The billed Party may also dispute prospectively with a single notice a class of charges that it disputes. Notice of a dispute may be given by the billed Party at any time, either before or after an amount is paid, and the billed Party's payment of an amount shall not constitute a waiver of the billed Party's right to subsequently dispute its obligation to pay such amount or to seek a refund of any amount paid. The billed Party shall pay by the Due Date all undisputed amounts. Billing disputes shall be subject to the terms of Section 14, Dispute Resolution.
- 9.4 Charges due to the billing Party that are not paid by the Due Date shall be subject to a late payment charge. The late payment charge shall be in an amount specified by the billing Party which shall not exceed a rate of one-and-one-half percent (1.5%) of the overdue amount (including any unpaid previously billed late payment charges) per month.
- 9.5 Although it is the intent of both Parties to submit timely statements of charges, failure by either Party to present statements to the other Party in a timely manner shall not constitute a breach or default, or a waiver of the right to payment of the incurred charges, by the billing Party under this Agreement, and, except for assertion of a provision of Applicable Law that limits the period in which a suit or other proceeding can be brought before a court or other governmental entity of appropriate jurisdiction to collect amounts due, the billed Party shall not be entitled to dispute the billing Party's statement(s) based on the billing Party's failure to submit them in a timely fashion.

10. Confidentiality

- 10.1 As used in this Section 10, "Confidential Information" means the following information that is disclosed by one Party ("Disclosing Party") to the other Party ("Receiving Party") in connection with, or anticipation of, this Agreement:
- 10.1.1 Books, records, documents and other information disclosed in an audit pursuant to Section 7;
- 10.1.2 Any forecasting information provided pursuant to this Agreement;
- 10.1.3 Customer Information (except to the extent that (a) the Customer information is published in a directory, (b) the Customer information is disclosed through or in the course of furnishing a Telecommunications Service, such as directory assistance, operator service, Caller ID or similar service, or LIDB service, or (c) the Customer to whom the Customer Information is related has authorized the Receiving Party to use and/or disclose the Customer Information);
- 10.1.4 information related to specific facilities or equipment (including, but not limited to, cable and pair information);

- 10.1.5 any information that is in written, graphic, electromagnetic, or other tangible form, and marked at the time of disclosure as “Confidential” or “Proprietary;” and
- 10.1.6 any information that is communicated orally or visually and declared to the Receiving Party at the time of disclosure, and by written notice with a statement of the information given to the Receiving Party within ten (10) days after disclosure, to be “Confidential or “Proprietary”.

Notwithstanding any other provision of this Agreement, a Party shall have the right to refuse to accept receipt of information which the other Party has identified as Confidential Information pursuant to Sections 10.1.5 or 10.1.6.

- 10.2 Except as otherwise provided in this Agreement, the Receiving Party shall:
 - 10.2.1 use the Confidential Information received from the Disclosing Party only in performance of this Agreement; and
 - 10.2.2 using the same degree of care that it uses with similar confidential information of its own (but in no case a degree of care that is less than commercially reasonable), hold Confidential Information received from the Disclosing Party in confidence and restrict disclosure of the Confidential Information solely to those of the Receiving Party’s Affiliates and the directors, officers, employees, Agents and contractors of the Receiving Party and the Receiving Party’s Affiliates, that have a need to receive such Confidential Information in order to perform the Receiving Party’s obligations under this Agreement. The Receiving Party’s Affiliates and the directors, officers, employees, Agents and contractors of the Receiving Party and the Receiving Party’s Affiliates, shall be required by the Receiving Party to comply with the provisions of this Section 10 in the same manner as the Receiving Party. The Receiving Party shall be liable for any failure of the Receiving Party’s Affiliates or the directors, officers, employees, Agents or contractors of the Receiving Party or the Receiving Party’s Affiliates, to comply with the provisions of this Section 10.
- 10.3 The Receiving Party shall return or destroy all Confidential Information received from the Disclosing Party, including any copies made by the Receiving Party, within thirty (30) days after a written request by the Disclosing Party is delivered to the Receiving Party, except for (a) Confidential Information that the Receiving Party reasonably requires to perform its obligations under this Agreement, and (b) one copy for archival purposes only.
- 10.4 Unless otherwise agreed, the obligations of Sections 10.2 and 10.3 do not apply to information that:
 - 10.4.1 was, at the time of receipt, already in the possession of or known to the Receiving Party free of any obligation of confidentiality and restriction on use;
 - 10.4.2 is or becomes publicly available or known through no wrongful act of the Receiving Party, the Receiving Party’s Affiliates, or the directors, officers, employees, Agents or contractors of the Receiving Party or the Receiving Party’s Affiliates;

- 10.4.3 is rightfully received from a third person having no direct or indirect obligation of confidentiality or restriction on use to the Disclosing Party with respect to such information;
 - 10.4.4 is independently developed by the Receiving Party;
 - 10.4.5 is approved for disclosure or use by written authorization of the Disclosing Party (including, but not limited to, in this Agreement); or
 - 10.4.6 is required to be disclosed by the Receiving Party pursuant to Applicable Law, provided that the Receiving Party shall have made commercially reasonable efforts to give adequate notice of the requirement to the Disclosing Party in order to enable the Disclosing Party to seek protective arrangements.
- 10.5 Notwithstanding the provisions of Sections 10.1 through 10.4, the Receiving Party may use and disclose Confidential Information received from the Disclosing Party to the extent necessary to enforce the Receiving Party's rights under this Agreement or Applicable Law. In making any such disclosure, the Receiving Party shall make reasonable efforts to preserve the confidentiality and restrict the use of the Confidential Information while it is in the possession of any person to whom it is disclosed, including, but not limited to, by requesting any governmental entity to whom the Confidential Information is disclosed to treat it as confidential and restrict its use to purposes related to the proceeding pending before it.
- 10.6 The Disclosing Party shall retain all of the Disclosing Party's right, title and interest in any Confidential Information disclosed by the Disclosing Party to the Receiving Party. Except as otherwise expressly provided in this Agreement, no license is granted by this Agreement with respect to any Confidential Information (including, but not limited to, under any patent, trademark or copyright), nor is any such license to be implied solely by virtue of the disclosure of Confidential Information.
- 10.7 The provisions of this Section 10 shall be in addition to and not in derogation of any provisions of Applicable Law, including, but not limited to, 47 U.S.C. § 222, and are not intended to constitute a waiver by a Party of any right with regard to the use, or protection of the confidentiality of, CPNI provided by Applicable Law.
- 10.8 Each Party's obligations under this Section 10 shall survive expiration, cancellation or termination of this Agreement.

11. Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

12. Default

If either Party ("Defaulting Party") fails to make a payment required by this Agreement (including, but not limited to, any payment required by Section 9.3 of undisputed amounts to the billing Party) or materially breaches any other material provision of this Agreement, and such failure or breach continues for thirty (30) days after written notice thereof from the other Party, the other Party may, by written notice to the Defaulting Party, (a) suspend the provision of any or all Services hereunder, or (b) cancel this Agreement and terminate the provision of all Services hereunder.

13. [This Section Intentionally Left Blank]

14. Dispute Resolution

- 14.1 Except as otherwise provided in this Agreement, any dispute between the Parties regarding the interpretation or enforcement of this Agreement or any of its terms shall be addressed by good faith negotiation between the Parties. To initiate such negotiation, a Party must provide to the other Party written notice of the dispute that includes both a detailed description of the dispute or alleged nonperformance and the name of an individual who will serve as the initiating Party's representative in the negotiation. The other Party shall have ten Business Days to designate its own representative in the negotiation. The Parties' representatives shall meet at least once within 45 days after the date of the initiating Party's written notice in an attempt to reach a good faith resolution of the dispute. Upon agreement, the Parties' representatives may utilize other alternative dispute resolution procedures such as private mediation to assist in the negotiations.
- 14.2 If the Parties have been unable to resolve the dispute within 45 days of the date of the initiating Party's written notice, either Party may pursue any remedies available to it under this Agreement, at law, in equity, or otherwise, including, but not limited to, instituting an appropriate proceeding before the Commission, the FCC, or a court of competent jurisdiction.

15. Force Majeure

- 15.1 Neither Party shall be responsible for any delay or failure in performance which results from causes beyond its reasonable control ("Force Majeure Events"), whether or not foreseeable by such Party. Such Force Majeure Events include, but are not limited to, adverse weather conditions, flood, fire, explosion, earthquake, volcanic action, power failure, embargo, boycott, war, revolution, civil commotion, act of public enemies, labor unrest (including, but not limited to, strikes, work stoppages, slowdowns, picketing or boycotts), inability to obtain equipment, parts, software or repairs thereof, acts or omissions of the other Party, and acts of God.
- 15.2 If a Force Majeure Event occurs, the non-performing Party shall give prompt notification of its inability to perform to the other Party. During the period that the non-performing Party is unable to perform, the other Party shall also be excused from performance of its obligations to the extent such obligations are reciprocal to, or depend upon, the performance of the non-performing Party that has been prevented by the Force Majeure Event. The non-performing Party shall use commercially reasonable efforts to avoid or remove the cause(s) of its non-performance and both Parties shall proceed to perform once the cause(s) are removed or cease.
- 15.3 Notwithstanding the provisions of Sections 15.1 and 15.2, in no case shall a Force Majeure Event excuse either Party from an obligation to pay money as required by this Agreement.
- 15.4 Nothing in this Agreement shall require the non-performing Party to settle any labor dispute except as the non-performing Party, in its sole discretion, determines appropriate.

16. Forecasts

In addition to any other forecasts required by this Agreement, upon request by Verizon, FairPoint shall provide to Verizon forecasts regarding the Services that FairPoint expects to purchase from Verizon, including, but not limited to, forecasts regarding the types and volumes of Services that FairPoint expects to purchase and the locations where such Services will be purchased.

17. Fraud

17.1 FairPoint assumes responsibility for all fraud associated with its Customers and accounts. Verizon shall bear no responsibility for, and shall have no obligation to investigate or make adjustments to FairPoint's account in cases of, fraud by FairPoint's Customers or other third parties.

17.2 Verizon assumes responsibility for all fraud associated with its Customers and accounts. FairPoint shall bear no responsibility for, and shall have no obligation to investigate or make adjustments to Verizon's account in cases of, fraud by Verizon's Customers or other third parties.

18. Good Faith Performance

The Parties shall act in good faith in their performance of this Agreement. Except as otherwise expressly stated in this Agreement (including, but not limited to, where consent, approval, agreement or a similar action is stated to be within a Party's sole discretion), where consent, approval, mutual agreement or a similar action is required by any provision of this Agreement, such action shall not be unreasonably withheld, conditioned or delayed. If and, to the extent that, Verizon, prior to the Effective Date of this Agreement, has not provided in the Commonwealth of Massachusetts a Service offered under this Agreement, Verizon reserves the right to negotiate in good faith with FairPoint reasonable terms and conditions (including, without limitation, rates and implementation timeframes) for such Service; and, if the Parties cannot agree to such terms and conditions (including, without limitation, rates and implementation timeframes), either Party may utilize the Agreement's dispute resolution procedures. If and, to the extent that, FairPoint, prior to the Effective Date of this Agreement, has not provided in the State of Vermont a Service offered under this Agreement, FairPoint reserves the right to negotiate in good faith with Verizon reasonable terms and conditions (including, without limitation, rates and implementation timeframes) for such Service; and, if the Parties cannot agree to such terms and conditions (including, without limitation, rates and implementation timeframes), either Party may utilize the Agreement's dispute resolution procedures.

19. Headings

The headings used in the Principal Document are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning of the Principal Document.

20. Indemnification

20.1 Each Party ("Indemnifying Party") shall indemnify, defend and hold harmless the other Party ("Indemnified Party"), the Indemnified Party's Affiliates, and the directors, officers and employees of the Indemnified Party and the Indemnified Party's Affiliates, from and against any and all Third Party Claims that arise out of bodily injury to or death of any person, or damage to, or destruction or loss of, tangible real and/or personal property of any person, to the extent such injury, death, damage, destruction or loss, was proximately caused by the grossly negligent or intentionally wrongful acts or omissions of the Indemnifying Party, the Indemnifying Party's Affiliates, or the directors, officers, employees, Agents or

contractors (excluding the Indemnified Party) of the Indemnifying Party or the Indemnifying Party's Affiliates, in connection with this Agreement.

20.2 Indemnification Process.

20.2.1 As used in this Section 20, "Indemnified Person" means a person whom an Indemnifying Party is obligated to indemnify, defend and/or hold harmless under Section 20.1.

20.2.2 An Indemnifying Party's obligations under Section 20.1 shall be conditioned upon the following:

20.2.3 The Indemnified Person: (a) shall give the Indemnifying Party notice of the Third Party Claim promptly after becoming aware thereof (including a statement of facts known to the Indemnified Person related to the Claim and an estimate of the amount thereof); (b) prior to taking any material action with respect to a Third Party Claim, shall consult with the Indemnifying Party as to the procedure to be followed in defending, settling, or compromising the Claim; (c) shall not consent to any settlement or compromise of a Third Party Claim without the written consent of the Indemnifying Party; (d) shall permit the Indemnifying Party to assume the defense of a Third Party Claim (including, except as provided below, the compromise or settlement thereof) at the Indemnifying Party's own cost and expense, provided, however, that the Indemnified Person shall have the right to approve the Indemnifying Party's choice of legal counsel, which shall not be unreasonably withheld, conditioned or delayed.

20.2.4 If the Indemnified Person fails to comply with Section 20.2.3 with respect to a Claim, to the extent such failure shall have a material adverse effect upon the Indemnifying Party, the Indemnifying Party shall be relieved of its obligation to indemnify, defend and hold harmless the Indemnified Person with respect to such Claim under this Agreement.

20.2.5 Subject to 20.2.6 and 20.2.7, below, the Indemnifying Party shall have the authority to defend and settle any Third Party Claim.

20.2.6 With respect to any Third Party Claim, the Indemnified Person shall be entitled to participate with the Indemnifying Party in the defense of the Claim if the Claim requests equitable relief or other relief that could affect the rights of the Indemnified Person. In so participating, the Indemnified Person shall be entitled to employ separate counsel for the defense at the Indemnified Person's expense. The Indemnified Person shall also be entitled to participate, at its own expense, in the defense of any Claim, as to any portion of the Claim as to which it is not entitled to be indemnified, defended and held harmless by the Indemnifying Party.

20.2.7 In no event shall the Indemnifying Party settle a Third Party Claim or consent to any judgment with regard to a Third Party Claim without the prior written consent of the Indemnified Party, which shall not be unreasonably withheld, conditioned or delayed. In the event the settlement or judgment requires a contribution from or affects the rights of an Indemnified Person, the Indemnified Person shall have the right to refuse such settlement or judgment with respect to itself and, at its own cost and expense, take over the defense against the Third Party Claim, provided that in such event the Indemnifying Party shall not be responsible for, nor shall it be obligated to indemnify or hold harmless

the Indemnified Person against, the Third Party Claim for any amount in excess of such refused settlement or judgment.

20.2.8 The Indemnified Person shall, in all cases, assert any and all provisions in applicable Tariffs and Customer contracts that limit liability to third persons as a bar to, or limitation on, any recovery by a third-person claimant.

20.2.9 The Indemnifying Party and the Indemnified Person shall offer each other all reasonable cooperation and assistance in the defense of any Third Party Claim.

20.3 Each Party agrees that it will not implead or bring any action against the other Party, the other Party's Affiliates, or any of the directors, officers or employees of the other Party or the other Party's Affiliates, based on any Claim by any person for personal injury or death that occurs in the course or scope of employment of such person by the other Party or the other Party's Affiliate and that arises out of performance of this Agreement.

20.4 Each Party's obligations under this Section 20 shall survive expiration, cancellation or termination of this Agreement.

21. Insurance

21.1 FairPoint shall maintain during the term of this Agreement and for a period of two years thereafter all insurance required to satisfy its obligations under this Agreement (including, but not limited to, its obligations set forth in Section 20 hereof) and all insurance required by Applicable Law. The insurance shall be obtained from an insurer having an A.M. Best insurance rating of at least A-, financial size category VII or greater. At a minimum and without limiting the foregoing undertaking, FairPoint shall maintain the following insurance:

21.1.1 Commercial General Liability Insurance, on an occurrence basis, including but not limited to, premises-operations, broad form property damage, products/completed operations, contractual liability, independent contractors, and personal injury, with limits of at least \$2,000,000 combined single limit for each occurrence.

21.1.2 Commercial Motor Vehicle Liability Insurance covering all owned, hired and non-owned vehicles, with limits of at least \$2,000,000 combined single limit for each occurrence.

21.1.3 Excess Liability Insurance, in the umbrella form, with limits of at least \$10,000,000 combined single limit for each occurrence.

21.1.4 Worker's Compensation Insurance as required by Applicable Law and Employer's Liability Insurance with limits of not less than \$2,000,000 per occurrence.

21.2 Any deductibles, self-insured retentions or loss limits ("Retentions") for the foregoing insurance must be disclosed on the certificates of insurance to be provided to Verizon pursuant to Sections 21.4 and 21.5, and Verizon reserves the right to reject any such Retentions in its reasonable discretion. All Retentions shall be the responsibility of FairPoint.

21.3 FairPoint shall name Verizon and Verizon's Affiliates as additional insured on the foregoing liability insurance.

- 21.4 FairPoint shall, within two (2) weeks of the Effective Date hereof at the time of each renewal of, or material change in, FairPoint's insurance policies, and at such other times as Verizon may reasonably specify, furnish certificates or other proof of the foregoing insurance reasonably acceptable to Verizon. The certificates or other proof of the foregoing insurance shall be sent to: Director - Negotiations, Verizon Partner Solutions, 600 Hidden Ridge, HQEWMNOTICES, Irving, TX 75038.
- 21.5 FairPoint shall require its contractors, if any, that may enter upon the premises or access the facilities or equipment of Verizon or Verizon's affiliates to maintain insurance in accordance with Sections 21.1 through 21.3 and, if requested, to furnish Verizon certificates or other adequate proof of such insurance acceptable to Verizon in accordance with Section 21.4
- 21.6 Failure of FairPoint or FairPoint's contractors to maintain insurance and provide certificates of insurance as required in Sections 21.1 through 21.5, shall be deemed a material breach of this Agreement.
- 21.7 Certificates furnished by FairPoint or FairPoint's contractors shall contain a clause stating: "Verizon New England Inc. shall be notified in writing at least thirty (30) days prior to cancellation of, or any material change in, the insurance."

22. Intellectual Property

- 22.1 Except and to the extent expressly stated in this Agreement, this Agreement shall not be construed as granting a license with respect to any patent, copyright, trade name, trademark, service mark, trade secret, or any other intellectual property, now or hereafter owned, controlled or licensable by either Party. Except and to the extent expressly stated in this Agreement, neither Party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right of the other Party except in accordance with the terms of a separate license agreement between the Parties granting such rights.
- 22.2 Except and to the extent as may be stated in this Section 22 or in a separate written agreement between the Parties, neither Party shall have any obligation to defend, indemnify, or hold harmless, acquire any license or right for the benefit of, or owe any other obligation or have any liability to the other Party or its Affiliates or Customers based on or arising from any Third Party Claim alleging or asserting that the provision or use of any Services, facility, arrangement, service, equipment, product, process, method, or software by either Party under this Agreement, or the performance or use of any Service, process or method, either alone or in combination, constitutes direct, vicarious or contributory infringement or inducement to infringe, misuse, or misappropriate any patent, copyright, trademark, trade secret, or any other proprietary or intellectual property right of any Party or third party. Each Party shall offer to the other reasonable cooperation and assistance in the defense of any such claim.
- 22.3 FairPoint agrees that the Services provided by Verizon hereunder shall be subject to the terms, conditions, and restrictions contained in any applicable agreements (including software or other intellectual property license agreements) between Verizon and Verizon's vendors ("Verizon Third Party Agreements"), provided that (without limiting any rights and remedies available to Verizon under this Agreement) Verizon advises FairPoint in writing, directly or through a third party acting on Verizon's behalf, of any such terms, conditions, or restrictions that may limit any FairPoint use of Services provided by Verizon that is otherwise permitted by this Agreement and provided that FairPoint shall not be in violation of this Section 22.3 and shall have no liability to, or obligation to indemnify,

defend or hold harmless, Verizon, its Affiliates, vendors, third party provider or operator of facilities employed in provision of the Services, or the directors, officers, employees, and agents of the foregoing, for any violation of the terms, conditions or restrictions of a Verizon Third Party Agreement occurring prior to FairPoint's receipt of such written notification of such terms, conditions, or restrictions and a reasonable opportunity of not less than five (5) Business Days in which to comply. To the extent that such terms, conditions, or restrictions materially limit FairPoint's use of the Services relative to what is otherwise permitted by this Agreement and FairPoint was not made aware of such terms, conditions, or restrictions reasonably in advance of the commencement of the Services, then FairPoint shall have the right without early termination fee or any other penalty, to terminate this Agreement upon written notice to Verizon.

Verizon agrees that the Services provided by FairPoint hereunder shall be subject to the terms, conditions, and restrictions contained in any applicable agreements (including software or other intellectual property license agreements) between FairPoint and FairPoint's vendors ("FairPoint Third Party Agreements"), provided that (without limiting any rights and remedies available to FairPoint under this Agreement) FairPoint advises Verizon in writing, directly or through a third party acting on FairPoint's behalf, of any such terms, conditions, or restrictions that may limit any Verizon use of Services provided by FairPoint that is otherwise permitted by this Agreement and provided that Verizon shall not be in violation of this Section 22.3 and shall have no liability to, or obligation to indemnify, defend or hold harmless, FairPoint, its Affiliates, vendors, third party provider or operator of facilities employed in provision of the Services, or the directors, officers, employees, and agents of the foregoing, for any violation of the terms, conditions or restrictions of a FairPoint Third Party Agreement occurring prior to Verizon's receipt of such written notification of such terms, conditions, or restrictions and a reasonable opportunity of not less than five (5) Business Days in which to comply. To the extent that such terms, conditions, or restrictions materially limit Verizon's use of the Services relative to what is otherwise permitted by this Agreement and Verizon was not made aware of such terms, conditions, or restrictions reasonably in advance of the commencement of the Services, then Verizon shall have the right without early termination fee or any other penalty, to terminate this Agreement upon written notice to FairPoint.

- 22.4 Notwithstanding the terms of Section 22.3 and/or any failure of Verizon to provide written notification of the terms, conditions or restrictions of a Verizon Third Party Agreement as set forth in Section 22.3, FairPoint shall be in violation of Section 22.3 in connection with FairPoint, its Affiliates and/or their respective directors, officers, agents, employees, contractors or end users (including a Third Party provider or operator of facilities employed in provision of the FairPoint Services) (collectively, "FairPoint Parties") engaging in any of the following activities with respect to any software (whether or not included in hardware or equipment) or firmware, hardware, equipment user manuals or other documentation (whether in print or electronic form), or any information pertaining to a Verizon vendor that is marked or otherwise designated in writing as confidential or proprietary at the time of disclosure to the FairPoint Parties or under the circumstances should reasonably be understood to be confidential or proprietary that are subject to a Verizon Third Party Agreement and that are made available to the FairPoint Parties by Verizon, its Affiliates and/or their respective directors, officers, agents, employees, contractors or end users (including a Third Party provider or operator of facilities employed in provision of the Verizon Services) (collectively, "Verizon Parties") as part of the Verizon Services (collectively, "Verizon Third Party Materials"):

- 22.4.1 disassembling, decompiling, or reverse engineering Verizon Third Party Materials;
- 22.4.2 assigning, sublicensing or otherwise transferring ownership of the Verizon Third Party Materials, in whole or in part, to a third party;
- 22.4.3 renting, leasing, loaning, or granting a security interest in, the Verizon Third Party Materials or any portion thereof;
- 22.4.4 distributing, selling or marketing the Verizon Third Party Materials, in whole or in part, to a third party;
- 22.4.5 using the Verizon Third Party Materials for the benefit of or in a service bureau capacity for, or on behalf of, a third party, to the extent that Verizon notifies FairPoint that such Verizon Third Party Materials are for FairPoint's internal use only;
- 22.4.6 modifying, altering, manipulating, or creating derivative works based on, the Verizon Third Party Materials;
- 22.4.7 removing or obscuring any proprietary notice, legend or label from the Verizon Third Party Materials;
- 22.4.8 using, installing and/or accessing the Verizon Third Party Materials at or from any location other than FairPoint business locations without the prior written consent of Verizon, to the extent that FairPoint has been notified, including by Verizon Third Party Agreements provided to FairPoint, that such Verizon Third Party Materials cannot be used, installed and/or accessed at or from such other locations;
- 22.4.9 disclosing or making available or accessible to a third party the Verizon Third Party Materials or any information in the Verizon Third Party Materials, or any portion thereof, that is marked or designated as confidential or proprietary or under the circumstances should reasonably be understood to be confidential or proprietary (which in any event shall include the Verizon Third Party Materials comprising software, whether or not included in hardware or equipment, and firmware, whether or not marked or designated as confidential or proprietary, and hardware, equipment user manuals or other documentation designated in writing as confidential or proprietary at the time of disclosure to the Verizon Parties or under the circumstances should reasonably be understood to be confidential or proprietary), without the prior written consent of Verizon; and/or
- 22.4.10 using or accessing the Verizon Third Party Materials in violation of applicable laws, codes, ordinances, orders, rules and regulations of local, state, and federal governments and agencies and instrumentalities.

For the avoidance of doubt, subsections 22.4.1, 22.4.5 and 22.4.9 shall not apply to hardware or equipment (but shall apply to software or firmware embedded therein) comprising the Verizon Third Party Materials unless FairPoint is notified in writing by Verizon that such activities are prohibited.

- 22.5 Notwithstanding the terms of Section 22.3 and/or any failure of FairPoint to provide written notification of the terms, conditions or restrictions of a FairPoint Third Party Agreement as set forth in Section 22.3, Verizon shall be in violation of

Section 22.3 in connection with Verizon Parties engaging in any of the following activities with respect to any software (whether or not included in hardware or equipment) or firmware, hardware, equipment user manuals or other documentation (whether in print or electronic form), or any information pertaining to a FairPoint vendor that is marked or otherwise designated in writing as confidential or proprietary at the time of disclosure to the Verizon Parties or under the circumstances should reasonably be understood to be confidential or proprietary that are subject to a FairPoint Third Party Agreement and that are made available to the Verizon Parties by a FairPoint Party as part of the FairPoint Services (collectively, "FairPoint Third Party Materials"):

- 22.5.1 disassembling, decompiling, or reverse engineering FairPoint Third Party Materials;
- 22.5.2 assigning, sublicensing or otherwise transferring ownership of the FairPoint Third Party Materials, in whole or in part, to a third party;
- 22.5.3 renting, leasing, loaning, or granting a security interest in, the FairPoint Third Party Materials or any portion thereof;
- 22.5.4 distributing, selling or marketing the FairPoint Third Party Materials, in whole or in part, to a third party;
- 22.5.5 using the FairPoint Third Party Materials for the benefit of or in a service bureau capacity for, or on behalf of, a third party, to the extent that FairPoint notifies Verizon that such FairPoint Third Party Materials are for Verizon's internal use only;
- 22.5.6 modifying, altering, manipulating, or creating derivative works based on, the FairPoint Third Party Materials;
- 22.5.7 removing or obscuring any proprietary notice, legend or label from the FairPoint Third Party Materials;
- 22.5.8 using, installing and/or accessing the FairPoint Third Party Materials at or from any location other than FairPoint business locations without the prior written consent of FairPoint, to the extent that Verizon has been notified, including by FairPoint Third Party Agreements provided to Verizon, that such FairPoint Third Party Materials cannot be use, installed and/or accessed at or from such other locations;
- 22.5.9 disclosing or making available or accessible to a third party the FairPoint Third Party Materials or any information in the FairPoint Third Party Materials, or any portion thereof, that is marked or designated as confidential or proprietary or under the circumstances should reasonably be understood to be confidential or proprietary (which in any event shall include the FairPoint Third Party Materials comprising software, whether or not included in hardware or equipment, and firmware, whether or not marked or designated as confidential or proprietary, and hardware, equipment user manuals or other documentation designated in writing as confidential or proprietary at the time of disclosure to the FairPoint Parties or under the circumstances should reasonably be understood to be confidential or proprietary), without the prior written consent of FairPoint; and/or

22.5.10 using or accessing the FairPoint Third Party Materials in violation of applicable laws, codes, ordinances, orders, rules and regulations of local, state, and federal governments and agencies and instrumentalities.

For the avoidance of doubt, subsections 22.5.1, 22.5.5 and 22.5.9 shall not apply to hardware or equipment (but shall apply to software or firmware embedded therein) comprising the FairPoint Third Party Materials unless Verizon is notified in writing by FairPoint that such activities are prohibited.

22.6 If any Services or equipment, software, product, process, method or materials provided to FairPoint by Verizon to use the Verizon Services (the "Verizon Service-Related Materials") become the subject of any Third Party Claim that such Verizon Services or Service-Related Materials infringe any third party U.S. copyright or trademark, or misappropriate any trade secret of a third party (collectively, a "Verizon Third Party Infringement Claim"), or any Third Party Claim that such Verizon Services or Service Related Materials infringe any third party U.S. patent ("Verizon Third Party Patent Claim"), Verizon may, at its sole option and expense: (i) procure for FairPoint the right to continue to use the Verizon Services or Service-Related Materials; (ii) replace the Verizon Services or Service-Related Materials (or components thereof) with substantially equivalent, non-infringing Verizon Services or Service-Related Materials (or components thereof), or modify the Verizon Services or Service-Related Materials (or components thereof) so that they become non-infringing; or (iii) in the event neither (i) nor (ii) are reasonably available to Verizon, remove the infringing Verizon Service-Related Materials and/or terminate the Verizon Services or portions thereof and release FairPoint from any further obligation (including without early termination fee or any other penalty, but excluding the obligation to pay for Verizon Services actually rendered) with respect to such Verizon Services or Service-Related Materials.

If any Services or equipment, software, product, process, method or materials provided to Verizon by FairPoint to use the FairPoint Services (the "FairPoint Service-Related Materials") become the subject of any Third Party Claim that such FairPoint Services or Service-Related Materials infringe any third party U.S. copyright or trademark, or misappropriate any trade secret of a third party (collectively, a "FairPoint Third Party Infringement Claim"), or any Third Party Claim that such FairPoint Services or Service Related Materials infringe any third party U.S. patent ("FairPoint Third Party Patent Claim"), FairPoint may, at its sole option and expense: (i) procure for Verizon the right to continue to use the FairPoint Services or Service-Related Materials; (ii) replace the FairPoint Services or Service-Related Materials (or components thereof) with substantially equivalent, non-infringing FairPoint Services or Service-Related Materials (or components thereof), or modify the FairPoint Services or Service-Related Materials (or components thereof) so that they become non-infringing; or (iii) in the event neither (i) nor (ii) are reasonably available to FairPoint, remove the infringing FairPoint Service-Related Materials and/or terminate the FairPoint Services or portions thereof and release Verizon from any further obligation (including without early termination fee or any other penalty, but excluding the obligation to pay for FairPoint Services actually rendered) with respect to such FairPoint Services or Service-Related Materials.

22.7 In the event of any Verizon Third Party Infringement Claim for Verizon Services or Service-Related Materials, Verizon shall, at its sole expense (but subject to the terms of Section 20.2 hereof) assume the defense of such Claim and pay damages finally awarded against FairPoint by a court of competent jurisdiction, or amounts agreed to in writing by Verizon pursuant to a settlement of such Claim. For the avoidance of any

doubt, Verizon's obligations in this Section 22.7 shall not apply to Verizon Third Party Patent Claims, for which Verizon's sole and exclusive obligations and liability shall be to reasonably cooperate and assist FairPoint in the defense of any such claims against FairPoint as set forth in Section 22.2 hereof. In the event of a Verizon Third Party Patent Claim against FairPoint for Verizon Services or Service-Related Materials, FairPoint shall have the right, without early termination fee or any other penalty, to terminate this Agreement upon written notice to Verizon in the event Verizon (i) cannot eliminate the alleged infringement or violation giving rise to the Verizon Third Party Patent Claim, pursuant to Section 22.6 or (ii) does not agree in writing, to indemnify, defend and hold harmless FairPoint for the Verizon Third Party Patent Claim (provided that any such agreement shall be negotiated by the Parties in a good faith and diligent manner and executed by both Parties), within thirty (30) days following Verizon's receipt of notice from FairPoint of such Third Party Claim.

Notwithstanding anything to the contrary in this Section 22.7, Verizon shall have no obligation to defend FairPoint for, or pay any damages or other amounts in connection with, any Verizon Third Party Infringement Claim or portion thereof that arises from: (a) the combination, use, or operation of any Verizon Services or Service-Related Materials with any service or product, provided by the FairPoint Parties or any third party not acting on behalf of the Verizon Parties to the FairPoint Parties, provided the Verizon Services or Service-Related Materials would not be the subject of the Verizon Third Party Infringement Claim but for such combination, use, or operation of any Verizon Services or Service-Related Materials with the other service or product; (b) any addition to or modification of the Verizon Services or Service-Related Materials by any of the FairPoint Parties or any third party not acting on behalf of any of the Verizon Parties, or by any of the Verizon Parties at the written instruction of any of the FairPoint Parties, provided the Verizon Services or Service-Related Materials would not be the subject of the Third Party Infringement Claim but for such addition to or modification of the Verizon Services or Service-Related Materials; (c) use of other than the then-current unaltered release (except to the extent altered by any of the Verizon Parties) of any software used in the Verizon Services or Service-Related Materials provided any of the Verizon Parties have made such software available to any of the FairPoint Parties; (d) any service, equipment, system, product, process, method, or service of the FairPoint Parties or any third party that otherwise infringed any patent, copyright, trademark, service mark, trade secret, or similar intellectual property right asserted against the FairPoint Parties prior to the supply of the Verizon Services; (e) functionality outside of the scope of Verizon Services or Service-Related Materials described in the applicable Attachment that are provided by Verizon at the written direction of any of the FairPoint Parties (including the provision of functionality in accordance with technical specifications provided by any of the FairPoint Parties); or (f) use or operation, by any FairPoint Parties of Verizon Services or Service-Related Materials other than as specified in this Agreement or other documentation supplied by Verizon in connection with the Verizon Services or Service-Related Materials.

- 22.8 In the event of any FairPoint Third Party Infringement Claim for FairPoint Services or Service-Related Materials, FairPoint shall, at its sole expense (but subject to the terms of Section 20.2 hereof) assume the defense of such Claim and pay damages finally awarded against Verizon by a court of competent jurisdiction, or amounts agreed to in writing by FairPoint pursuant to a settlement of such Claim. For the avoidance of any doubt, FairPoint's obligations in this Section 22.8 shall not apply to FairPoint Third Party Patent Claims, for which FairPoint's sole and exclusive obligations and liability shall be to reasonably cooperate and assist Verizon in the defense of any such claims against Verizon as set forth in Section 22.2 hereof. In the event of a FairPoint Third

Party Patent Claim against Verizon for FairPoint Services or Service-Related Materials, Verizon shall have the right, without early termination fee or any other penalty, to terminate this Agreement upon written notice to FairPoint in the event FairPoint (i) cannot eliminate the alleged infringement or violation giving rise to the FairPoint Third Party Patent Claim, pursuant to Section 22.6 or (ii) does not agree in writing, to indemnify, defend and hold harmless Verizon for the FairPoint Third Party Patent Claim (provided that any such agreement shall be negotiated by the Parties in a good faith and diligent manner and executed by both Parties), within thirty (30) days following FairPoint's receipt of notice from Verizon of such Third Party Claim.

Notwithstanding anything to the contrary in this Section 22.8, FairPoint shall have no obligation to defend Verizon for, or pay any damages or other amounts in connection with, any FairPoint Third Party Infringement Claim or portion thereof that arises from: (a) the combination, use, or operation of any FairPoint Services or Service-Related Materials with any service or product, provided by the Verizon Parties or any third party not acting on behalf of the FairPoint Parties to the Verizon Parties, provided the FairPoint Services or Service-Related Materials would not be the subject of the FairPoint Third Party Infringement Claim but for such combination, use, or operation of any FairPoint Services or Service-Related Materials with the other service or product; (b) any addition to or modification of the FairPoint Services or Service-Related Materials by any of the Verizon Parties or any third party not acting on behalf of any of the FairPoint Parties, or by any of the FairPoint Parties at the written instruction of any of the Verizon Parties, provided the FairPoint Services or Service-Related Materials would not be the subject of the Third Party Infringement Claim but for such addition to or modification of the FairPoint Services or Service-Related Materials; (c) use of other than the then-current unaltered release (except to the extent altered by any of the FairPoint Parties) of any software used in the FairPoint Services or Service-Related Materials provided any of the FairPoint Parties have made such software available to any of the Verizon Parties; (d) any service, equipment, system, product, process, method, or service of the Verizon Parties of any third party that otherwise infringed any patent, copyright, trademark, service mark, trade secret, or similar intellectual property right asserted against the Verizon Parties prior to the supply of the FairPoint Services; (e) functionality outside of the scope of FairPoint Services or Service-Related Materials described in the applicable Attachment that are provided by FairPoint at the written direction of any of the Verizon Parties (including the provision of functionality in accordance with technical specifications provided by any of the Verizon Parties); or (f) use or operation, by any Verizon Parties of FairPoint Services or Service-Related Materials other than as specified in this Agreement or other documentation supplied by FairPoint in connection with the FairPoint Services or Service-Related Materials.

- 22.9 In the event of any Third Party Claim against Verizon alleging infringement of a third party's U.S. copyright or trademark, or misappropriation of the third party's trade secret by the Verizon Services or Service-Related Materials to the extent attributable to (a) the combination, use, or operation by the FairPoint Parties of any Verizon Services with any service or product provided by the FairPoint Parties, or any third party not acting on behalf of the Verizon Parties, to the FairPoint Parties, provided the Verizon Services would not be subject to the Third Party Claim but for such combination, use or operation; (b) any addition to or modification to the Verizon Services or Service-Related Materials by or on behalf of the Verizon Parties based upon the written request of any of the FairPoint Parties and/or pursuant to designs or technical specifications provided by any of the FairPoint Parties to the Verizon Parties, provided the Verizon Services or Service-Related Materials would not be subject to the Third Party Claim but for

such addition or modification; (c) use of other than the then-current unaltered release (except to the extent altered by any of the Verizon Parties) of any software used in the Verizon Services provided the Verizon Parties have made such software available to any of the FairPoint Parties; (d) any addition to or modification of the Verizon Services by the FairPoint Parties, end users acting upon the instructions of FairPoint, any third party not acting on behalf of the Verizon Parties, or by the Verizon Parties at the written instruction of, and/or pursuant to designs or technical specifications provided to any of the Verizon Parties by any of the FairPoint Parties, provided the Verizon Services would not be subject to the Third Party Claim but for such addition or modification; or (e) the FairPoint Parties' use or operation of Verizon Services other than as specified in this Agreement or other documentation supplied by the Verizon Parties in connection with the Verizon Services or Service-Related Materials (collectively, a "FairPoint-Related Third Party Infringement Claim"), FairPoint shall, at its sole expense (but subject to the terms of Section 20.2 hereof) assume the defense of such Claim and pay damages finally awarded against Verizon by a court of competent jurisdiction, or amounts agreed to in writing by FairPoint pursuant to a settlement of such Claim. For the avoidance of any doubt, in the event of any Third Party Claim against Verizon alleging infringement of the third party's patent based upon any acts or omissions of the FairPoint Parties as set forth in this Section 22.9 ("FairPoint-Related Third Party Patent Claim"), FairPoint's obligations in this Section 22.9 shall not apply to FairPoint-Related Third Party Patent Claims, for which FairPoint's sole and exclusive obligations and liability shall be to reasonably cooperate and assist Verizon in the defense of any such claims against Verizon as set forth in Section 22.2 hereof.

- 22.10 In the event of any Third Party Claim against FairPoint alleging infringement of a third party's U.S. copyright or trademark, or misappropriation of the third party's trade secret by the FairPoint Services or Service-Related Materials to the extent attributable to (a) the combination, use, or operation by the Verizon Parties of any FairPoint Services with any service or product provided by the Verizon Parties, or any third party not acting on behalf of the FairPoint Parties, to the Verizon Parties, provided the FairPoint Services would not be subject to the Third Party Claim but for such combination, use or operation; (b) any addition to or modification to the FairPoint Services or Service-Related Materials by or on behalf of the FairPoint Parties based upon the written request of any of the Verizon Parties and/or pursuant to designs or technical specifications provided by any of the Verizon Parties to the FairPoint Parties, provided the FairPoint Services or Service-Related Materials would not be subject to the Third Party Claim but for such addition or modification; (c) use of other than the then-current unaltered release (except to the extent altered by any of the FairPoint Parties) of any software used in the FairPoint Services provided the FairPoint Parties have made such software available to any of the Verizon Parties; (d) any addition to or modification of the FairPoint Services by the Verizon Parties, end users acting upon the instructions of Verizon, any third party not acting on behalf of the FairPoint Parties, or by the FairPoint Parties at the written instruction of, and/or pursuant to designs or technical specifications provided to any of the FairPoint Parties by any of the Verizon Parties, provided the FairPoint Services would not be subject to the Third Party Claim but for such addition or modification; or (e) the Verizon Parties' use or operation of FairPoint Services other than as specified in this Agreement or other documentation supplied by the FairPoint Parties in connection with the FairPoint Services or Service-Related Materials (collectively, a "Verizon-Related Third Party Infringement Claim"), Verizon shall, at its sole expense (but subject to the terms of Section 20.2 hereof) assume the defense of such Claim and pay damages finally awarded against FairPoint by a court of competent jurisdiction, or amounts agreed to in writing by Verizon

pursuant to a settlement of such Claim. For the avoidance of any doubt, in the event of any Third Party Claim against FairPoint alleging infringement of the third party's patent based upon any acts or omissions of the Verizon Parties as set forth in this Section 22.10 ("Verizon-Related Third Party Patent Claim"), Verizon's obligations in this Section 22.10 shall not apply to Verizon-Related Third Party Patent Claims, for which Verizon's sole and exclusive obligations and liability shall be to reasonably cooperate and assist in the defense of any such claims against FairPoint as set forth in Section 22.2 hereof.

- 22.11 If any FairPoint Services or Service-Related Materials become the subject of any Third Party Claim pursuant to Section 22.8 and as a result of an injunction or FairPoint's failure, inability or refusal to defend, indemnify and hold harmless the Verizon Parties, Verizon is unable to materially perform its obligations hereunder and/or the FairPoint Services are materially impaired, Verizon may, at its sole option terminate this Agreement without liability upon thirty (30) days written notice to FairPoint. For the avoidance of any doubt, Verizon's failure, inability or refusal to deliver the Verizon Services and/or to perform its obligations hereunder as a result of an injunction based on, or FairPoint's failure, inability or refusal to defend, indemnify and hold harmless the Verizon Parties against, a Third Party Claim pursuant to Section 22.8, shall not be deemed a breach of this Agreement.
- 22.12 If any Verizon Services or Service-Related Materials become the subject of any Third Party Claim pursuant to Section 22.7 and as a result of an injunction or Verizon's failure, inability or refusal to defend, indemnify and hold harmless the FairPoint Parties, FairPoint is unable to materially perform its obligations hereunder and/or the Verizon Services are materially impaired, FairPoint may, at its sole option terminate this Agreement without liability upon thirty (30) days written notice to Verizon. For the avoidance of any doubt, FairPoint's failure, inability or refusal to deliver the FairPoint Services and/or to perform its obligations hereunder as a result of an injunction based on, or Verizon's failure, inability or refusal to defend, indemnify and hold harmless the FairPoint Parties against, a Third Party Claim pursuant to Section 22.7, shall not be deemed a breach of this Agreement.
- 22.13 VERIZON'S OBLIGATIONS AS SET FORTH IN SECTION 22 SHALL BE VERIZON'S SOLE AND EXCLUSIVE OBLIGATION AND LIABILITY, AND FAIRPOINT'S SOLE AND EXCLUSIVE RIGHTS AND REMEDIES, WITH RESPECT TO VERIZON THIRD PARTY INFRINGEMENT CLAIMS AND VERIZON-RELATED THIRD PARTY INFRINGEMENT CLAIMS AND VERIZON THIRD PARTY PATENT CLAIMS AND VERIZON-RELATED THIRD PARTY PATENT CLAIMS. FOR THE AVOIDANCE OF ANY DOUBT, ANY REMEDIES PROVIDED BY VERIZON PURSUANT TO SECTION 22.6 (WHICH ARE AT VERIZON'S SOLE DISCRETION) SHALL NOT IN ANY WAY EXPAND OR INCREASE VERIZON'S OBLIGATIONS OR LIABILITY BEYOND THAT SET FORTH IN SECTIONS 22.7 AND 22.10 HEREOF. FAIRPOINT'S OBLIGATIONS AS SET FORTH IN SECTION 22 SHALL BE FAIRPOINT'S SOLE AND EXCLUSIVE OBLIGATION AND LIABILITY, AND VERIZON'S SOLE AND EXCLUSIVE RIGHTS AND REMEDIES, WITH RESPECT TO FAIRPOINT THIRD PARTY INFRINGEMENT CLAIMS AND FAIRPOINT-RELATED THIRD PARTY INFRINGEMENT CLAIMS AND FAIRPOINT THIRD PARTY PATENT CLAIMS AND FAIRPOINT-RELATED THIRD PARTY PATENT CLAIMS. FOR THE AVOIDANCE OF ANY DOUBT, ANY REMEDIES PROVIDED BY FAIRPOINT PURSUANT TO SECTION 22.6 (WHICH ARE AT FAIRPOINT'S SOLE DISCRETION) SHALL NOT IN ANY WAY EXPAND OR INCREASE FAIRPOINT'S OBLIGATIONS OR LIABILITY BEYOND THAT SET FORTH IN SECTIONS 22.8 AND 22.9 HEREOF.

23. Joint Work Product

The Principal Document is the joint work product of the Parties, has been negotiated by the Parties, and shall be fairly interpreted in accordance with its terms. In the event of any ambiguities, no inferences shall be drawn against either Party.

24. Law Enforcement

- 24.1 Each Party may cooperate with law enforcement authorities and national security authorities to the full extent required or permitted by Applicable Law in matters related to Services provided by it under this Agreement, including, but not limited to, the production of records, the establishment of new lines or the installation of new services on an existing line in order to support law enforcement and/or national security operations, and, the installation of wiretaps, trap-and-trace facilities and equipment, and dialed number recording facilities and equipment.
- 24.2 A Party shall not have the obligation to inform the other Party or the Customers of the other Party of actions taken in cooperating with law enforcement or national security authorities, except to the extent required by Applicable Law.
- 24.3 Where a law enforcement or national security request relates to the establishment of lines (including, but not limited to, lines established to support interception of communications on other lines), or the installation of other services, facilities or arrangements, a Party may act to prevent the other Party from obtaining access to information concerning such lines, services, facilities and arrangements, through operations support system interfaces.

25. Liability

- 25.1 As used in this Section 25, "Service Failure" means a failure to comply with a direction to install, restore or terminate Services under this Agreement, a failure to provide Services under this Agreement, and failures, mistakes, omissions, interruptions, delays, errors, defects or the like, occurring in the course of the provision of any Services under this Agreement.
- 25.2 Except as otherwise stated in Section 25.5, the liability, if any, of a Party, a Party's Affiliates, and the directors, officers and employees of a Party and a Party's Affiliates, to the other Party, the other Party's Customers, and to any other person, for Claims arising out of a Service Failure shall not exceed an amount equal to the pro rata applicable monthly charge for the Services that are subject to the Service Failure for the period in which such Service Failure occurs.
- 25.3 Except as otherwise stated in Section 25.5, a Party, a Party's Affiliates, and the directors, officers and employees of a Party and a Party's Affiliates, shall not be liable to the other Party, the other Party's Customers, or to any other person, in connection with this Agreement (including, but not limited to, in connection with a Service Failure or any breach, delay or failure in performance, of this Agreement) for special, indirect, incidental, consequential, reliance, exemplary, punitive, or like damages, including, but not limited to, damages for lost revenues, profits or savings, or other commercial or economic loss, even if the person whose liability is excluded by this Section has been advised of the possibility of such damages.
- 25.4 The limitations and exclusions of liability stated in Sections 25.1 through 25.3 shall apply regardless of the form of a claim or action, whether statutory, in contract, warranty, strict liability, tort (including, but not limited to, negligence of a Party), or otherwise.

- 25.5 Nothing contained in Sections 25.1 through 25.4 shall exclude or limit liability:
 - 25.5.1 under Sections 20, Indemnification, or 41, Taxes.
 - 25.5.2 for any obligation to indemnify, defend and/or hold harmless that a Party may have under this Agreement.
 - 25.5.3 for damages arising out of or resulting from bodily injury to or death of any person, or damage to, or destruction or loss of, tangible real and/or personal property of any person, or Toxic or Hazardous Substances, to the extent such damages are otherwise recoverable under Applicable Law;
 - 25.5.4 for a claim for infringement of any patent, copyright, trade name, trade mark, service mark, or other intellectual property interest;
 - 25.5.5 under Section 258 of the Act or any order of FCC or the Commission implementing Section 258; or
 - 25.5.6 under the financial incentive or remedy provisions of any service quality plan required by the FCC or the Commission.
- 25.6 In the event that the liability of a Party, a Party's Affiliate, or a director, officer or employee of a Party or a Party's Affiliate, is limited and/or excluded under both this Section 25 and a provision of an applicable Tariff, the liability of the Party or other person shall be limited to the smaller of the amounts for which such Party or other person would be liable under this Section or the Tariff provision.
- 25.7 Each Party shall, in its tariffs and other contracts with its Customers, provide that in no case shall the other Party, the other Party's Affiliates, or the directors, officers or employees of the other Party or the other Party's Affiliates, be liable to such Customers or other third-persons for any special, indirect, incidental, consequential, reliance, exemplary, punitive or other damages, arising out of a Service Failure.

26. Network Management

- 26.1 Cooperation. The Parties will work cooperatively in a commercially reasonable manner to install and maintain a reliable network. FairPoint and Verizon will exchange appropriate information (e.g., network information, maintenance contact numbers, escalation procedures, and information required to comply with requirements of law enforcement and national security agencies) to achieve this desired reliability. In addition, the Parties will work cooperatively in a commercially reasonable manner to apply sound network management principles to alleviate or to prevent traffic congestion and subject to Section 17, to minimize fraud associated with third number billed calls, calling card calls, and other services related to this Agreement.
- 26.2 Responsibility for Following Standards. Each Party recognizes a responsibility to follow the standards that may be agreed to between the Parties and to employ characteristics and methods of operation that will not interfere with or impair the service, network or facilities of the other Party or any third parties connected with or involved directly in the network or facilities of the other.
- 26.3 Interference or Impairment. If a Party ("Impaired Party") reasonably determines that the services, network, facilities, or methods of operation, of the other Party ("Interfering Party") will or are likely to interfere with or impair the Impaired Party's

provision of services or the operation of the Impaired Party's network or facilities, the Impaired Party may interrupt or suspend any Service used by the Impaired Party or provided to the Interfering Party to the extent necessary to prevent such interference or impairment, subject to the following:

26.3.1 Except in emergency situations (e.g., situations involving a risk of bodily injury to persons or damage to tangible property, or an interruption in Customer service) or as otherwise provided in this Agreement, the Impaired Party shall have given the Interfering Party at least ten (10) days' prior written notice of the interference or impairment or potential interference or impairment and the need to correct the condition within said time period; and taken other actions, if any, required by Applicable Law; and,

26.3.2 Upon correction of the interference or impairment, the Impaired Party will promptly restore the interrupted or suspended Service. The Impaired Party shall not be obligated to provide an out-of-service credit allowance or other compensation to the Interfering Party in connection with the suspended Service.

26.4 Outage Repair Standard. In the event of an outage or trouble in any Service being provided by a Party hereunder, the Providing Party will follow Verizon's standard procedures for isolating and clearing the outage or trouble.

27. Non-Exclusive Remedies

Except as otherwise expressly provided in this Agreement, each of the remedies provided under this Agreement is cumulative and is in addition to any other remedies that may be available under this Agreement or at law or in equity.

28. Notice of Network Changes

If a Party makes a change in the information necessary for the transmission and routing of services using that Party's facilities or network, or any other change in its facilities or network that will materially affect the interoperability of its facilities or network with the other Party's facilities or network, the Party making the change shall publish notice of the change at least ninety (90) days in advance of such change, and shall use reasonable efforts, as commercially practicable, to publish such notice at least one hundred eighty (180) days in advance of the change; provided, however, that if an earlier publication of notice of a change is required by Applicable Law (including, but not limited to, 47 CFR 51.325 through 51.335) notice shall be given at the time required by Applicable Law.

29. Notices

29.1 Except as otherwise provided in this Agreement, notices given by one Party to the other Party under this Agreement:

29.1.1 shall be in writing;

29.1.2 shall be delivered (a) personally, (b) by express delivery service with next Business Day delivery, (c) by first class, certified or registered U.S. mail, postage prepaid, or (d) by facsimile telecopy, with a copy delivered in accordance with (a), (b) or (c), preceding; and

29.1.3 shall be delivered to the following addresses of the Parties:

To FairPoint:

Jeff Heins
Legal Dept.
FairPoint Communications, Inc.
1 Davis Farm Rd., 2d Floor
Portland, Maine 04103

With a copy to:

Executive Vice President, General Counsel and Secretary
FairPoint Communications, Inc.
521 East Morehead Street, Suite 250
Charlotte, North Carolina 28202

To Verizon:

Director-Negotiations
Verizon Partner Solutions
600 Hidden Ridge
HQEWMNOTICES
Irving, TX 75038
Facsimile Number: (972) 719-1519
Internet Address: wmnotices@verizon.com

with a copy to:

Vice President and Deputy General Counsel
Verizon Partner Solutions
1515 North Court House Road
Suite 500
Arlington, VA 22201
Facsimile: (703) 351-3664

or to such other address as either Party shall designate by proper notice.

Notices will be deemed given as of the earlier of (a) where there is personal delivery of the notice, the date of actual receipt, (b) where the notice is sent via express delivery service for next Business Day delivery, the next Business Day after the notice is sent, (c) where the notice is sent via First Class U.S. Mail, three (3) Business Days after mailing, (d) where notice is sent via certified or registered U.S. mail, the date of receipt shown on the Postal Service receipt, and (e) where the notice is sent via facsimile telecopy, if the notice is sent on a Business Day and before 5 PM. in the time zone where it is received, on the date set forth on the telecopy confirmation, or if the notice is sent on a non-Business Day or if the notice is sent after 5 PM in the time zone where it is received, the next Business Day after the date set forth on the telecopy confirmation.

30. Order and Maintenance

FairPoint shall use Verizon's electronic Operations Support System access platforms to submit Orders and requests for maintenance and repair of Services, and to engage in other pre-ordering, ordering, provisioning, maintenance and repair transactions. If Verizon has not yet deployed an electronic capability for FairPoint to perform a pre-ordering, ordering, provisioning, maintenance or repair, transaction offered by Verizon, FairPoint shall use such other processes as Verizon has made available for performing such transaction (including, but not limited, to submission of Orders by telephonic facsimile transmission and placing trouble reports by voice telephone transmission).

31. Performance Standards

- 31.1 Verizon shall provide Services under this Agreement in accordance with the performance standards required by Applicable Law, including, but not limited to, Section 251(c) of the Act.
- 31.2 FairPoint shall provide Services under this Agreement in accordance with the performance standards required by Applicable Law, including, but not limited to, Section 251(c) of the Act.

32. Point of Contact for FairPoint Customers.

- 32.1 FairPoint shall establish telephone numbers and mailing addresses at which FairPoint Customers may communicate with FairPoint and shall advise FairPoint Customers of these telephone numbers and mailing addresses.
- 32.2 Except as otherwise agreed to by Verizon, Verizon shall have no obligation, and may decline, to accept a communication from a FairPoint Customer, including, but not limited to, a FairPoint Customer request for repair or maintenance of a Verizon Service provided to FairPoint.

33. Predecessor Agreements

- 33.1 Except as stated in Section 33.2 or as otherwise agreed in writing by the Parties:
 - 33.1.1 Further to the provisions of Section 1 of the General Terms and Conditions of this Agreement, any prior interconnection or resale agreement between the Parties for the Commonwealth of Massachusetts and the State of Vermont pursuant to Section 252 of the Act and in effect prior to the Effective Date is hereby amended, extended and restated; and
 - 33.1.2 any Services that were purchased by one Party from the other Party under a prior interconnection or resale agreement between the Parties for the Commonwealth of Massachusetts and the State of Vermont pursuant to Section 252 of the Act and in effect prior to the Effective Date, shall as of the Effective Date be subject to and purchased under this Agreement.
- 33.2 Except as otherwise agreed in writing by the Parties, if a Service purchased by a Party under a prior interconnection or resale agreement between the Parties pursuant to Section 252 of the Act was subject to a contractual commitment that it would be purchased for a period of longer than one month, and such period had not yet expired as of the Effective Date and the Service had not been terminated prior to the Effective Date, to the extent not inconsistent with this Agreement, such commitment shall remain in effect and the Service will be purchased under this Agreement; provided, that if this Agreement would materially alter the terms of the commitment, either Party may elect to cancel the commitment.
- 33.3 If either Party elects to cancel the commitment pursuant to the proviso in Section 33.2, the Purchasing Party shall not be liable for any termination charge that would otherwise have applied. However, if the commitment was cancelled by the Purchasing Party, the Providing Party shall be entitled to payment from the Purchasing Party of the difference between the price of the Service that was actually paid by the Purchasing Party under the commitment and the price of the Service that would have applied if the commitment had been to purchase the Service only until the time that the commitment was cancelled.

34. Publicity and Use of Trademarks or Service Marks

- 34.1 A Party, its Affiliates, and their respective contractors and Agents, shall not use the other Party's trademarks, service marks, logos or other proprietary trade dress, in connection with the sale of products or services, or in any advertising, press releases, publicity matters or other promotional materials, unless the other Party has given its written consent for such use, which consent the other Party may grant or withhold in its sole discretion.
- 34.2 Neither Party may imply any direct or indirect affiliation with or sponsorship or endorsement of it or its services or products by the other Party.
- 34.3 Any violation of this Section 34 shall be considered a material breach of this Agreement.

35. References

- 35.1 All references to Sections, Appendices and Exhibits shall be deemed to be references to Sections, Appendices and Exhibits of this Agreement unless the context shall otherwise require.
- 35.2 Unless the context shall otherwise require, any reference to a Tariff, agreement, technical or other document (including Verizon or third party guides, practices or handbooks), or provision of Applicable Law, is to such Tariff, agreement, document, or provision of Applicable Law, as amended and supplemented from time to time (and, in the case of a Tariff or provision of Applicable Law, to any successor Tariff or provision).

36. Relationship of the Parties

- 36.1 The relationship of the Parties under this Agreement shall be that of independent contractors and nothing herein shall be construed as creating any other relationship between the Parties.
- 36.2 Nothing contained in this Agreement shall make either Party the employee of the other, create a partnership, joint venture, or other similar relationship between the Parties, or grant to either Party a franchise, distributorship or similar interest.
- 36.3 Except for provisions herein expressly authorizing a Party to act for another Party, nothing in this Agreement shall constitute a Party as a legal representative or Agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against, in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party in writing, which permission may be granted or withheld by the other Party in its sole discretion.
- 36.4 Each Party shall have sole authority and responsibility to hire, fire, compensate, supervise, and otherwise control its employees, Agents and contractors. Each Party shall be solely responsible for payment of any Social Security or other taxes that it is required by Applicable Law to pay in conjunction with its employees, Agents and contractors, and for withholding and remitting to the applicable taxing authorities any taxes that it is required by Applicable Law to collect from its employees.
- 36.5 Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.

36.6 The relationship of the Parties under this Agreement is a non-exclusive relationship.

37. Reservation of Rights

37.1 Notwithstanding anything to the contrary in this Agreement, neither Party waives, and each Party hereby expressly reserves, its rights: (a) to appeal or otherwise seek the reversal of and changes in any arbitration decision associated with this Agreement; (b) to challenge the lawfulness of this Agreement and any provision of this Agreement; (c) to seek changes in this Agreement (including, but not limited to, changes in rates, charges and the Services that must be offered) through changes in Applicable Law; (d) to challenge the lawfulness and propriety of, and to seek to change, any Applicable Law, including, but not limited to any rule, regulation, order or decision of the Commission, the FCC, or a court of applicable jurisdiction; and (e) to collect debts owed to it under any prior interconnection or resale agreements. Nothing in this Agreement shall be deemed to limit or prejudice any position a Party has taken or may take before the Commission, the FCC, any other state or federal regulatory or legislative bodies, courts of applicable jurisdiction, or industry fora. The provisions of this Section shall survive the expiration, cancellation or termination of this Agreement.

37.2 FairPoint acknowledges FairPoint has been advised by Verizon that it is Verizon's position that this Agreement contains certain provisions which are intended to reflect Applicable Law and Commission and/or FCC arbitration decisions.

38. Subcontractors

A Party may use a contractor of the Party (including, but not limited to, an Affiliate of the Party) to perform the Party's obligations under this Agreement; provided, that a Party's use of a contractor shall not release the Party from any duty or liability to fulfill the Party's obligations under this Agreement.

39. Successors and Assigns

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

40. Survival

The rights, liabilities and obligations of a Party for acts or omissions occurring prior to the expiration, cancellation or termination of this Agreement, the rights, liabilities and obligations of a Party under any provision of this Agreement regarding confidential information (including but not limited to, Section 10), indemnification or defense (including, but not limited to, Section 20), or limitation or exclusion of liability (including, but not limited to, Section 25), and the rights, liabilities and obligations of a Party under any provision of this Agreement which by its terms or nature is intended to continue beyond or to be performed after the expiration, cancellation or termination of this Agreement, shall survive the expiration, cancellation or termination of this Agreement.

41. Taxes

41.1 In General. With respect to any purchase of Services under this Agreement, if any federal, state or local tax, fee, surcharge or other tax-like charge, excluding any tax levied on property or net income, (a "Tax") is required or permitted by Applicable Law or a Tariff to be collected from the Purchasing Party by the

Providing Party, then (a) the Providing Party shall bill the Purchasing Party for such Tax, as a separately stated item on the invoice, (b) the Purchasing Party shall timely remit such Tax to the Providing Party and (c) the Providing Party shall timely remit such collected Tax to the applicable taxing authority as and to the extent required by Applicable Law.

- 41.2 Taxes Imposed on the Providing Party or Receipts. With respect to any purchase of Services under this Agreement, if any federal, state or local Tax is imposed by Applicable Law on the receipts of the Providing Party, and such Applicable Law permits the Providing Party to exclude certain receipts received from sales to a public utility, distributor, telephone company, local exchange carrier, telecommunications company or other communications company ("Telecommunications Company"), such exclusion being based on the fact that the Purchasing Party is also subject to a tax based upon receipts ("Receipts Tax"), then the Purchasing Party shall pay and remit the Receipts Tax as required by Applicable Law.
- 41.3 Taxes Imposed on Subscriber. With respect to any purchase of Services under this Agreement that are resold to a third party, if any federal, state or local Tax is imposed by Applicable Law on the subscriber, end-user, customer or ultimate consumer ("Subscriber") in connection with any such purchase, which a Telecommunications Company is required to impose and/or collect from a Subscriber, or if any federal, state or local Tax is imposed on the Providing Party and required by Applicable Law to be passed through to the Subscriber, then the Purchasing Party (a) shall impose and/or collect such Tax from the Subscriber and (b) shall timely remit such Tax to the applicable taxing authority.
- 41.4 Tax Exemptions and Exemption Certificates. If Applicable Law clearly exempts a purchase hereunder from a Tax, and if such Applicable Law also provides an exemption procedure, such as an exemption certificate requirement, then, if the Purchasing Party complies with such procedure, the Providing Party shall not collect such Tax during the effective period of such exemption. Such exemption shall be effective upon receipt of the exemption certificate or affidavit in accordance with the terms set forth in Section 41.7. If Applicable Law clearly exempts a purchase hereunder from a Tax, but does not also provide an exemption procedure, then the Providing Party shall not collect such Tax if the Purchasing Party (a) furnishes the Providing Party with a letter signed by an officer requesting such an exemption and citing the provision in the Applicable Law which clearly allows such exemption and (b) supplies the Providing Party with an indemnification agreement, acceptable to the Providing Party, which holds the Providing Party harmless on an after-tax basis with respect to its forbearing to collect such Tax.
- 41.5 Liability for Uncollected Tax, Interest and Penalty.
- 41.5.1 If the Providing Party has not received an exemption certificate from the Purchasing Party and the Providing Party fails to bill the Purchasing Party for any Tax as required by Section 41.1, then, as between the Providing Party and the Purchasing Party, (a) the Purchasing Party shall remain liable for such unbilled Tax and any interest assessed thereon and (b) the Providing Party shall be liable for any penalty assessed with respect to such unbilled Tax by a taxing authority.
- 41.5.2 If the Providing Party properly bills the Purchasing Party for any Tax but the Purchasing Party fails to remit such Tax to the Providing Party as required by Section 41.2, then, as between the Providing Party and the Purchasing Party, the Purchasing Party shall be liable for such

uncollected Tax and any interest assessed thereon, as well as any penalty assessed with respect to such uncollected Tax by the applicable taxing authority.

- 41.5.3 If the Providing Party does not collect any Tax as required by Section 41.1 because the Purchasing Party has provided such Providing Party with an exemption certificate that is later found to be inadequate, invalid or inapplicable by a taxing authority, then, as between the Providing Party and the Purchasing Party, the Purchasing Party shall be liable for such uncollected Tax and any interest assessed thereon, as well as any penalty assessed with respect to such uncollected Tax by the applicable taxing authority.
- 41.5.4 If the Purchasing Party fails to pay the Receipts Tax as required by Section 41.2, then, as between the Providing Party and the Purchasing Party, (a) the Providing Party shall be liable for any Tax imposed on its receipts and (b) the Purchasing Party shall be liable for any interest assessed thereon and any penalty assessed upon the Providing Party with respect to such Tax by the applicable taxing authority.
- 41.5.5 If the Purchasing Party fails to impose and/or collect any Tax from Subscribers as required by Section 41.3, then, as between the Providing Party and the Purchasing Party, the Purchasing Party shall remain liable for such uncollected Tax and any interest assessed thereon, as well as any penalty assessed with respect to such uncollected Tax by the applicable taxing authority. With respect to any Tax that the Purchasing Party has agreed to pay, or is required to impose on and/or collect from Subscribers, the Purchasing Party agrees to indemnify and hold the Providing Party harmless on an after-tax basis for any costs incurred by the Providing Party as a result of actions taken by the applicable taxing authority to recover the Tax from the Providing Party due to the failure of the Purchasing Party to timely pay, or collect and timely remit, such Tax to such authority.
- 41.6 Audit Cooperation. In the event either Party is audited by a taxing authority, the other Party agrees to cooperate fully with the Party being audited in order to respond to any audit inquiries in a proper and timely manner so that the audit and/or any resulting controversy may be resolved expeditiously.
- 41.7 Notices. All notices, affidavits, exemption-certificates or other communications required or permitted to be given by either Party to the other, for purposes of this Section 41, shall be made in writing and shall be delivered in person or sent by certified mail, return receipt requested, or registered mail, or a courier service providing proof of service, and sent to the addressees set forth in Section 29 as well as to the following:

To Verizon:

Verizon Communications
Tax Department
One Verizon Way, VC53S-221
Basking Ridge, NJ 07920

To FairPoint:

Jeff Heins
Legal Dept.

FairPoint Communications, Inc.
1 Davis Farm Rd., 2d Floor
Portland, Maine 04103

With a copy to:

Executive Vice President, General Counsel and Secretary
FairPoint Communications, Inc.
521 East Morehead Street, Suite 250
Charlotte, North Carolina 28202

Each Party may from time to time designate another address or other addressees by giving notice in accordance with the terms of this Section. Any notice or other communication shall be deemed to be given when received.

42. Technology Upgrades

Notwithstanding any other provision of this Agreement, each Party shall have the right to deploy, upgrade, migrate and maintain its network at its discretion. Nothing in this Agreement shall limit either Party's ability to modify its network through the incorporation of new equipment or software or otherwise.

43. Territory

43.1 Notwithstanding any other provision of this Agreement, this Agreement applies only to the exchange of applicable traffic from Verizon's Customers to FairPoint's Customers and other end users in the non-optional Extended Local Calling Scope Arrangements listed in Schedule 1 and the exchange of applicable traffic from FairPoint's Customers to Verizon's Customers and other end users in the non-optional Extended Local Calling Scope Arrangements listed in Schedule 2. For the avoidance of any doubt, if FairPoint offers local exchange service within any territory in the Commonwealth of Massachusetts in which Verizon operates as an Incumbent Local Exchange Carrier, this Agreement shall not apply to any traffic exchanged within such territory, and FairPoint shall be required to enter into a separate interconnection agreement with Verizon (with respect to such territory) before FairPoint exchanges any traffic with Verizon.

43.2 Notwithstanding any other provision of this Agreement, Verizon may terminate this Agreement as to a specific operating territory or portion thereof if Verizon sells or otherwise transfers its operations in such territory or portion thereof to a third-person. Verizon shall provide FairPoint with at least 90 calendar days prior written notice of such termination, which shall be effective upon the date specified in the notice.

43.3 Notwithstanding any other provision of this Agreement, FairPoint may terminate this Agreement as to a specific operating territory or portion thereof if FairPoint sells or otherwise transfers its operations in such territory or portion thereof to a third-person. FairPoint shall provide Verizon with at least 90 calendar days prior written notice of such termination, which shall be effective upon the date specified in the notice.

44. Third Party Beneficiaries

Except as expressly set forth in this Agreement, this Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein shall create or be construed to provide any third-persons (including, but not limited to, Customers or contractors of a Party) with any rights (including, but not limited to, any third-party beneficiary rights)

hereunder. Except as expressly set forth in this Agreement, a Party shall have no liability under this Agreement to the Customers of the other Party or to any other third person.

45. [This Section Intentionally Left Blank]

46. 252(i) Obligations

To the extent required by Applicable Law, each Party shall comply with Section 252(i) of the Act.

47. Use of Service

Each Party shall make commercially reasonable efforts to ensure that its Customers comply with the provisions of this Agreement (including, but not limited to the provisions of applicable Tariffs) applicable to the use of Services purchased by it under this Agreement.

48. Waiver

A failure or delay of either Party to enforce any of the provisions of this Agreement, or any right or remedy available under this Agreement or at law or in equity, or to require performance of any of the provisions of this Agreement, or to exercise any option which is provided under this Agreement, shall in no way be construed to be a waiver of such provisions, rights, remedies or options.

49. Warranties

EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, NEITHER PARTY MAKES OR RECEIVES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES PROVIDED, OR TO BE PROVIDED, UNDER THIS AGREEMENT AND THE PARTIES DISCLAIM ANY OTHER WARRANTIES, INCLUDING BUT NOT LIMITED TO, **WARRANTIES OF MERCHANTABILITY, WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE** WARRANTIES AGAINST INFRINGEMENT, AND WARRANTIES ARISING BY TRADE CUSTOM, TRADE USAGE, COURSE OF DEALING OR PERFORMANCE, OR OTHERWISE.

50. Withdrawal of Services

50.1 Notwithstanding anything contained in this Agreement, except as otherwise required by Applicable Law, Verizon may terminate its offering and/or provision of any Service under this Agreement upon thirty (30) days prior written notice to FairPoint.

50.2 Notwithstanding anything contained in this Agreement, except as otherwise required by Applicable Law, Verizon may with thirty (30) days prior written notice to FairPoint terminate any provision of this Agreement that provides for the payment by Verizon to FairPoint of compensation related to traffic, including, but not limited to, Reciprocal Compensation and other types of compensation for termination of traffic delivered by Verizon to FairPoint. Following such termination, except as otherwise agreed in writing by the Parties, Verizon shall be obligated to provide compensation to FairPoint related to traffic only to the extent required by Applicable Law. If Verizon exercises its right of termination under this Section 50.2, the Parties shall negotiate in good faith appropriate substitute provisions for compensation related to traffic; provided, however, that except as otherwise voluntarily agreed by Verizon in writing in its sole discretion, Verizon shall be obligated to provide compensation to FairPoint related to traffic only to the extent required by Applicable Law. If within thirty (30) days after

Verizon's notice of termination the Parties are unable to agree in writing upon mutually acceptable substitute provisions for compensation related to traffic, either Party may submit their disagreement to dispute resolution in accordance with Section 14 of this Agreement.

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SIGNATURE PAGE

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date.

TELEPHONE OPERATING COMPANY OF VERMONT LLC

VERIZON NEW ENGLAND INC. D/B/A VERIZON MASSACHUSETTS

By: Shirley J. Linn

By: Jeffrey A. Masoner

Printed: Shirley J. Linn

Printed: Jeffrey A. Masoner

Title: Executive Vice President

Title: Vice President - Interconnection Services

Date: 4-2-08

Date: 4/1/08

GLOSSARY

1. General Rule

- 1.1 The provisions of Sections 1.2 through 1.4 and Section 2 apply with regard to the Principal Document. Terms used in a Tariff shall have the meanings stated in the Tariff.
- 1.2 Unless the context clearly indicates otherwise, when a term listed in this Glossary is used in the Principal Document, the term shall have the meaning stated in this Glossary. A defined term intended to convey the meaning stated in this Glossary is capitalized when used. Other terms that are capitalized, and not defined in this Glossary or elsewhere in the Principal Document, shall have the meaning stated in the Act. Additional definitions that are specific to the matters covered in a particular provision of the Principal Document may appear in that provision. To the extent that there may be any conflict between a definition set forth in this Glossary and any definition in a specific provision, the definition set forth in the specific provision shall control with respect to that provision.
- 1.3 Unless the context clearly indicates otherwise, any term defined in this Glossary which is defined or used in the singular shall include the plural, and any term defined in this Glossary which is defined or used in the plural shall include the singular.
- 1.4 The words "shall" and "will" are used interchangeably throughout the Principal Document and the use of either indicates a mandatory requirement. The use of one or the other shall not confer a different degree of right or obligation for either Party.

2. Definitions

- 2.1 Act.
The Communications Act of 1934 (47 U.S.C. §151 et seq.), as from time to time amended (including, but not limited to, by the Telecommunications Act of 1996).
- 2.2 Affiliate.
Shall have the meaning set forth in the Act.
- 2.3 Agent.
An agent or servant.
- 2.4 Agreement.
This Agreement, as defined in Section 1 of the General Terms and Conditions.
- 2.5 Ancillary Traffic.
All traffic that is destined for ancillary services, or that may have special billing requirements, including but not limited to the following: directory assistance, 911/E911, operator services (IntraLATA call completion), IntraLATA third party, collect and calling card, 800/888 database query and LIDB.
- 2.6 ANI (Automatic Number Identification).

The signaling parameter that refers to the number transmitted through the network identifying the billing number of the calling party.

2.7 Applicable Law.

All effective laws, government regulations and government orders, applicable to each Party's performance of its obligations under this Agreement.

2.8 ATIS.

Alliance for Telecommunications Industry Solutions.

2.9 ATIS/OBF-EMI.

Alliance for Telecommunication Industry Solutions Ordering and Billing Forum, formerly known as Telcordia Industries, Inc.

2.10 Business Day.

Monday through Friday, except for holidays observed by Verizon.

2.11 Calendar Quarter.

January through March, April through June, July through September, or October through December.

2.12 Calendar Year.

January through December.

2.13 CCS (Common Channel Signaling).

A method of transmitting call set-up and network control data over a digital signaling network separate from the public switched telephone network facilities that carry the actual voice or data content of the call.

2.14 Central Office.

An End Office or Tandem. Sometimes this term is used to refer to a telephone company building in which switching systems and telephone equipment are installed.

2.15 Claims.

Any and all claims, demands, suits, actions, settlements, judgments, fines, penalties, liabilities, injuries, damages, losses, costs (including, but not limited to, court costs), and expenses (including, but not limited to, reasonable attorney's fees).

2.16 CLEC (Competitive Local Exchange Carrier).

Any Local Exchange Carrier other than Verizon that is operating as a Local Exchange Carrier in the territory in which Verizon operates as an ILEC in the State of Vermont and any Local Exchange Carrier other than FairPoint that is operating as a Local Exchange Carrier in the territory in which FairPoint operates as an ILEC in the State of Vermont.

2.17 CLLI Codes.

Common Language Location Identifier Codes.

2.18 CMDS (Centralized Message Distribution System).

The billing record and clearing house transport system that LECs use to exchange out collects and in collects as well as Carrier Access Billing System (CABS) records.

2.19 Commission.

For Services, facilities and arrangements provided by Verizon in the Commonwealth of Massachusetts, the term "Commission" shall mean the Massachusetts Department of Telecommunications & Cable. For Services, facilities and arrangements provided by FairPoint in the State of Vermont, the term "Commission" shall mean the Vermont Public Service Board.

2.20 CPN (Calling Party Number).

A CCS parameter that identifies the calling party's telephone number.

2.21 CPNI (Customer Proprietary Network Information).

Shall have the meaning set forth in Section 222 of the Act, 47 U.S.C. § 222.

2.22 Customer.

A third party residence or business end-user subscriber to Telephone Exchange Services provided by either of the Parties.

2.23 Digital Signal Level.

One of several transmission rates in the time-division multiplex hierarchy.

2.24 DSO (Digital Signal Level 0).

The 64kbps zero-level signal in the time-division multiplex hierarchy.

2.25 DS1 (Digital Signal Level 1).

The 1.544 Mbps first-level signal in the time-division multiplex hierarchy.

2.26 DS3 (Digital Signal Level 3).

The 44.736 Mbps third-level signal in the time-division multiplex hierarchy.

2.27 EMI (Exchange Message Interface).

Standard used for the interexchange of telecommunications message information between local exchange carriers and interexchange carriers for billable, non-billable, sample, settlement and study data. Data is provided between companies via a unique record layout that contains Customer billing information, account summary and tracking analysis. EMI format is contained in document SR-320 published by ATIS.

2.28 End Office.

A switching entity that is used for connecting lines to lines or lines to trunks for the purpose of originating/terminating calls. Sometimes this term is used to refer

to a telephone company building in which switching systems and telephone equipment are installed.

2.29 Exchange Area Boundary (EAB) Arrangement.

An interconnection arrangement whereby the transmission facilities of Verizon and FairPoint meet at a mutually agreed-upon location at the franchise territory boundary where Verizon and FairPoint have separate but contiguous service territories. An EAB arrangement is subject to technical feasibility and the availability of facilities.

2.30 Exchange Access.

Shall have the meaning set forth in the Act.

2.31 Extended Local Calling Scope Arrangement.

An arrangement that provides a Customer a local calling scope (Extended Area Service, "EAS"), outside of the Customer's basic exchange serving area. Extended Local Calling Scope Arrangements may be either optional or non-optional. "Optional Extended Local Calling Scope Arrangement Traffic" is traffic that under an optional Extended Local Calling Scope Arrangement chosen by the Customer terminates outside of the Customer's basic exchange serving area.

2.32 FCC.

The Federal Communications Commission.

2.33 FCC Internet Order.

Order on Remand and Report and Order, In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP Bound Traffic, FCC 01-131, CC Docket Nos. 96-98 and 99-68, (adopted April 18, 2001).

2.34 FCC Regulations.

The unstayed, effective regulations promulgated by the FCC, as amended from time to time.

2.35 ILEC (Incumbent Local Exchange Carrier).

Shall have the meaning stated in the Act. Verizon and FairPoint are ILECs.

2.36 Information Access.

The provision of specialized exchange telecommunications services in connection with the origination, termination, transmission, switching, forwarding or routing of telecommunications traffic to or from the facilities of a provider of information services, including a provider of Internet access or Internet transmission services.

2.37 Internet Traffic.

Any traffic that is transmitted to or returned from the Internet at any point during the duration of the transmission.

2.38 InterLATA Service.

Shall have the meaning set forth in the Act.

2.39 IntraLATA.

Telecommunications that originate and terminate within the same LATA.

2.40 IXC (Interexchange Carrier).

A Telecommunications Carrier that provides, directly or indirectly, InterLATA or IntraLATA Telephone Toll Services.

2.41 LATA (Local Access and Transport Area).

Shall have the meaning set forth in the Act.

2.42 LEC (Local Exchange Carrier).

Shall have the meaning set forth in the Act.

2.43 LERG (Local Exchange Routing Guide).

A Telcordia Technologies reference containing NPA/NXX routing and homing information.

2.44 LIDB (Line Information Data Base).

Line Information databases which provide, among other things, calling card validation functionality for telephone line number cards issued by Verizon and other entities and validation data for collect and third number-billed calls (e.g., data for billed number screening).

2.45 Measured Internet Traffic.

Dial-up, switched Internet Traffic: (a) originated by a Customer of Verizon on Verizon's network at a point in a non-optional Extended Local Calling Scope Arrangement set forth in Schedule 1, and delivered to a Customer or an Internet Service Provider served by FairPoint on FairPoint's network at a point in the same non-optional Extended Local Calling Scope Arrangement set forth in Schedule 1; and (b) originated by a Customer of FairPoint on FairPoint's network at a point in a non-optional Extended Local Calling Scope Arrangement set forth in Schedule 2 and delivered to a Customer or an internet Service Provider served by Verizon on Verizon's network at a point in the same non-optional Extended Local Calling Scope Arrangement set forth in Schedule 2. Calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXX) basis, are not considered Measured Internet Traffic. For the avoidance of any doubt, Virtual Foreign Exchange Traffic (i.e., V/FX Traffic) (as defined in the Interconnection Attachment) does not constitute Measured Internet Traffic.

2.46 MECAB (Multiple Exchange Carrier Access Billing).

A document prepared by the Billing Committee of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee (CLC) of ATIS. The MECAB document, published by ATIS as "ATIS/OBF-MECAB", as revised from time to time, contains the recommended guidelines for the billing of an Exchange Access Service provided by two or more LECs, or by one LEC in two or more states, within a single LATA.

- 2.47 MECOD (Multiple Exchange Carriers Ordering and Design Guidelines for Access Services - Industry Support Interface).

A document developed by the Ordering/Provisioning Committee under the auspices of the Ordering and Billing Forum (OBF), which functions under the auspices of the Carrier Liaison Committee (CLC) of ATIS. The MECOD document, published by ATIS as "ATIS/OBF-MECOD", as revised from time to time, establishes methods for processing orders for Exchange Access Service that is to be provided by two or more LECs.

- 2.48 NANP (North American Numbering Plan).

The system of telephone numbering employed in the United States, Canada, Bermuda, Puerto Rico and certain Caribbean islands. The NANP format is a 10-digit number that consists of a 3-digit NPA Code (commonly referred to as the area code), followed by a 3-digit NXX code and 4 digit line number.

- 2.49 NPA (Numbering Plan Area).

Also sometimes referred to as an area code, is the first three-digit indicator of each 10-digit telephone number within the NANP. There are two general categories of NPA, "Geographic NPAs" and "Non-Geographic NPAs". A Geographic NPA is associated with a defined geographic area, and all telephone numbers bearing such NPA are associated with services provided within that geographic area. A Non-Geographic NPA, also known as a "Service Access Code" or "SAC Code" is typically associated with a specialized Telecommunications Service that may be provided across multiple geographic NPA areas. 500, 700, 800, 888 and 900 are examples of Non-Geographic NPAs.

- 2.50 NXX, NXX Code, Central Office Code or CO Code.

The three-digit switch entity indicator (i.e., the first three digits of a seven-digit telephone number).

- 2.51 Order.

An order or application to provide, change or terminate a Service (including, but not limited to, a commitment to purchase a stated number or minimum number of lines or other Services for a stated period or minimum period of time).

- 2.52 Originating Switched Access Detail Usage Data.

A category 1101XX record as defined in the ATIS/OBF-EMI Practice BR-010-200-010.

- 2.53 Principal Document.

This document, including, but not limited to, the Title Page, the Table of Contents, the Preface, the General Terms and Conditions, the signature page, this Glossary, the Schedules, the Attachments, and the Appendices to the Attachments.

- 2.54 Providing Party.

A Party offering or providing a Service to the other Party under this Agreement.

- 2.55 Purchasing Party.

A Party requesting or receiving a Service from the other Party under this Agreement.

2.56 Rate Center Area.

The geographic area that has been identified by a given LEC as being associated with a particular NPA-NXX code assigned to the LEC for its provision of Telephone Exchange Services. The Rate Center Area is the exclusive geographic area that the LEC has identified as the area within which it will provide Telephone Exchange Services bearing the particular NPA-NXX designation associated with the specific Rate Center Area.

2.57 Rate Center Point.

A specific geographic point, defined by a V&H coordinate, located within the Rate Center Area and used to measure distance for the purpose of billing for distance-sensitive Telephone Exchange Services and Toll Traffic. Pursuant to Telcordia Practice BR-795-100-100, the Rate Center Point may be an End Office location, or a "LEC Consortium Point Of Interconnection."

2.58 Rate Demarcation Point.

The physical point in a Verizon provided network facility at which Verizon's responsibility for maintaining that network facility ends and the Customer's responsibility for maintaining the remainder of the facility begins, as set forth in this Agreement, Verizon's applicable Tariffs, if any, or as otherwise prescribed under Applicable Law.

2.59 Reciprocal Compensation.

The arrangement for recovering, in accordance with Section 251(b)(5) of the Act, the FCC Internet Order, and other applicable FCC orders and FCC Regulations, costs incurred for the transport and termination of Reciprocal Compensation Traffic originating on one Party's network and terminating on the other Party's network (as set forth in Section 5 of the Interconnection Attachment).

2.60 Reciprocal Compensation Traffic.

Telecommunications traffic originated by a Customer of one Party on that Party's network and terminated to a Customer of the other Party on that other Party's network, except for Telecommunications traffic that is interstate or intrastate Exchange Access, Information Access, or exchange services for Exchange Access or Information Access. The determination of whether Telecommunications traffic is Exchange Access or Information Access shall be based upon the non-optional Extended Local Calling Scope Arrangements set forth in Schedule 1 and Schedule 2. Reciprocal Compensation Traffic does not include the following traffic (it being understood that certain traffic types will fall into more than one (1) of the categories below that do not constitute Reciprocal Compensation Traffic): (1) any Internet Traffic; (2) traffic that does not originate and terminate within the same non-optional Extended Local Calling Scope Arrangement as set forth in Schedule 1 and Schedule 2, and based on the actual originating and terminating points of the complete end-to-end communication; (3) Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXX) basis; (4) Optional Extended Local Calling Scope Arrangement Traffic; (5) special access, private line, Frame Relay, ATM, or any other traffic that is not switched by the terminating Party; (6)

Voice Information Service Traffic (as defined in Section 5 of the Additional Services Attachment); or, (7) Virtual Foreign Exchange Traffic (or V/FX Traffic).

2.61 Routing Point.

A specific geographic point identified by a specific V&H coordinate. The Routing Point is used to route inbound traffic to specified NPA-NXXs. The Routing Point must be located within the LATA in which the corresponding NPA-NXX is located. However, the Routing Point associated with each NPA-NXX need not be the same as the corresponding Rate Center Point, nor must it be located within the corresponding Rate Center Area, nor must there be a unique and separate Routing Point corresponding to each unique and separate Rate Center Area.

2.62 Service.

Any Interconnection arrangement, Telecommunications Service, or other service, facility or arrangement, offered by a Party under this Agreement.

2.63 Service Wire Center.

A building or portion thereof which serves as the premises for one or more End Offices, Tandems and related facilities.

2.64 SS7 (Signaling System 7).

The common channel out-of-band signaling protocol developed by the Consultative Committee for International Telephone and Telegraph (CCITT) and the American National Standards Institute (ANSI). Verizon and FairPoint currently utilize this out-of-band signaling protocol.

2.65 Switched Exchange Access Service.

The offering of transmission and switching services for the purpose of the origination or termination of Toll Traffic. Switched Exchange Access Services include but may not be limited to: Feature Group A, Feature Group B, Feature Group D, 700 access, 800 access, 888 access and 900 access.

2.66 Tandem.

A switching entity that has billing and recording capabilities and is used to connect and switch trunk circuits between and among End Offices and between and among End Offices and carriers' aggregation points, points of termination, or points of presence, and to provide Switched Exchange Access Services. Sometimes this term is used to refer to a telephone company building in which switching systems and telephone equipment are installed.

2.67 Tariff.

2.67.1 Any applicable Federal or state tariff of a Party, as amended from time-to-time; or

2.67.2 Any standard agreement or other document, as amended from time-to-time, that sets forth the generally available terms, conditions and prices under which a Party offers a Service.

The term "Tariff" does not include any Verizon or FairPoint Statement of Generally Available Terms (SGAT) which has been approved or is pending approval by the Commission pursuant to Section 252(f) of the Act.

2.68 Telcordia Technologies.

Telcordia Technologies, Inc., formerly known as Bell Communications Research, Inc. (Bellcore).

2.69 Telecommunications Carrier.

Shall have the meaning set forth in the Act.

2.70 Telecommunications Services.

Shall have the meaning set forth in the Act.

2.71 Telephone Exchange Service.

Shall have the meaning set forth in the Act.

2.72 Terminating Switched Access Detail Usage Data.

A category 1101XX record as defined in the ATIS/OBF-EMI Practice BR-010-200-010.

2.73 Third Party Claim.

A Claim where there is (a) a claim, demand, suit or action by a person who is not a Party, (b) a settlement with, judgment by, or liability to, a person who is not a Party, or (c) a fine or penalty imposed by a person who is not a Party.

2.74 Toll Traffic.

Traffic that is originated by a Customer of one Party on that Party's network and terminates to a Customer of the other Party on that other Party's network and is not Reciprocal Compensation Traffic, Measured Internet Traffic, or Ancillary Traffic. Toll Traffic may be either "IntraLATA Toll Traffic" or "InterLATA Toll Traffic", depending on whether the originating and terminating points are within the same LATA.

2.75 Toxic or Hazardous Substance.

Any substance designated or defined as toxic or hazardous under any "Environmental Law" or that poses a risk to human health or safety, or the environment, and products and materials containing such substance. "Environmental Laws" means the Comprehensive Environmental Response, Compensation, and Liability Act, the Emergency Planning and Community Right-to-Know Act, the Water Pollution Control Act, the Air Pollution Control Act, the Toxic Substances Control Act, the Resource Conservation and Recovery Act, the Occupational Safety and Health Act, and all other Federal, State or local laws or governmental regulations or requirements, that are similar to the above-referenced laws or that otherwise govern releases, chemicals, products, materials or wastes that may pose risks to human health or safety, or the environment, or that relate to the protection of wetlands or other natural resources.

2.76 Traffic Factor 1.

For traffic exchanged via Interconnection Trunks, a percentage calculated by dividing the number of minutes of interstate traffic (excluding Measured Internet Traffic by the total number of minutes of interstate and intrastate traffic. ($\frac{\text{Interstate Traffic Total Minutes of Use (excluding Measured Internet Traffic Total Minutes of Use)}}{\text{Interstate Traffic Total Minutes of Use} + \text{Intrastate Traffic Total Minutes of Use}} \times 100$). Until the form of a Party's bills is updated to use the term "Traffic Factor 1," the term "Traffic Factor 1" may be referred to on the Party's bills and in billing related communications as "Percent Interstate Usage" or "PIU."

2.77 Traffic Factor 2.

For traffic exchanged via Interconnection Trunks, a percentage calculated by dividing the combined total number of minutes of Reciprocal Compensation Traffic and Measured Internet Traffic by the combined total number of minutes of intrastate traffic and Measured Internet Traffic. ($\frac{\text{Reciprocal Compensation Traffic Total Minutes of Use} + \text{Measured Internet Traffic Total Minutes of Use}}{\text{Intrastate Traffic Total Minutes of Use} + \text{Measured Internet Traffic Total Minutes of Use}} \times 100$). Until the form of a Party's bills is updated to use the term "Traffic Factor 2," the term "Traffic Factor 2" may be referred to on the Party's bills and in billing related communications as "Percent Local Usage" or "PLU."

2.79 Virtual Foreign Exchange Traffic.

Calls in which a Party's Customer is assigned a telephone number with an NXX Code (as set forth in the LERG) associated with an exchange that is different than the exchange (as set forth in the LERG) associated with the actual physical location of such Customer's station.

2.80 V and H Coordinates Method.

A method of computing airline miles between two points by utilizing an established formula that is based on the vertical and horizontal coordinates of the two points.

ADDITIONAL SERVICES ATTACHMENT

1. Alternate Billed Calls

- 1.1 The Parties will engage in settlements of alternate-billed calls (e.g., collect, calling card, and third-party billed calls) originated or authorized by their respective Customers in accordance with an arrangement mutually agreed to by the Parties.

2. [This Section Intentionally Left Blank]

3. Directory Services

The Parties acknowledges that if either Party requests directory services from the other Party, such service may be obtained only under a separate agreement.

4. Voice Information Service Traffic

- 4.1 For purposes of this Section 4 (a) Voice Information Service means a service that provides [i] recorded voice announcement information or [ii] a vocal discussion program open to the public, and (b) Voice Information Service Traffic means non-optional Extended Local Calling Scope Arrangement switched voice traffic, delivered to a Voice Information Service. Voice Information Service Traffic does not include any form of Internet Traffic. Voice Information Service Traffic also does not include 555 traffic or similar traffic with AIN service interfaces, which traffic shall be subject to separate arrangements between the Parties. Voice Information Service Traffic is not subject to Reciprocal Compensation charges under Section 5 of the Interconnection Attachment.
- 4.2 FairPoint shall have the option to route Voice Information Service Traffic that originates on its own network to the appropriate Voice Information Service connected to Verizon's network. In the event FairPoint exercises such option, FairPoint will establish, at its own expense, a dedicated trunk group to the Verizon Voice Information Service serving switch. This trunk group will be utilized to allow FairPoint to route Voice Information Service Traffic originated on its network to Verizon. For such Voice Information Service Traffic, unless FairPoint has entered into a written agreement with Verizon under which FairPoint will collect from FairPoint's Customer and remit to Verizon the Voice Information Service provider's charges, FairPoint shall pay to Verizon without discount any Voice Information Service provider charges billed by Verizon to FairPoint. FairPoint shall pay Verizon such charges in full regardless of whether or not FairPoint collects such charges from its own Customer.

5. Good Faith Performance

If and, to the extent that, Verizon, prior to the Effective Date of this Agreement, has not provided in the Commonwealth of Massachusetts a Service offered under this Attachment, Verizon reserves the right to negotiate in good faith with FairPoint reasonable terms and conditions (including, without limitation, rates and implementation timeframes) for such Service; and, if the Parties cannot agree to such terms and conditions (including, without limitation, rates and implementation timeframes), either Party may utilize the Agreement's dispute resolution procedures. If and, to the extent that, FairPoint, prior to the Effective Date of this Agreement, has not provided in the State of Vermont a Service offered under this Attachment, FairPoint reserves the right to negotiate in good faith with Verizon reasonable terms and conditions (including, without limitation, rates and implementation timeframes) for such Service; and, if the Parties

cannot agree to such terms and conditions (including, without limitation, rates and implementation timeframes), either Party may utilize the Agreement's dispute resolution procedures.

INTERCONNECTION ATTACHMENT

1. General

Each Party shall provide to the other Party, in accordance with this Agreement, but only to the extent required by Applicable Law, interconnection at a mutually agreed upon location at the franchise territory boundary employed by Verizon and FairPoint pursuant to an Exchange Area Boundary arrangement ("EAB Location") to which the Parties mutually agree under the terms of this Agreement, for the transmission and routing of applicable traffic.

2. ILEC to ILEC Interconnection Arrangements

2.1 EAB Location(s).

2.1.1 Each Party, at its own expense, shall provide transport facilities to the EAB Location(s). If the Parties desire alternative interconnection arrangements, such alternative arrangements shall be subject to written mutual agreement by the Parties.

2.2 Trunk Types.

2.2.1 Except as otherwise agreed, in interconnecting their networks pursuant to this Attachment, the Parties will use, as appropriate, the following separate and distinct trunk groups:

2.2.1.1 Interconnection Trunks for the transmission and routing of Reciprocal Compensation Traffic between their respective Telephone Exchange Service Customers, Tandem Transit Traffic, and, Measured Internet Traffic, all in accordance with Sections 3 through 6 of this Attachment; and

2.2.1.2 [Intentionally Left Blank.]

2.2.1.3 Miscellaneous Trunk Groups as mutually agreed to by the Parties, including, but not limited to, choke trunks for traffic congestion and testing.

2.2.2 Other types of trunk groups may be used by the Parties as provided in other separate agreements between the Parties (e.g., directory assistance trunks, operator services trunks, BLV/BLVI trunks or trunks for 500/555 traffic).

2.2.3 In accordance with the terms of this Agreement, the Parties will deploy One-Way Interconnection Trunks (trunks with traffic going in one direction, including one-way trunks and uni-directional two-way trunks) and/or Two-Way Interconnection Trunks (trunks with traffic going in both directions).

2.2.4 Except as otherwise agreed, the originating Party shall establish, at the EAB Location(s), separate Interconnection Trunk group(s) between such EAB Location(s) and each Tandem in a LATA with a subtending End Office(s) to which the originating Party originates calls for the terminating Party to terminate.

- 2.2.5 In the event the volume of traffic between a Verizon End Office and an EAB Location, which is carried by a Final Tandem Interconnection Trunk group, exceeds (a) the Centium Call Seconds (Hundred Call Seconds) busy hour equivalent of one (1) DS1 at any time; (b) 200,000 minutes of use for a single month; and/or, (c) 600 busy hour Centium Call Seconds (BHCCS) of use for a single month; (i): if One-Way Interconnection Trunks are used, the originating Party shall promptly submit a mutually agreeable order document to the terminating Party to establish new or augment existing End Office One-Way Interconnection Trunk groups between the End Office and the EAB Location; or, (ii) if Two-Way Interconnection Trunks are used, the Parties shall promptly establish new or augment existing End Office Two-Way Interconnection Trunk group(s) between that End Office and the EAB Location.
- 2.2.6 Except as otherwise agreed in writing by the Parties, the total number of Tandem Interconnection Trunks between an EAB Location and a Party's Tandem will be limited to a maximum of 240 trunks. In the event that the volume of traffic between an EAB Location and a Party's Tandem exceeds, or reasonably can be expected to exceed, the capacity of the 240 trunks, the Parties shall promptly establish new or additional End Office Trunks to insure that the volume of traffic between the EAB Location and the Tandem does not exceed the capacity of the 240 trunks or other agreed maximum trunk quantity.
- 2.2.7 Interconnection Trunk groups shall not be subject to any performance measurements and remedies under this Agreement, and, except as otherwise required by Applicable Law, under any FCC or Commission approved carrier-to carrier performance assurance guidelines or plan.
- 2.3 One-Way Interconnection Trunks.
 - 2.3.1 Where the Parties use One-Way Interconnection Trunk each Party at its own expense, shall provide its own facilities or lease facilities from a third party for delivery of the traffic to the EAB Location(s). All tandem Interconnection Trunks shall be One-Way Interconnection Trunks. End Office Interconnection Trunks may be One-Way or Two-Way Interconnection Trunks.
 - 2.3.2 For each Tandem or End Office One-Way Interconnection Trunk group for delivery of traffic from FairPoint to Verizon with a utilization level of less than sixty percent (60%) for final trunk groups and eighty-five percent (85%) for high usage trunk groups, unless the Parties agree otherwise, the Parties will promptly disconnect a sufficient number of Interconnection Trunks to attain a utilization level of approximately sixty percent (60%) for all final trunk groups and eight-five (85%) for all high usage trunk groups.
- 2.4 Two-Way Interconnection Trunks.
 - 2.4.1 Where the Parties use Two-Way Interconnection Trunks for the exchange of traffic directly between a Verizon End Office and a FairPoint End Office, FairPoint, at its own expense, shall provide its own facilities or lease facilities from a third party to the EAB Location(s).
 - 2.4.2 Where the Parties use Two-Way Interconnection Trunks for the exchange of traffic directly between a Verizon End Office and a FairPoint End Office, Verizon, at its own expense, shall provide its own facilities or

lease facilities from a third party for delivery of the traffic to the EAB Location(s).

- 2.4.3 FairPoint shall meet with Verizon to conduct a joint planning meeting ("Joint Planning Meeting"). At that Joint Planning Meeting, each Party shall provide to the other Party originating Centium Call Seconds (Hundred Call Seconds) information, and the Parties shall mutually agree on the appropriate initial number of End Office Two-Way Interconnection Trunks and the interface specifications at the EAB Location(s) at which the Parties interconnect for the exchange of traffic. Where the Parties have agreed to convert existing One-Way Interconnection Trunks to Two-Way Interconnection Trunks, at the Joint Planning Meeting, the Parties shall also mutually agree on the conversion process and project intervals for conversion of such One-Way Interconnection Trunks to Two-Way Interconnection Trunks.
- 2.4.4 Since the Parties have a longstanding traffic history, on an as needed basis but no less frequently than semi-annually, the Parties shall meet and provide to each other a good faith trunk forecast of the number of End Office Two-Way Interconnection Trunks that will be needed during the ensuing two (2) year period for the exchange of traffic between FairPoint and Verizon.
- 2.4.5 The Parties shall meet (telephonically or in person) from time to time, as needed, to review data on End Office Two-Way Interconnection Trunks to determine the need for new trunk groups and to plan any necessary changes in the number of Two-Way Interconnection Trunks.
- 2.4.6 Two-Way Interconnection Trunks shall have SS7 Common Channel Signaling, where available. The Parties agree to utilize B8ZS and Extended Super Frame (ESF) DS1 facilities, where available.
- 2.4.7 With respect to End Office Two-Way Interconnection Trunks, both Parties shall use an economic Centium Call Seconds (Hundred Call Seconds) equal to five (5). Either Party may reduce the number End Office Two-Way Interconnection Trunks in any trunk group provided hereunder, based on reasonable engineering criteria and actual traffic volumes experienced.
- 2.4.8 Verizon and FairPoint shall engineer Two-Way Interconnection Trunks using Telcordia Notes on the Networks SR-2275 (formerly known as BOC Notes on the LEC Networks SR-TSV-002275).
- 2.4.9 The performance standard for final Two-Way Interconnection Trunk groups shall be that no such Interconnection Trunk group will exceed the B.005 design blocking objective for three (3) consecutive calendar traffic study months.
- 2.4.10 The Parties shall determine and establish, via a mutually agreed order documents, the number of Two-Way Interconnection Trunks that are required to meet the applicable design blocking objective for all traffic carried on each Two-Way Interconnection Trunk group.
- 2.4.11 Both Parties shall monitor the Two-Way Interconnection Trunk groups using service results for the applicable design blocking objective. If either Party observes blocking in excess of the applicable design

blocking objective, the Parties will promptly take action to expedite resolution of the blocking situation.

2.4.12 [Intentionally Left Blank.]

2.4.13 Each Party will route its traffic to the other Party over the End Office Two-Way Interconnection Trunks in accordance with SR-TAP-000191.

3. Transmission and Routing of Telephone Exchange Service Traffic

3.1 Scope of Traffic.

Section 3 prescribes parameters for Interconnection Trunks used for Interconnection pursuant to Section 2 of this Attachment.

3.2 Trunk Group Connections.

3.2.1 For both One-Way and Two-Way Interconnection Trunks, if either Party wishes to use a technically feasible interface other than a DS1 facility at the EAB Location(s), the Parties shall negotiate reasonable terms and conditions (including, without limitation, rates and implementation timeframes) for such arrangement; and, if the Parties cannot agree to such terms and conditions (including, without limitation, rates and implementation timeframes), either Party may utilize the Agreement's dispute resolution procedures.

3.2.2 Upon request, each Party will identify its Carrier Identification Code, a three or four digit numeric code obtained from Telcordia, to the other Party.

3.2.3 When SS7 signaling is not used, unless mutually agreed to by both Parties, each Party will out pulse ten (10) digits to the other Party.

3.2.4 Each Party will use commercially reasonable efforts to monitor trunk groups in its own network and to augment those groups using generally accepted trunk-engineering standards so as to not exceed blocking objectives. Each Party agrees to use modular trunk-engineering techniques for trunks subject to this Attachment.

3.3 Switching System Hierarchy and Trunking Requirements.

For purposes of routing FairPoint traffic to Verizon, the subtending arrangements between Verizon Tandems and Verizon End Offices shall be the same as the Tandem/End Office subtending arrangements Verizon maintains for the routing of its own or other carriers' traffic (i.e., traffic will be routed to the appropriate Verizon Tandem subtended by the terminating End Office serving the Verizon Customer). For purposes of routing Verizon traffic to FairPoint, the subtending arrangements between FairPoint Tandems and FairPoint End Offices shall be the same as the Tandem/End Office subtending arrangements that FairPoint maintains for the routing of its own or other carriers' traffic (i.e., traffic will be routed to the appropriate FairPoint Tandem subtended by the End Office serving the FairPoint Customer).

3.4 Signaling.

Each Party will provide the other Party with access to its databases and associated signaling necessary for the routing and completion of the other

Party's traffic in accordance with the provisions of this Agreement and any applicable Tariff.

3.5 Grades of Service.

The Parties shall engineer and shall monitor and augment all trunk groups consistent with the Joint Process as set forth in Section 12.1 of this Attachment.

4. Traffic Measurement and Billing over Interconnection Trunks

4.1 For billing purposes, each Party shall pass Calling Party Number (CPN) information on at least ninety-five percent (95%) of calls carried over the Interconnection Trunks.

4.1.1 As used in this Section 4, "Traffic Rate" means the applicable Reciprocal Compensation Traffic rate, Measured Internet Traffic rate, intrastate Switched Exchange Access Service rate, interstate Switched Exchange Access Service rate, or intrastate/interstate Tandem Transit Traffic rate, as provided in the Pricing Attachment, an applicable Tariff, or, for Measured Internet Traffic, the FCC Internet Order.

4.1.2 If the originating Party passes CPN on ninety-five percent (95%) or more of its calls, the receiving Party shall bill the originating Party the Traffic Rate applicable to each relevant minute of traffic for which CPN is passed. For any remaining (up to 5%) calls without CPN information, the receiving Party shall bill the originating Party for such traffic at the Traffic Rate applicable to each relevant minute of traffic, in direct proportion to the minutes of use of calls passed with CPN information.

4.1.3 If the originating Party passes CPN on less than ninety-five percent (95%) of its calls, the receiving Party shall bill the higher of its interstate Switched Exchange Access Service rates or its intrastate Switched Exchange Access Services rates for all traffic that is passed without CPN, unless the Parties agree that other rates should apply to such traffic.

4.2 At such time as a receiving Party has the capability, on an automated basis, to use such CPN to classify traffic delivered over Interconnection Trunks by the other Party by Traffic Rate type (e.g., Reciprocal Compensation Traffic, Measured Internet Traffic, intrastate Switched Exchange Access Service, interstate Switched Exchange Access Service, or Tandem Transit Traffic), such receiving Party shall bill the originating Party the Traffic Rate applicable to each relevant minute of traffic for which CPN is passed. If the receiving Party lacks the capability, on an automated basis, to use CPN information on an automated basis to classify traffic delivered by the other Party by Traffic Rate type, the originating Party will supply Traffic Factor 1 and Traffic Factor 2. The Traffic Factors shall be supplied in writing by the originating Party within thirty (30) days of the Effective Date and shall be updated in writing by the originating Party quarterly. Measurement of billing minutes for purposes of determining terminating compensation shall be in conversation seconds (the time in seconds that the Parties equipment is used for a completed call, measured from the receipt of answer supervision to the receipt of disconnect supervision). Measurement of billing minutes for originating toll free service access code (e.g., 800/888/877) calls shall be in accordance with applicable Tariffs. Determination as to whether traffic is Reciprocal Compensation Traffic or Measured Internet Traffic shall be made in accordance with Paragraphs 8 and 79, and other applicable provisions, of the FCC Internet Order (including, but not limited to, in

accordance with the rebuttable presumption established by the FCC Internet Order that traffic delivered to a carrier that exceeds a 3:1 ratio of terminating to originating traffic is Measured Internet Traffic, and in accordance with the process established by the FCC Internet Order for rebutting such presumption before the Commission).

- 4.3 Each Party reserves the right to audit all Traffic, up to a maximum of two audits per calendar year, to ensure that rates are being applied appropriately; provided, however, that either Party shall have the right to conduct additional audit(s) if the preceding audit disclosed material errors or discrepancies. Each Party agrees to provide the necessary Traffic data in conjunction with any such audit in a timely manner.
- 4.4 Nothing in this Agreement shall be construed to limit either Party's ability to designate the areas within which that Party's Customers may make calls which that Party rates as "local" in its Customer Tariffs.
- 4.5 The Parties may agree in writing to use other methods to measure and classify traffic for billing purposes.

5. Reciprocal Compensation Arrangements Pursuant to Section 251(b)(5) of the Act

5.1 Reciprocal Compensation.

The Parties shall exchange Reciprocal Compensation Traffic at the EAB Location(s) designated in accordance with the terms of this Agreement. The Party originating Reciprocal Compensation Traffic shall compensate the terminating Party for the transport and termination of such traffic to its Customer in accordance with Section 251(b)(5) of the Act at the equal and symmetrical rates stated in the Pricing Attachment. These rates are to be applied at the EAB Location(s) at which the Parties interconnect, whether such traffic is delivered by Verizon for termination by FairPoint, or delivered by FairPoint for termination by Verizon. No additional charges shall be assessed by the terminating Party for the transport and termination of such traffic from the EAB Location(s) to its Customer. The designation of traffic as Reciprocal Compensation Traffic for purposes of Reciprocal Compensation shall be based on the actual originating and terminating points of the complete end-to-end communication.

5.2 Traffic Not Subject to Reciprocal Compensation.

- 5.2.1 Reciprocal Compensation shall not apply to interstate or intrastate Exchange Access (including, without limitation, Virtual Foreign Exchange Traffic (i.e., V/FX Traffic), Information Access, or exchange services for Exchange Access or Information Access.
- 5.2.2 Reciprocal Compensation shall not apply to Internet Traffic.
- 5.2.3 Reciprocal Compensation shall not apply to Toll Traffic, including, but not limited to, calls originated on a 1+ presubscription basis, or on a casual dialed (10XXX/101XXXX) basis.
- 5.2.4 Reciprocal Compensation shall not apply to Optional Extended Local Calling Scope Arrangement Traffic.
- 5.2.5 Reciprocal Compensation shall not apply to special access, private line, or any other traffic that is not switched by the terminating Party.

- 5.2.6 Reciprocal Compensation shall not apply to Tandem Transit Traffic.
- 5.2.7 Reciprocal Compensation shall not apply to Voice Information Service Traffic (as defined in Section 5 of the Additional Services Attachment).
- 5.2.8 Reciprocal Compensation shall not apply to traffic that is not subject to Reciprocal Compensation under Section 251(b)(5) of the Act.
- 5.2.9 Reciprocal Compensation shall not apply to Virtual Foreign Exchange Traffic (i.e., V/FX Traffic).
- 5.3 The Reciprocal Compensation rates (including, but not limited to, the Reciprocal Compensation per minute of use charges) billed by FairPoint to Verizon shall not exceed the Reciprocal Compensation rates (including, but not limited to, Reciprocal Compensation per minute of use charges) billed by Verizon to FairPoint.

6. Other Types of Traffic

- 6.1 Notwithstanding any other provision of this Agreement or any Tariff: (a) the Parties' rights and obligations with respect to any intercarrier compensation that may be due in connection with their exchange of Internet Traffic shall be governed by the terms of the FCC Internet Order and other applicable FCC orders and FCC Regulations.
- 6.2 Subject to Section 6.1 of this Attachment, interstate and intrastate Exchange Access, Information Access, exchange services for Exchange Access or Information Access, and Toll Traffic, shall be governed by the applicable provisions of this Agreement and applicable Tariffs.
- 6.3 [Intentionally Left Blank.]
- 6.4 Any traffic not specifically addressed in this Agreement shall be treated as required by the applicable Tariff of the Party transporting and/or terminating the traffic.
- 6.5 [Intentionally Left Blank.]
- 6.6 [Intentionally Left Blank.]
- 6.7 The Parties may also exchange Internet Traffic at the EAB Location(s) established hereunder for the exchange of Reciprocal Compensation Traffic. Any intercarrier compensation that may be due in connection with the Parties' exchange of Internet Traffic shall be applied at such EAB Location in accordance with the FCC Internet Order.

7. [Intentionally Left Blank.]

8. [Intentionally Left Blank.]

9. [Intentionally Left Blank.]

10. Tandem Transit Traffic

- 10.1 Tandem Transit Traffic is Telephone Exchange Service traffic that originates on the network of one Party (the "Originating Party"), and is transported through the Tandem of the other Party (the "Transiting Party") to the subtending or interconnected End Office or its equivalent of another LEC or a Commercial

Mobile Radio Service (CMRS) carrier (such other LEC or CMRS carrier hereinafter an "Other Carrier"). Neither the originating nor terminating customer is a Customer of the Transiting Party. Switched Exchange Access Service traffic is not Tandem Transit Traffic.

- 10.2 Tandem Transit Traffic Service provides the Originating Party with the transport of Tandem Transit Traffic as provided below.
- 10.3 The Originating Party shall pay the Transiting Party for Tandem Transit Traffic Service at the applicable rates specified in the Pricing Attachment.
- 10.4 Tandem Transit Traffic shall be routed over the One-Way Tandem Interconnection Trunks described in Sections 2 through 6 of this Attachment. The Originating Party shall deliver Tandem Transit Traffic to the Transiting Party's Tandem with CCS and the appropriate Transactional Capabilities Application Part ("TCAP") message to facilitate full interoperability of CLASS Features and billing functions.
- 10.5 The Originating Party may use Tandem Transit Traffic Service only for traffic that originates on the Originating Party's network. The Originating Party shall not use the Transiting Party's Tandem Transit Traffic Service to send traffic that does not originate on the Originating Party's network.
- 10.6 The Transiting Party will not be liable for compensation to any Other Carrier for any traffic that is transported through the Transiting Party's Tandem and the Transiting Party reserves the right to assess to the Originating Party, and the Originating Party shall promptly pay to the Transiting Party, any charges or costs any Other Carrier imposes or levies on the Transiting Party for the delivery or termination of such traffic, including any Switched Exchange Access Service charges. If the Transiting Party is billed by any Other Carrier for any traffic originated by the Originating Party, the Transiting Party may provide notice to the Originating Party of such billing. Upon receipt of such notice, the Originating Party shall contact such Other Carrier to request that the Other Carrier remove such billed charges from its bill to the Transiting Party and that the Other Carrier not bill the Transiting Party for any traffic originated by the Originating Party.
- 10.7 If the Transiting Party's Tandem reaches a utilization level of eighty percent (80%) (the "Threshold Level") or higher, the Originating Party shall, upon reasonable notice and written request, establish direct interconnection with Other Carriers to reduce such utilization of the Transiting Party's Tandem below the Threshold Level. If the Transiting Party believes that the Originating Party has not exercised good faith efforts to obtain such direct interconnection reasonably promptly, either Party may use the Dispute Resolution processes of this Agreement.
- 10.8 If either Party fails to comply with Section 10 of this Attachment, such failure shall be a material breach of a material provision of this Agreement and the other Party may exercise any and all remedies under this Agreement and Applicable Law for such breach.
- 10.9 Neither Party shall take any actions to prevent the other Party from entering into a direct and reciprocal traffic exchange arrangement with any carrier to which it originates, or from which it terminates, traffic.

11. Number Resources, Rate Center Areas and Routing Points

- 11.1 Nothing in this Agreement shall be construed to limit or otherwise adversely affect in any manner either Party's right to employ or to request and be assigned any Central Office Codes ("NXX") pursuant to the Central Office Code Assignment Guidelines and any relevant FCC or Commission orders, as may be amended from time to time, or to establish, by Tariff or otherwise, Rate Center Areas and Routing Points corresponding to such NXX codes.
- 11.2 It shall be the responsibility of each Party to program and update its own switches and network systems pursuant to information provided on an appropriate order document as well as the LERG in order to recognize and route traffic to the other Party's assigned NXX codes. Except as expressly set forth in this Agreement, neither Party shall impose any fees or charges whatsoever on the other Party for such activities.
- 11.3 Each Party will also designate a Routing Point for each assigned NXX code. Each Party shall designate one location for each Rate Center Area in which such Party has established NXX code(s) as the Routing Point for the NPA-NXXs associated with that Rate Center Area, and such Routing Point shall be within the same LATA as the Rate Center Area but not necessarily within the Rate Center Area itself. Unless specified otherwise, calls to subsequent NXXs of a Party will be routed in the same manner as calls to FairPoint's initial NXXs.
- 11.4 Notwithstanding anything to the contrary contained herein, nothing in this Agreement is intended, and nothing in this Agreement shall be construed, to in any way constrain either Party's choices regarding the size of the local calling area(s) that such Party may establish for its Customers, which local calling areas may be larger than, smaller than, or identical to the other Party's local calling areas.

12. Joint Network Implementation and Grooming Process; Forecasting

12.1 Joint Network Implementation and Grooming Process.

Upon request of either Party, the Parties shall jointly develop an implementation and grooming process (the "Joint Grooming Process" or "Joint Process") which may define and detail, inter alia:

- 12.1.1 standards to ensure that Interconnection Trunks experience a grade of service, availability and quality in accord with all appropriate relevant industry-accepted quality, reliability and availability standards.
- 12.1.2 the respective duties and responsibilities of the Parties with respect to the administration and maintenance of the trunk groups, including, but not limited to, standards and procedures for notification and discoveries of trunk disconnects;
- 12.1.3 disaster recovery provision escalations;
- 12.1.4 additional EAB location(s) as provided in Sections 1 and 2 of this Attachment; and
- 12.1.5 such other matters as the Parties may agree, including, e.g., End Office to End Office high usage trunks as good engineering practices may dictate.

12.2 Trunk Forecasting Requirements.

12.2.1 Ongoing trunk forecast requirements: Since the Parties have a longstanding traffic history, on an as needed basis but no less frequently than semi-annually, the Parties shall meet and provide to each other a good faith trunk forecast of the number of End Office and Tandem Interconnection Trunks that will be needed during the ensuing two (2) year period for the exchange of traffic between FairPoint and Verizon. In addition, upon request by either Party, the Parties shall meet to: (i) review traffic and usage data on End Office and Tandem Interconnection Trunk groups and (ii) determine whether the Parties should establish new Interconnection Trunk groups, augment existing Interconnection Trunk groups, or disconnect existing Interconnection Trunks and/or Interconnection Trunk groups.

12.2.2 Use of Trunk Forecasts: Trunk forecasts provided pursuant to this Agreement must be prepared in good faith but are not otherwise binding on FairPoint or Verizon.

13. Number Portability - Section 251(B)(2)

13.1 The Parties shall provide Number Portability (“NP”) in accordance with rules and regulations as from time to time prescribed by the FCC.

14. Good Faith Performance

If and, to the extent that, Verizon, prior to the Effective Date of this Agreement, has not provided in the Commonwealth of Massachusetts a Service offered under this Attachment, Verizon reserves the right to negotiate in good faith with FairPoint reasonable terms and conditions (including, without limitation, rates and implementation timeframes) for such Service; and, if the Parties cannot agree to such terms and conditions (including, without limitation, rates and implementation timeframes), either Party may utilize the Agreement’s dispute resolution procedures. If and, to the extent that, FairPoint, prior to the Effective Date of this Agreement, has not provided in the State of Vermont a Service offered under this Attachment, FairPoint reserves the right to negotiate in good faith with Verizon reasonable terms and conditions (including, without limitation, rates and implementation timeframes) for such Service; and, if the Parties cannot agree to such terms and conditions (including, without limitation, rates and implementation timeframes), either Party may utilize the Agreement’s dispute resolution procedures.

PRICING ATTACHMENT

1. General

- 1.1 As used in this Attachment, the term “Charges” means the rates, fees, charges and prices for a Service.
- 1.2 Charges for Services shall be as stated in this Section 1.
- 1.3 The Charges for a Service shall be the Charges for the Service stated in Appendix A to this Pricing Attachment.
- 1.4 The Charges stated in Section 1.A. of Appendix A to this Pricing Attachment shall be automatically superseded by any new Charge(s) when such new Charge(s) are required by any order of the FCC, approved by the FCC, or otherwise allowed to go into effect by the FCC (including, but not limited to, in a Tariff that has been filed with the FCC), provided such new Charge(s) are not subject to a stay issued by any court of competent jurisdiction.
- 1.5 In the absence of Charges for a Service established pursuant to Sections 1.3 through 1.4 of this Attachment, if Charges for a Service are otherwise expressly provided for in this Agreement, such Charges shall apply.
- 1.6 In the absence of Charges for a Service established pursuant to Sections 1.3 through 1.5 of this Attachment, the Charges for the Service shall be mutually agreed to by the Parties in writing.

2. [This Section Intentionally Left Blank.]

3. [This Section Intentionally Left Blank.]

4. [This Section Intentionally Left Blank.]

5. Regulatory Review of Prices

Notwithstanding any other provision of this Agreement, Verizon reserves its right to institute an appropriate proceeding with the FCC, the Commission or other governmental body of appropriate jurisdiction with regard to the Charges for FairPoint’s Services, whether provided for in any of FairPoint’s Tariffs, in Appendix A, or otherwise) (including, but not limited to, a proceeding to obtain a reduction in such Charges and a refund of any amounts paid in excess of any Charges that are reduced).

APPENDIX A TO THE PRICING ATTACHMENT

1. Rates and Charges for Transport and Termination of Traffic

- A. Reciprocal Compensation Traffic Termination
Effective Date and thereafter: **\$0.0007 per minute of use.**
- B. Tandem Transit Traffic Service Charge:
Effective Date and thereafter: **\$0.0016 per minute of use.**

SCHEDULE 1

LIST OF EXTENDED LOCAL CALLING SCOPE ARRANGEMENTS COVERED BY THIS AGREEMENT

<u>VZ Exchange</u>	<u>FairPoint Exchange</u>
Monroe Bridge, MA	Jacksonville, VT
North Adams, MA	Pownal, VT
Williamstown, MA	Pownal, VT
Monroe Bridge, MA	Readsboro, VT
North Adams, MA	Readsboro, VT
Adams, MA	Stamford, VT
North Adams, MA	Stamford, VT
Williamstown, MA	Stamford, VT

SCHEDULE 2

LIST OF EXTENDED LOCAL CALLING SCOPE ARRANGEMENTS COVERED BY THIS AGREEMENT

<u>FairPoint Exchange</u>	<u>VZ Exchange</u>
Jacksonville, VT	Monroe Bridge, MA
Pownal, VT	North Adams, MA Williamstown, MA
Readsboro, VT	Monroe Bridge, MA North Adams, MA
Stamford, VT	Adams, MA North Adams, MA Williamstown, MA