

**INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE
TELECOMMUNICATIONS ACT OF 1996**

Dated as of July 1, 1998

by and between

New England Telephone and Telegraph Company

and

Covad Communications Company

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Covad - Bell Atlantic Interconnection Agreement

Exhibits

Exhibit A Bell Atlantic - Massachusetts and Covad Pricing Schedule

Exhibit B Network Element Bona Fide Request

Exhibit C Operator Services

Exhibit D Unbundled Dark Fiber

**INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE
TELECOMMUNICATIONS ACT OF 1996**

This Interconnection Agreement under Sections 251 and 252 of the Telecommunications Act of 1996 (“Agreement”), is effective as of the 1st day of July, 1998 (the “Effective Date”), by and between New England Telephone and Telegraph Company d/b/a Bell Atlantic-Massachusetts (“BA” or “Bell Atlantic”), a New York corporation with offices at 185 Franklin Street, Boston, Massachusetts 02110, and Covad Communications Company (“Covad”), a California corporation, with offices at 3560 Bassett Street, Santa Clara, California 95054.

WHEREAS, the Parties want to interconnect their networks at mutually agreed upon points of interconnection to provide Telephone Exchange Services, Switched Exchange Access Services, and other Telecommunications Services (all as defined below) to their respective customers;

WHEREAS, the Parties are entering into this Agreement to set forth the respective obligations of the Parties and the terms and conditions under which the Parties will interconnect their networks and provide other services as required by the Act (as defined below) and additional services as set forth herein;

WHEREAS, Sections 251 and 252 of the Telecommunications Act of 1996 have specific requirements for interconnection, unbundling, and service resale, commonly referred to as the “Checklist”, and the Parties intend that this Agreement meet those Checklist requirements.

NOW, THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Covad and BA hereby agree as follows:

This Agreement sets forth the terms, conditions and pricing under which BA and Covad (individually, a “Party” and collectively, the “Parties”) will offer and provide to each other network Interconnection, access to Network Elements, ancillary services, and wholesale Telecommunications Services available for resale within each LATA in which they both operate within Massachusetts. As such, this Agreement is an integrated package that reflects a balancing of interests critical to the Parties. It will be submitted to the Massachusetts Department of Telecommunications and Energy, and the Parties will specifically request that the Department refrain from taking any action to change, suspend or otherwise delay implementation of the Agreement. So long as the Agreement remains in effect, neither Party shall advocate before any legislative, regulatory, or other public forum that any terms of this Agreement be modified or eliminated, unless mutually agreed to by the Parties.

1.0 DEFINITIONS

As used in this Agreement, the following terms shall have the meanings specified below in this Section 1.0. For convenience of reference only, the definitions of certain terms that are As Defined in the Act (as defined below) are set forth on Schedule 1.0. Schedule 1.0 sets forth the definitions of such terms as of the date specified on such Schedule and neither Schedule 1.0 nor any revision, amendment or supplement thereof intended to reflect any revised or subsequent interpretation of any term that is set forth in the Act is intended to be a part of or to affect the meaning or interpretation of this Agreement.

1.1 "Act" means the Communications Act of 1934 (47 U.S.C. §151 et seq.) as amended by the Telecommunications Act of 1996, and as from time to time interpreted in the duly authorized rules and regulations of the FCC or a Department within its state of jurisdiction.

1.2 "ADSL" or "Asymmetrical Digital Subscriber Line" is a digital loop transmission technology which typically permits the transmission of up to 6 Mbps downstream (from the CO to the end-user customer) and up to 640 kbps digital signal upstream (from the end-user customer to the CO).

1.3 "Affiliate" is As Defined in the Act.

1.4 "Agreement" means this Interconnection Agreement under Sections 251 and 252 of the Act and all the Exhibits, Schedules, addenda, and attachments referenced herein and/or appended hereto

1.5 "Agreement for Switched Access Meet Point Billing" means the Agreement for Switched Access Meet Point Billing between the Parties.

1.6 "Ancillary Traffic" means all traffic that is destined for ancillary services, or that may have special billing requirements, including but not limited to the following: BLV/BLVI, Directory Assistance, 911/E911, Operator Services (IntraLATA call completion), IntraLATA third party, collect and calling card, 800/888 database query, LIDB, and information services requiring special billing arrangements between the Parties.

1.7 "Applicable Laws" or "Applicable Law" or "Law" means all laws, regulations, and orders applicable to each Party's performance of its obligations hereunder.

1.8 "As Defined in the Act" means as specifically defined by the Act and as from time to time interpreted in the duly authorized rules and regulations of the FCC or the Department.

1.9 "As Described in the Act" means as described in or required by the Act and as from time to time interpreted in the duly authorized rules and regulations of the FCC or the Department.

1.10 "Automatic Number Identification" or "ANI" means a Feature Group D signaling parameter which refers to the number transmitted through a network identifying the billing number of the calling party.

1.11 "Bona Fide Request" or "BFR" means the process described on Exhibit B that prescribes the terms and conditions relating to a Party's request that the other Party provide a BFR Item (as defined in Exhibit B) not otherwise provided by the terms of this Agreement.

1.12 "Busy Line Verification" or "BLV" means an operator request for a status check on the line of a called party. The request is made by one Party's operator to an operator of the other Party. The verification of the status check is provided to the requesting operator.

1.13 "Busy Line Verification Interrupt" or "BLVI" means a service that may be requested and provided when Busy Line Verification has determined that a line is busy due to an ongoing call. BLVI is an operator interruption of that ongoing call to inform the called party that a calling party is seeking to complete his or her call to the called party.

1.14 "Calling Party Number" or "CPN" is a Common Channel Interoffice Signaling ("CCIS") parameter which refers to the number transmitted through a network identifying the calling Party.

1.15 "Central Office Switch" means a switch used to provide Telecommunications Services, including, but not limited to:

(a) "End Office Switch" or "End Office" is a switching entity that is used to terminate Customer station Loops for the purpose of Interconnection to each other and to trunks; and

(b) "Tandem Office Switch" or "Tandem Office" or "Tandem" is a switching entity that has billing and recording capabilities and is used to connect and switch trunk circuits between and among End Office Switches and between and among End Office Switches and carriers' aggregation points, points of termination, or points of presence, and to provide Switched Exchange Access Services.

A Central Office Switch may also be employed as a combination End Office/Tandem Office Switch.

1.16 "CLASS Features" means certain CCIS-based features available to Customers including, but not limited to: Automatic Call Back; Call Trace; Caller Identification; Call Return and future CCIS-based offerings.

1.17 "Collocation" means an arrangement whereby one Party's (the "Collocating Party") facilities are terminated in its equipment necessary for Interconnection or for access to Network Elements offered by the second Party on an unbundled basis that has been installed and

maintained at the premises of a second Party (the "Housing Party"). For purposes of Collocation, the "premises" of a Housing Party is limited to a Housing Party Wire Center, other mutually agreed-upon locations of the Housing Party, or any location for which Collocation has been ordered by the FCC or Department. Collocation may be "physical" or "virtual". In "Physical Collocation", the Collocating Party installs and maintains its own equipment in the Housing Party's premises. In "Virtual Collocation", the Housing Party owns, installs, and maintains equipment dedicated to use by the Collocating Party in the Housing Party's premises. BA currently provides Collocation under terms, rates, and conditions as described in tariffs on file or soon to be filed with the FCC or the Department.

1.18 "Department" or "DTE" means the Commonwealth of Massachusetts Department of Telecommunications and Energy.

1.19 "Common Channel Interoffice Signaling" or "CCIS" means the signaling system, developed for use between switching systems with stored-program control, in which all of the signaling information for one or more groups of trunks is transmitted over a dedicated high-speed data link rather than on a per-trunk basis and, unless otherwise agreed by the Parties, the CCIS used by the Parties shall be SS7.

1.20 "Competitive Local Exchange Carrier" or "CLEC" means any Local Exchange Carrier other than BA, operating as such in BA's service territory in Massachusetts. Covad is or will shortly become a CLEC.

1.21 "Cross Connection" means a jumper cable or similar connection provided pursuant to Collocation at the Digital Signal Cross Connect, Main Distribution Frame or other suitable frame or panel between (i) the Collocating Party's equipment and (ii) the equipment or facilities of the Housing Party.

1.22 "Customer" means a third-Party residence or business that subscribes to Telecommunications Services provided by either of the Parties.

1.23 "Customer Proprietary Network Information" or "CPNI" is As Defined in the Act.

1.24 "Dialing Parity" is As Defined in the Act. As used in this Agreement, Dialing Parity refers to both Local Dialing Parity and Toll Dialing Parity. "Local Dialing Parity" means the ability of Telephone Exchange Service Customers of one LEC to select a provider and make local calls without dialing extra digits. "Toll Dialing Parity" means the ability of Telephone Exchange Service Customers of a LEC to place toll calls (inter or IntraLATA) which are routed to a toll carrier (IntraLATA or InterLATA) of their selection without dialing access codes or additional digits and with no unreasonable dialing delay.

1.25 "Digital Signal Level" means one of several transmission rates in the time-division multiplex hierarchy.

1.26 "Digital Signal Level 0" or "DS0" means the 64 Kbps zero-level signal in the time-division multiplex hierarchy.

1.27 "Digital Signal Level 1" or "DS1" means the 1.544 Mbps first-level signal in the time-division multiplex hierarchy. In the time-division multiplexing hierarchy of the telephone network, DS1 is the initial level of multiplexing.

1.28 "Digital Signal Level 3" or "DS3" means the 44.736 Mbps third-level in the time-division multiplex hierarchy. In the time-division multiplexing hierarchy of the telephone network, DS3 is defined as the third level of multiplexing.

1.29 "Exchange Access" is As Defined in the Act.

1.30 "Exchange Message Record" or "EMR" means the standard used for exchange of telecommunications message information among Telecommunications Carriers for billable, non-billable, sample, settlement and study data. EMR format is contained in Bellcore Practice BR-010-200-010 CRIS Exchange Message Record, a Bell Communications Research, Inc. ("Bellcore") document that defines industry standards for Exchange Message Records.

1.31 "FCC" means the Federal Communications Commission.

1.32 "FCC Regulations" means Title 47 of the Code of Federal Regulations.

1.33 "Fiber Meet" means an Interconnection architecture method whereby the Parties physically Interconnect their networks via an optical fiber interface (as opposed to an electrical interface) at a mutually agreed upon location.

1.34 HDSL is a digital loop transmission technology which permits the transmission of up to 768 kbps simultaneously in both directions on a single non-loaded, twisted copper pair or up to 1544 kbps simultaneously in both directions on two non-loaded, twisted copper pairs.

1.35 "Incumbent Local Exchange Carrier" or "ILEC" is As Defined in the Act. For purposes of this Agreement, BA is an Incumbent Local Exchange Carrier.

1.36 "Independent Telephone Company" or "ITC" means any entity other than BA which, with respect to its operations within Massachusetts, is an Incumbent Local Exchange Carrier.

1.37 "Information Services" is As Defined in the Act.

1.38 "Information Service Traffic" means Local Traffic or IntraLATA Toll Traffic which originates on a Telephone Exchange Service line and which is addressed to an information service provided over a Party's switched voice information services platform (i.e., 976, 550, 540, 970, 940).

1.39 "Inside Wire" or "Inside Wiring" means all wire, cable, terminals, hardware, and other equipment or materials on the Customer's side of the Rate Demarcation Point.

1.40 "Integrated Digital Loop Carrier" or "IDLC" means a subscriber loop carrier system which integrates within the switch at a DS1 level that is twenty-four (24) loop transmission paths combined into a 1.544 Mbps digital signal.

1.41 "Integrated Services Digital Network" or "ISDN" means a switched network service that provides end-to-end digital connectivity for the simultaneous transmission of voice and data. Basic Rate Interface-ISDN (BRI-ISDN) provides for a digital transmission of two 64 Kbps bearer channels and one 16 Kbps data and signaling channel (2B+D). Primary Rate Interface-ISDN ("PRI-ISDN") provides for digital transmission of twenty three (23) 64 kbps bearer channels and one (1) 64 kbps data and signaling channel (23 B+D).

1.42 "Interconnection" is As Described in the Act and refers to the connection of equipment or facilities of one carrier with the equipment or facilities of another carrier for the purpose of transmission and routing of Telephone Exchange Service traffic and Exchange Access traffic.

1.43 "Interexchange Carrier" or "IXC" means a carrier that provides, directly or indirectly, InterLATA or IntraLATA Telephone Toll Services.

1.44 "Interim Telecommunications Number Portability" or "INP" is As Described in the Act.

1.45 "InterLATA Service" is As Defined in the Act.

1.46 "IntraLATA Toll Traffic" means those intraLATA calls that are not defined as Local Traffic in this Agreement.

1.47 "Local Access and Transport Area" or "LATA" is As Defined in the Act.

1.48 "Local Exchange Carrier" or "LEC" is As Defined in the Act. The Parties to this Agreement are or will shortly become Local Exchange Carriers.

1.49 "Local Traffic", unless otherwise defined by Applicable Law, is 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, within a given local calling area, or expanded area service ("EAS") area, as defined in BA's effective Customer tariffs, or, if the Department has defined local calling areas applicable to all LEC's, then as so defined by the Department.

1.50 "Main Distribution Frame" or "MDF" means the ultimate point at which outside plant facilities terminate within a Wire Center, for interconnection to other telecommunications

facilities within the Wire Center.

1.51 "Meet-Point Billing" or "MPB" means the process whereby each Party bills the appropriate tariffed rate for its portion of a jointly provided Switched Exchange Access Service as agreed to in the Agreement for Switched Access Meet Point Billing.

1.52 "Network Element" is As Defined in the Act.

1.53 "Network Interface Device" or "NID" means the BA-provided interface terminating BA's telecommunications network on the property where the Customer's service is located at a point determined by BA.

1.54 "North American Numbering Plan" or "NANP" means the numbering plan used 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.

1.55 "Numbering Plan Area", or "NPA" is also sometimes referred to as an area code. there are two general categories of NPAs. "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 which may be provided across multiple geographic NPA areas; 800, 900, 700, 500 and 888 are examples of Non-Geographic NPAs.

1.56 "Number Portability" or "NP" is As Defined in the Act.

1.57 "NXX", "NXX Code", or "End Office Code" means the three-digit switch entity indicator (i.e. the first three digits of a seven digit telephone number).

1.58 "Party" means either BA or Covad and "Parties" means BA and Covad.

1.59 "Permanent Number Portability" or "PNP" means the use of a database or other technical solution that comports with regulations issued by the FCC to provide Number Portability for all customers and service providers.

1.60 "Port Element" or "Port" means a termination on a Central Office Switch that permits Customers to send or receive Telecommunications over the public switched network, but does not include switch features or switching functionality.

1.61 "POT Bay" or "Point of Termination Bay" means the intermediate distributing frame system which serves as the point of demarcation for collocated Interconnection.

1.62 "Rate Center" or "Rate Center Area" or "Exchange Area" means the geographic

area that has been identified by a given LEC as being associated with a particular NPA-NXX code which has been assigned to the LEC for its provision of Telephone Exchange Services. The Rate Center Area is the exclusive geographic area which 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. A "Rate Center Point" is the finite geographic point identified by a specific V&H coordinate (as defined in Bellcore Special Report SR-TSV-002275), located within the Rate Center Area and used by that LEC to measure distance for the purpose of billing Customers for distance sensitive Telephone Exchange Services and Toll Traffic. Rate Centers will be identical for each Party until such time as Covad is permitted by an appropriate regulatory body to create its own Rate Centers within an area.

1.63 "Rate Demarcation Point" means the point where network access recurring charges and BA responsibility stop and beyond which Customer responsibility begins, determined in accordance with FCC rules and BA standard operating practices.

1.64 "Rating Point" or "Routing Point" means a specific geographic point identified by a specific V&H coordinate. The Rating Point is used to route inbound traffic to specified NPA-NXXs and to calculate mileage measurements for the distance-sensitive transport charges of switched access services. Pursuant to Bell Communications Research, Inc. ("Bellcore") Practice BR 795-100-100 (the "Bellcore Practice"), the Rating Point may be an End Office location, or a "LEC Consortium Point of Interconnection." Pursuant to that same Bellcore Practice, each "LEC Consortium Point of Interconnection" shall be designated by a common language location identifier ("CLLI") code with (x)KD in positions 9, 10, 11, where (x) may be any alphanumeric A-Z or 0-9. The Rating Point must be located within the LATA in which the corresponding NPA-NXX is located. However, the Rating 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 Rating Point corresponding to each unique and separate Rate Center.

1.65 "Reciprocal Compensation" is As Described in the Act, and refers to the payment arrangements that recover 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.

1.66 "Reciprocal Compensation Call" or "Reciprocal Compensation Traffic" means a Telephone Exchange Service Call completed between the Parties, which qualifies for Reciprocal Compensation pursuant to the terms of this Agreement and prevailing Department or FCC rules that may exist.

1.67 "Route Indexing" means the provision of Interim Number Portability through the use of direct trunks provisioned between end offices of BA and Covad over which inbound traffic to a ported number will be routed.

1.68 "Service Control Point" or "SCP" means a node in the Common Channel

Signaling network to which informational requests for service handling, such as routing, are directed and processed. The SCP is a real time database system that, based on a query from a service switching point and via a Signaling Transfer Point, performs subscriber or application-specific service logic, and then sends instructions back to the SSP on how to continue call processing.

1.69 "Signaling Transfer Point" or "STP" means a specialized switch that provides SS7 network access and performs SS7 message routing and screening.

1.70 "Single Bill/Multiple Tariff" shall mean that one bill is rendered to the IXC from all LECs who are jointly providing access service. A single bill consists of all rate elements applicable to access services billed on one statement of charges under one billing account number using each Party's appropriate access tariffs. The bill could be rendered by or on behalf of, either of the Parties.

1.71 "Strapping" means the act of installing a permanent connection between a point of termination bay and a collocated interconnector's physical Collocation node.

1.72 "Switched Access Detail Usage Data" means a category 1101XX record as defined in the EMR Bellcore Practice BR-010-200-100.

1.73 "Switched Access Summary Usage Data" means a category 1150XX record as defined in the EMR Bellcore Practice BR-010-200-010.

1.74 "Switched Exchange Access Service" means the offering of transmission or switching services to Telecommunications Carriers for the purpose of the origination or termination of Telephone Toll Service. Switched Exchange Access Services include but may not be limited to: Feature Group A, Feature Group B, Feature Group D, and 700 access, 800 access, 888 access, 900 access and functionally equivalent Switched Exchange Access services that may be offered in the future.

1.75 "Switching Element" is the unbundled Network Element that provides a CLEC the ability to use switching functionality in a BA End Office switch, including all vertical services that are available on that switch, to provide Telecommunications Services, including Telephone Exchange Service, to its end user customer(s).

1.76 "Synchronous Optical Network" or "SONET" means an optical interface standard that allows inter-networking of transmission products from multiple vendors. The base transmission rate is 51.84 Mbps (OC-1/STS-1) and higher rates are direct multiples of the base rate.

1.77 "Tariff" means any applicable federal or state tariff of a Party, or standard agreement or other document that sets forth the generally available terms and conditions, each as may be amended by the Party from time to time, under which a Party offers a particular service,

facility, or arrangement. A Tariff shall not include BA's "Statement of Generally Available Terms and Conditions for Interconnection, Unbundled Network Elements, Ancillary Services and Resale of Telecommunications Services" which has been approved or is pending approval by the Department pursuant to Section 252(f) of the Communications Act of 1934, 47 U.S.C. §252(f).

1.78 "Technically Feasible Point" is As Described in the Act.

1.79 "Telecommunications" is As Defined in the Act.

1.80 "Telecommunications Act" means the Telecommunications Act of 1996 and any rules and regulations promulgated thereunder.

1.81 "Telecommunications Carrier" is As Defined in the Act.

1.82 "Telecommunications Service" is As Defined in the Act.

1.83 "Telephone Exchange Service" sometimes also referred to as "Exchange Service," is As Defined in the Act.

1.84 "Telephone Exchange Service Call" or "Telephone Exchange Service Traffic" means a call completed between two Telephone Exchange Service Customers of the Parties located in the same LATA, originated on one Party's network and terminated on the other Party's network where such call was not carried by a third Party as either a presubscribed call (1+) or a casual dialed (10XXX) or (101XXX) call. Telephone Exchange Service Traffic is transported over Traffic Exchange Trunks.

1.85 "Telephone Toll Service" (or "Toll Traffic"), is As Defined in the Act.

1.86 "Transit Traffic" means any traffic that originates from or terminates at Covad's network, "transits" BA's network substantially unchanged, and terminates to or originates from a third carrier's network, as the case may be. "Transit Service" provides Covad with the ability to use its connection to a BA Tandem for the delivery of calls which originate or terminate with Covad and terminate or originate from a carrier other than BA, such as another CLEC, a LEC other than BA, or a wireless carrier. In these cases, neither the originating nor terminating Customer is a Customer of BA. This service is provided through BA's Tandems and applies only where the terminating End Office of the third carrier subtends the BA Tandem. "Transit Traffic" and "Transit Service" do not include or apply to traffic that is subject to an effective Meet-Point Billing arrangement.

1.87 "Trunk Side" means a Central Office Switch connection that is capable of, and has been programmed to treat the circuit as, connecting to another switching entity (e.g. another carrier's network). Trunk Side connections offer those transmission and signaling features appropriate for the connection of switching entities.

1.88 "Unbundled Local Loop" or "ULL" or "Loop" means a transmission path between the Main Distribution Frame, DSX panel or functionally comparable piece of equipment in the Customer's serving End Office and the Rate Demarcation Point (or network interface device (NID) if installed) in or at a Customer's premises. The actual loop transmission facilities used to provide an ULL may utilize any of several technologies.

1.89 "Undefined Terms" means the Parties acknowledge that terms may appear in this Agreement which are not defined and agree that any such terms shall be construed in accordance with their customary usage in the telecommunications industry as of the effective date of this Agreement, except that any undefined term herein shall be interpreted in accordance with the definition or its use in the FCC Interconnection Order and the FCC Further Interconnection Order.

1.90 "Voice Grade" means either an analog signal of 300 to 3000 Hz or a digital signal of 56/64 kilobits per second. When referring to digital voice grade service (a 56/64 kbps channel), the terms "DS-0" or "sub-DS-1" may also be used.

1.91 "Wire Center" means a building or portion thereof which serves as Routing Point for Switched Exchange Access Service.

2.0 INTERPRETATION AND CONSTRUCTION

2.1 All references to Sections, Exhibits and Schedules shall be deemed to be references to Sections of, and Exhibits and Schedules to, this Agreement unless the context shall otherwise require. The headings used in this Agreement are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning of this Agreement. Unless the context shall otherwise require, any reference to any agreement, other instrument (including BA or other third Party offerings, guides or practices), statute, regulation, rule or tariff is to such agreement, instrument, statute, regulation, or rule or tariff as amended and supplemented from time to time (and, in the case of a statute, regulation, rule or tariff, to any successor provision).

2.2 Subject to the terms set forth in Section 20 regarding rates and charges, each Party hereby incorporates by reference those provisions of its tariffs that govern the provision of any of the services or facilities provided hereunder. If any provision of this Agreement and an applicable tariff cannot be reasonably construed or interpreted to avoid conflict, the provision contained in this Agreement shall prevail, provided that in all cases the more specific shall prevail over the more general. If any provision contained in this main body of the Agreement and any Schedule or Exhibit hereto cannot be reasonably construed or interpreted to avoid conflict, the provision contained in this main body of the Agreement shall prevail. The fact that a condition, right, obligation, or other term appears in this Agreement but not in any such tariff shall not be interpreted as, or be deemed grounds for finding, a conflict for purposes of this Section 2.

3.0 SCOPE

This Agreement sets forth the terms and conditions under which Covad can obtain access to Unbundled Network Elements, Collocation, Resale and Interconnection from BA, consistent with the rights and obligations set forth in the Act, in order for Covad to provide Telecommunication Services to its own customers. Covad warrants and represents that it is a Telecommunications Carrier (“TC”) under the Act. Each Party is solely responsible for the services it provides to its Customers and to other Telecommunications Carriers.

4.0 INTERCONNECTION PURSUANT TO SECTION 251(c)(2)

The types of Traffic to be exchanged under this Agreement shall be Local Traffic, IntraLATA Toll (and InterLATA Toll, as applicable) Traffic, Transit Traffic, Meet Point Billing Traffic, and Ancillary Traffic. Subject to the terms and conditions of this Agreement, Interconnection of the Parties facilities and equipment pursuant to this Section 4.0 for the transmission and routing of Telephone Exchange Service traffic and Exchange Access traffic shall be established on or before the corresponding “Interconnection Activation Date” shown for each such LATA within the Commonwealth of Massachusetts on Schedule 4.0. Schedule 4.0 may be revised and supplemented from time to time upon the mutual agreement of the Parties to reflect additional or changed Interconnection Points in Massachusetts pursuant to subsection 4.4 by attaching one or more supplementary addenda to such Schedule. Interconnection in the LATA shall be accomplished through either (i) Collocation as provided in Section 13.0, (ii) a Fiber-Meet as provided in subsection 4.2, (iii) any other Interconnection method provided by applicable tariff, law, rule or regulation, or (iv) any other Interconnection method to which the Parties may agree.

4.1 Scope

4.1.1 Section 4 describes the architecture for Interconnection of the Parties' facilities and equipment over which the Parties shall configure the following separate and distinct trunk groups:

Traffic Exchange Trunks for the transmission and routing of terminating Local Traffic, Transit Traffic, translated LEC IntraLATA 800/888 traffic, IntraLATA Toll Traffic, and, where agreed to between the Parties and as set forth in subsection 5.3.3 below, InterLATA Toll Traffic between their respective Telephone Exchange Service customers pursuant to Section 251(c)(2) of the Act, in accordance with Section 5 below;

Access Toll Connecting Trunks for the transmission and routing of Exchange Access traffic, including translated InterLATA 800/888 traffic, between Covad Telephone Exchange Service customers and purchasers of Switched Exchange Access Service via a BA Tandem, pursuant to Section 251(c)(2) of the Act, in accordance with Section 6 below;

Information Services Trunks for the transmission and routing of terminating Information Services Traffic in accordance with Section 7 below;

BLV/BLVI Trunks for the transmission and routing of terminating BLV/BLVI traffic, in accordance with Section 19 below;

911/E911 Trunks for the transmission and routing of terminating E911/911 traffic, in accordance with Section 7 below;

Directory Assistance Trunks for the transmission and routing of terminating directory assistance traffic, in accordance with Section 19.0 below;

Operator Services (IntraLATA call completion) Trunks for the transmission and routing of terminating IntraLATA call completion traffic, in accordance with Section 19.0 below;

Choke Trunks for traffic congestion and testing; and

Others as may be requested and agreed to by the Parties.

4.1.2 The Parties shall configure separate trunk groups (as described in subsection 4.1.1 above) for traffic from Covad to BA, and for traffic from BA to Covad, respectively; however, the trunk groups shall be equipped as two-way trunks for testing purposes. As provided in Section 10 below, the Parties agree to consider as part of the Joint Grooming Process the feasibility of combining any of the separate trunk groups into a single two-way trunk group.

4.2 Physical Architecture

In each LATA identified on Schedule 4.0, Covad and BA shall utilize the Interconnection points designated in such Schedule to configure a network Interconnection arrangement under a joint network configuration and Grooming Process (“Joint Grooming Process” as defined in Section 10.1). Both Parties will endeavor to provision a diverse, reliable network that incorporates the most practicable technologies.

4.2.1 Network architecture shall be defined under the Joint Grooming Process.

4.2.1.1 The Parties shall establish physical Interconnection points at the locations designated on Schedule 4.0. Points on the Covad network from which Covad will provide transport and termination of traffic are designated as the Covad Interconnection Points (“Covad-IP”). Points on the BA network from which BA will provide transport and termination of traffic are designated as the BA Interconnection Points (“BA-IP”). Additional Interconnection points may be established by mutual agreement of both parties at any technically feasible points consistent with Act.

4.2.1.2 Each Party will provide owned or leased facilities to deliver traffic originated on its respective networks to the designated Interconnection Points of the other Party's network. The Party terminating the traffic will be responsible for all transport and termination of calls beyond the designated Interconnection point.

4.2.2 The Parties may implement one of the following configurations as part of the Joint Grooming Process, unless an alternative plan is mutually agreed to by both Parties.

(a) a jointly maintained SONET network, in which each Party is responsible for the procurement, installation, and maintenance of mutually agreed-upon Optical Line Terminating Multiplexer ("OLTM") equipment at its respective premises. Additionally, each Party will be responsible for the installation and maintenance of one-half of a fiber optic ring;

(b) Interconnection of networks at an optical level via a Fiber Meet or other comparable means.

4.2.3 Covad may order from Bell Atlantic an entrance facility (and any necessary multiplexing) using an electrical handoff at the Covad location, where such facility extends to the BA-IP from a mutually agreed to point on Covad's network.

4.3 Technical Specifications

4.3.1 Covad and BA shall work cooperatively to install and maintain a reliable network such that each of the Parties shall maintain a grade of service of at least B.01 with respect to exchanged traffic. Covad and BA shall exchange appropriate information (e.g., maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the Government and such other information as the Parties shall mutually agree) to achieve this desired reliability.

4.3.2 Covad and BA shall work cooperatively to apply sound network management principles by invoking network management controls to alleviate or to prevent congestion.

4.3.3 The publication "Bellcore Technical Publication GR-342-CORE; High Capacity Digital Special Access Service, Transmission Parameter Limits and Interface Combinations" describes the practices, procedures, specifications and interfaces generally utilized by BA and is referenced herein to assist the Parties in meeting their respective Interconnection responsibilities related to electrical/optical interfaces.

4.3.4 Interconnection provided by BA to Covad must be at least equal in quality to that provided by BA to itself, any BA subsidiary or Affiliate, or any other party.

4.4 Interconnection in Additional LATAs

4.4.1 If Covad determines to offer Telephone Exchange Services in any other LATA in which BA also offers Telephone Exchange Services in Massachusetts, Covad shall provide written notice to BA of the need to establish Interconnection in such LATA pursuant to this Agreement.

4.4.2 The notice provided in subsection 4.4.1 shall include (i) the initial Rating Point Covad has designated in the new LATA; (ii) Covad's requested Interconnection Activation Date; and (iii) a non-binding forecast of Covad's trunking requirements.

4.4.3 Unless otherwise agreed by the Parties, the Parties shall designate the Wire Center(s) Covad has identified as its initial Rating Point(s) in the LATA as the Covad-IP(s) in that LATA and shall designate the BA Tandem Office Wire Center within the LATA nearest to the Covad-IP (as measured in airline miles utilizing the V&H coordinates method as defined in Bellcore Special Report SR-TSV-002275) as the BA-IP in that LATA.

5.0 TRANSMISSION AND ROUTING OF TELEPHONE EXCHANGE SERVICE TRAFFIC PURSUANT TO SECTION 251(c)(2)

5.1 Scope of Traffic

Section 5.0 prescribes parameters for trunk groups (the "Traffic Exchange Trunks") to be effected over the Interconnections specified in Section 4.0 for the transmission and routing of Local Traffic, Transit Traffic, translated LEC IntraLATA 800/888 traffic, InterLATA Toll Traffic (to the extent applicable), and IntraLATA Toll Traffic between the Parties' respective Telephone Exchange Service Customers.

5.2 Switching System Hierarchy

5.2.1 For purposes of this Section 5.0, each of the following Central Office Switches shall be designated as a "Primary Switch":

- (a) Each Tandem Office BA operates in the LATA;
- (b) The initial switch Covad employs to provide Telephone Exchange Service in the LATA;
- (c) Any Tandem Office Covad may establish for provision of Exchange Access in the LATA;
- (d) Any additional switch Covad may subsequently employ to provide Telephone Exchange Service in the LATA which Covad may at its sole

option designate as a Primary Switch; provided that the total number of Covad Primary Switches for a LATA may not exceed the total number of BA Primary Switches for that LATA. To the extent Covad chooses to designate any additional switch as a Primary Switch, it shall provide notice to BA of such designation at least ninety (90) days in advance of the date on which Covad activates such switch as a Primary Switch; and

- (e) Any additional tandem switch BA may subsequently employ to provide access and/or sector traffic capacity within a LATA. Traffic destined to sub-tending Secondary Switches routed via such a tandem(s) would be determined by network requirements and notice made available to all LECs at least one hundred and eighty (180) days prior to service introduction.

5.2.2 For purposes of this Section 5.0, each of the following Central Office Switches shall be designated as a “Secondary Switch”.

- (a) Each Central Office Switch operated by the Parties which is not designated as a Primary Switch pursuant to Section 5.2.1 shall be designated as a “Secondary Switch”.
- (b) A geographically relevant End Office or functional equivalent, at a technically feasible IP established by one Party at the other Party’s request (collectively, a “Virtual End Office”). For purposes of this Agreement, a “geographically relevant” IP shall mean an IP that is located within the same Rate Center Area as the NXX’s to which traffic is to be terminated are assigned, or, with the mutual agreement of the Parties, an existing and currently utilized IP within the LATA but outside the applicable Rate Center Area. If after sixty (60) days following said request, the Parties have been unable to reach agreement on the additional Interconnection Point(s), then either Party may file a complaint with the Department to resolve such impasse or pursue any other remedy available under law or equity.

5.2.3 For purposes of Covad routing traffic to BA, the sub-tending arrangements between BA Primary Switches and BA Secondary Switches shall be the same as the Tandem/End Office sub-tending arrangements which BA maintains for the routing of its own or other carriers’ traffic. For purposes of BA routing traffic to Covad, the sub-tending arrangements between Covad Primary Switches and Covad Secondary Switches shall be the same as the Tandem/End Office sub-tending arrangements which Covad maintains for the routing of its own or other carriers’ traffic.

5.3 Trunk Group Architecture and Traffic Routing

The Parties shall jointly engineer and configure Traffic Exchange Trunks over the physical Interconnection arrangements where such arrangements exist for the transport and termination of Telephone Exchange Service Traffic as follows:

5.3.1 The Parties shall each initially configure a separate two-way trunk group as direct transmission path between each Covad Primary Switch and each BA Primary Switch.

5.3.2 Notwithstanding anything to the contrary in this Section 5.0, if the individual trunk group volumes between any two Central Office Switches (whether Primary-Primary, Primary-Secondary, or Secondary-Secondary) consistently exceed the blocking parameters established in the Joint Grooming Process, the Parties will augment such trunk groups so as to achieve established service objectives. Such augmentation shall be consistent with established network design methods using modular trunk engineering techniques where practical.

5.3.3 BA and Covad will allow each other to route their intrastate and interstate switched access service traffic over the Traffic Exchange Trunk Groups, pursuant to the rates, terms and conditions specified in each Party's effective intrastate and interstate access tariffs or at generally available and prevailing rates, terms and conditions.

5.4 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 following provisions, and with Section 17.0 below:

5.4.1 Where available, CCIS signaling shall be used by the Parties to set up calls between the Parties' Telephone Exchange Service networks. If CCIS signaling is unavailable, MF ("Multi-Frequency") signaling shall be used by the Parties. Each Party shall charge the other Party equal and reciprocal rates for CCIS signaling in accordance with applicable tariffs.

5.4.2 The publication "Bellcore Special Report SR-TSV-002275, BOC Notes on the LEC Networks - Signaling" describes the practices, procedures and specifications generally utilized by BA for signaling purposes and is referenced herein to assist the Parties in meeting their respective Interconnection responsibilities related to signaling.

5.4.3 The Parties will cooperate on the exchange of Transactional Capabilities Application Part ("TCAP") messages to facilitate interoperability of CCIS-based features between their respective networks, including all CLASS features and functions, to the extent each Party offers such features and functions to its Customers. All CCIS signaling parameters will be provided including, calling Party number ("CPN"), originating line information ("OLI"), calling Party category and charge number.

5.4.4 Upon request, each Party shall provide trunk groups where available that are configured utilizing the B8ZS ESF protocol for 64 Kbps clear channel transmission to allow

for ISDN interoperability between the Parties' respective networks.

5.5 Grades of Service

The Parties shall engineer and shall jointly monitor and enhance all trunk groups consistent with the Joint Grooming Process as set forth in Section 10.

5.6 Measurement and Billing

5.6.1 For billing purposes, each Party shall pass Calling Party Number ("CPN") information on each call carried over the Traffic Exchange Trunks; provided, however, that so long as the percentage of calls passed with CPN is greater than ninety percent (90%), all calls exchanged without CPN information shall be billed as either Local Traffic or IntraLATA Toll Traffic in direct proportion to the minutes of use of calls exchanged with CPN information.

5.6.2 Measurement of billing minutes (except for originating 800/888 calls) shall be in actual conversation seconds. Measurement of billing minutes for originating 800/888 calls shall be in accordance with applicable tariffs.

5.6.3 Where CPN is not available in a LATA for greater than ten percent (10%) of the traffic, the Party sending the traffic shall provide factors to determine the jurisdiction, as well as local vs. toll distinction, of the traffic. Such factors shall be supported by call record details that will be made available for review upon request when a Party is passing CPN but the receiving Party is not properly receiving or recording the information. The Parties shall cooperatively work to correctly identify the traffic, and establish a mutually agreeable mechanism that will prevent improperly rated traffic. Notwithstanding this, if any improperly rated traffic occurs, the Parties agree to reconcile it.

5.7 Reciprocal Compensation Arrangements -- Section 251(b)(5)

5.7.1 Reciprocal Compensation only applies to the transport and termination of Reciprocal Compensation Traffic billable by BA or Covad which a Telephone Exchange Service Customer originates on BA's or Covad's network for termination on the other Party's network within the same LATA except as provided in Section 5.7.6 below.

5.7.2 The Parties shall compensate each other for transport and termination of Reciprocal Compensation Traffic in an equal and symmetrical manner for the application of rates as provided in the Pricing Schedule (Exhibit A hereto). These rates are to be applied at the Covad-IP for traffic delivered by BA, and at the BA-IP for traffic delivered by Covad. Tandem rates will be applied for traffic terminated to a Primary Switch; End Office rates will be applied for traffic terminated to a Secondary Switch. No additional charges, including port or transport charges, shall apply for the termination of Reciprocal Compensation Traffic delivered to the Covad-IP or the BA-IP. When Reciprocal Compensation Traffic is terminated over the same trunks as Switched Exchange Access Service, any port or transport or other applicable access

charges related to the Switched Exchange Access Service shall be prorated to be applied only to such other Switched Exchange Access Service.

5.7.3 The Reciprocal Compensation arrangements set forth in this Agreement are not applicable to Switched Exchange Access Service or to any other IntraLATA or InterLATA calls originated on a third party carrier's network on a 1+ presubscribed basis or a casual dialed (10XXX or 101XXXX) basis. All Switched Exchange Access Service and all Toll Traffic shall continue to be governed by the terms and conditions of the applicable federal and state Tariffs or the terms and conditions of section 6.3, if applicable.

5.7.4 Similarly, the Parties agree that the issue of what, if any, compensation is applicable to traffic handed off from one Party to the other Party, within a BA local calling area (or other calling area otherwise applicable for Reciprocal Compensation), for delivery to an Internet Service Provider (ISP) for carriage over the Internet is currently pending before the FCC. Until such time as the issue is resolved by the FCC or by an applicable order of the Department or Court with jurisdiction over the appropriate compensation for such traffic exchange, the Parties agree that the Reciprocal Compensation arrangements contained in this subsection 5.7 shall not apply to such traffic. To the extent that either Party is unable to measure the volume of such traffic, the Parties agree to work cooperatively to estimate such traffic volume. Unless otherwise provided under Applicable Law, Reciprocal Compensation arrangements shall apply to IntraLATA Toll Traffic originated on one Party's network and delivered by that Party to the other Party's network.

5.7.5 The rates for termination of Reciprocal Compensation Traffic are set forth in Exhibit A which is incorporated by reference herein.

5.7.6 The designation of Traffic as Local or Toll for purposes of compensation shall be based on the actual originating and terminating points of the complete end-to-end call, regardless of the entities involved in carrying any segment of the call.

5.7.7 Compensation for transport and termination of all traffic which is subject to performance of INP by one Party for the other Party pursuant to Section 14.0 shall be as specified in subsection 14.6.

5.7.8 Each Party reserves the right to measure and audit all Reciprocal Compensation Traffic, up to a maximum of two audits per calendar year, to ensure that proper 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 Reciprocal Compensation Traffic data or permit the other Party's recording equipment to be installed for sampling purposes in conjunction with any such audit.

5.7.9 When either Party delivers seven (7) or ten (10) digit translated IntraLATA toll-free service access codes (e.g.; 800/888) service to the other Party for termination, the

originating Party shall provide the terminating Party with billing records in industry standard format (EMR) if required by the terminating Party. The originating Party may bill the terminating Party for the delivery of the traffic at local reciprocal compensation rates. The terminating Party may not bill the originating Party reciprocal compensation under this Agreement. The Party that is providing the toll-free service access codes (e.g.; 800/888) service shall pay the database inquiry charge per the Pricing Schedule to the Party that performed the database inquiry.

6.0 TRANSMISSION AND ROUTING OF EXCHANGE ACCESS TRAFFIC PURSUANT TO 251(c)(2)

6.1 Scope of Traffic

Section 6.0 prescribes parameters for certain trunk groups (“Access Toll Connecting Trunks”) to be established over the Interconnections specified in Section 4.0 for the transmission and routing of Exchange Access traffic between Covad’s Telephone Exchange Service Customers and Interexchange Carriers (“IXC’s”).

6.2 Trunk Group Architecture and Traffic Routing

6.2.1 The Parties shall jointly establish Access Toll Connecting Trunks by which they will jointly provide tandem-transported Switched Exchange Access Services to Interexchange Carriers to enable such Interexchange Carriers to originate and terminate traffic from/to Covad 's Customers.

6.2.2 Access Toll Connecting Trunks shall be used solely for the transmission and routing of Exchange Access to allow Covad's Customers to connect to or be connected to the interexchange trunks of any Interexchange Carrier which is connected to an BA Tandem.

6.2.3 The Access Toll Connecting Trunks shall be two-way trunks, and operated as one-way or two-way as mutually agreed by both Parties, connecting an End Office Switch Covad utilizes to provide Telephone Exchange Service and Switched Exchange Access in a given LATA to a Tandem Switch BA utilizes to provide Exchange Access in such LATA.

6.2.4 The Parties shall jointly determine which BA Tandem(s) will be sub-tended by each Covad End Office Switch. Covad’s end office switch shall sub-tend the BA Tandem that would have served the same rate center on BA’s network.

6.3 Meet-Point Billing Arrangements

6.3.1 Meet-Point Billing arrangements between the Parties for jointly-provided Switched Exchange Access Services on Access Toll Connecting Trunks will be governed by the terms and conditions of a mutually agreeable arrangement which the Parties will work to develop.

6.3.2 With respect to the Meet Point Billing arrangements, until and unless changed by the FCC on a going forward basis, Covad shall retain one hundred percent (100%) of the Residual Interconnection Charge in instances in which Covad provides the end office switching.

7.0 TRANSPORT AND TERMINATION OF OTHER TYPES OF TRAFFIC

7.1 Information Services Traffic

The following provisions shall apply only to Covad-originated Information Services Traffic directed to an information services platform connected to BA's network. At such time as Covad connects information services platforms to its network, the Parties shall agree upon a comparable arrangement for BA-originated Information Services Traffic. The Information Services Traffic subject to the following provisions is switched voice traffic, delivered to service providers who offer recorded announcement information or open discussion information programs to the general public; it is not Internet traffic.

7.1.1 Covad shall have the option to route Information Services Traffic that originates on its own network to the appropriate information services platform(s) connected to BA's network. In the event Covad exercises such option, Covad will establish a dedicated trunk group to the BA information services serving switch. This trunk group will be utilized to allow Covad to route information service traffic originated on its network to BA.

Where Covad serves a Customer through the purchase of a BA unbundled Port Element, information service traffic from that Customer may be routed over BA information service trunks on a shared basis.

7.1.2 Nothing in this Agreement shall restrict either Party from offering, or obviate either Party's obligations, if any, under Applicable Laws, to offer to its Telephone Exchange Service Customers the ability to block the completion of Information Service Traffic.

7.1.3 Reserved.

7.1.4 For calls to variable rated information services (e.g. NXX 550, 976, 940 as applicable), the Parties shall agree to implement either of two separate billing arrangements, as set forth in Schedule 7.1.4. Under either arrangement, Covad shall bill and collect information services provider charges from its Customers. BA shall charge Covad, and the Parties shall exchange call detail information and handle adjustments, according to the terms set forth in the agreed upon billing arrangement, at customer usage detail rates specified in Exhibit A. Applicable information shall be provided in as timely a fashion as practical in order to facilitate record review and reflect actual prices set by the individual information services providers. The same billing arrangements shall apply whether Covad serves its Customer from switching

facilities outside the BA network, or from BA unbundled Local Switching Elements, and agreement to mutually support one or the other billing arrangement shall precede interconnection of the Covad network to the appropriate information services platform(s) connected to BA's network. BA may require reasonable demonstration, as defined in the applicable billing arrangement, that the agreed upon arrangement has been implemented by Covad prior to establishing such interconnection.

7.1.5 Where BA agrees to accept adjustments from Covad for calls originated by Covad Customers to information services platform(s) connected to BA's network, Covad shall follow the same policy in allowing adjustments to its Customers as BA follows with its own Customers. Covad shall provide to BA sufficient information regarding uncollectibles and Customer adjustments to allow BA to pass through the adjustments to the information services provider, and BA shall pass through such adjustments. However, if the information services provider disputes such adjustments and refuses to accept such adjustments, Covad shall reimburse BA for all such disputed adjustments. Final resolution regarding all disputed adjustments shall be solely between Covad and the information services provider.

7.1.6 The Information Services Traffic addressed herein does not include 555 traffic or similar traffic with AIN service interfaces, which traffic shall be subject to separate arrangements between the Parties.

7.2 Tandem Transit Service ("Transit Service")

7.2.1 "Transit Service" means the delivery of certain traffic between Covad and another Local Exchange Carrier by BA over the Telephone Exchange Service Trunks, where both carriers' End Offices subtend a BA tandem. The following traffic types will be delivered: (i) Local Traffic or IntraLATA Toll originated from Covad to such LEC and (ii) Local or IntraLATA Toll Traffic originated from such LEC and terminated to Covad where BA carries such traffic pursuant to the Department's primary toll carrier plan or other similar plan.

7.2.2 Subject to Section 7.2.4, the Parties shall compensate each other for Transit Service as follows:

- (a) Covad shall pay BA for Local Traffic that Covad originates over the Transit Service at the rate specified in Pricing Schedule plus any additional charges or costs such terminating LEC imposes or levies on BA for the delivery or termination of such traffic, including any switched access charges; and
- (b) BA shall pay Covad for Local, InterLATA, or IntraLATA Toll Traffic terminated to Covad from such LEC at the appropriate reciprocal compensation rates described in Section 5.7, InterLATA access rates, or (where BA delivers such traffic pursuant to the Department's primary toll carrier plan or other similar plan) at Covad's applicable switched access

rates or local termination rate, whichever is appropriate.

7.2.3 BA expects that all networks involved in Transit traffic will deliver each call to each involved network with CCIS and the appropriate Transactional Capabilities Application Part ("TCAP") message to facilitate full interoperability of those CLASS Features supported by BA and billing functions. In all cases, each Party shall follow the Exchange Message Record ("EMR") standard and exchange records between the Parties and with the terminating carrier to facilitate the billing process to the originating network.

7.2.4 Each Party shall exercise all reasonable efforts to enter into a reciprocal local traffic exchange arrangement (either via written agreement or mutual tariffs) with any wireless carrier, ITC, CLEC or other LEC to which it sends, or from which it receives, local traffic that transits the other Party's facilities over Traffic Exchange Trunks. Each Party will, upon request, provide the other Party with all reasonable cooperation and assistance in obtaining such arrangements. In addition, neither Party shall take any actions to prevent the other Party from entering into a direct and reciprocal local traffic exchange arrangement (either via written agreement or mutual tariffs) with any wireless carrier, ITC, CLEC, or other LEC to which it sends, or from which it receives, local traffic that does not utilize the Transit Service of the first Party. The Parties agree to work cooperatively in appropriate industry fora to promote the adoption of reasonable industry guidelines relating to Transit Traffic, although participation in those industry fora by either Party is not required by this Agreement.

7.3 Reserved

7.4 911/E911 Arrangements

7.4.1 COVAD may, at its option, interconnect to the BA 911/E911 Tandem Offices, as appropriate, that serve the areas in which COVAD provides Telephone Exchange Services, for the provision of 911/E911 services and for access to all subtending Public Safety Answering Points ("PSAP"). In such situations, BA will provide COVAD with the appropriate CLLI codes and specifications of the Tandem Office serving area. In areas where E911 is not available, COVAD and BA will negotiate arrangements to connect COVAD to the 911 service in accordance with applicable state Law.

7.4.2 Path and route diverse interconnections for 911/E911 shall be made at the COVAD-IP, the BA-IP, or other points as necessary and mutually agreed, and as required by law or regulation.

7.4.3 Within thirty (30) days of its receipt of a request from COVAD and to the extent authorized by the relevant federal, state, and local authorities, BA will provide COVAD with the following at no charge:

(a) a file on diskette or other mutually agreed upon medium containing the Master Street Address Guide ("MSAG") for each county within the LATA(s) specified in this

Agreement, which MSAG shall be updated no more frequently than monthly and a complete copy of which shall be made available on an annual basis;

(b) a list of the address, CLLI code, and an associated NXX of each 911/E911 Tandem office(s) in the area in which COVAD plans to offer Telephone Exchange Service;

(c) [intentionally omitted]

(d) a list of BA personnel who currently have responsibility for each county's 911 requirements;

(e) the ten-digit subscriber number for each PSAP or the "main" PSAP that subtends each BA 911/E911 selective router or 911 Tandem to which COVAD is interconnected for the transfer of "0-" calls to the PSAP;

(f) any special 911 trunking requirements for each 911/E911 selective router or 911 Tandem;

(g) an electronic interface, when available, through which COVAD shall input and provide a daily update of 911/E911 database information related to appropriate COVAD Customers. Until such time as an electronic interface is available, COVAD shall provide BA with all appropriate 911 information such as name, address, and telephone number in writing for BA's entry into the 911 database system. Any 911-related data exchanged between the Parties prior to the availability of an electronic interface shall conform to BA standards, whereas Any 911-related data exchanged electronically shall conform to the National Emergency Number Association standards;

(h) return of any COVAD E911 data entry files containing errors, so that COVAD may ensure the accuracy of the Customer records; and

(i) a Design Layout Record ("DLR") of a 911 (CAMA) trunk, if applicable.

7.4.4 In cases where a Customer of one Party elects to discontinue its service and become the Customer of the other Party ("Party B") but desires to retain its original telephone number pursuant to an INP arrangement, Party B will outpulse the telephone number to which the call has been forwarded (i.e. the Customer's ANI) to the 911 Tandem Office. Party B will also provide the 911 database with both the forwarded number and the directory number, as well as the appropriate address information of the Customer.

7.4.5 BA and COVAD will use their best efforts to facilitate the prompt, robust, reliable and efficient interconnection of COVAD systems to the 911/E911 platforms.

7.4.6 BA and COVAD will work cooperatively to arrange meetings with PSAPs to answer any technical questions the PSAPs, or county or municipal coordinators may have

regarding the 911/E911 arrangements.

7.4.7 The Parties acknowledge that the provision of INP, until PNP with full 911 compatibility is available, creates a special need to have the Automatic Location Identification (“ALI”) screen reflect two numbers: the “old” number and the “new” number assigned by COVAD. The Parties acknowledge further the objective of including the five character Telephone Company Identification (“TCI”) of the company that provides service to the calling line as part of the ALI display. Until such time as TCI is operational, however, BA and COVAD agree to supply and use the three-letter Access Carrier Name Abbreviation (“ACNA”) as the carrier identifier.

7.4.8 COVAD will compensate BA for connections to its 911/E911 pursuant to Exhibit A.

7.4.9 COVAD will comply with all applicable rules and regulations pertaining to the provision of 911/E911 services in Massachusetts.

7.4.10 COVAD shall be responsible for providing facilities from the COVAD End Office to the 911 Tandem.

7.5 E911 Funding

Until such time as the Department provides otherwise, the following terms and conditions apply when Covad provides local exchange services (i) from its own switch; (ii) through the provision of unbundled BA line ports; or (iii) as a reseller, and Covad does not use BA to provide directory assistance:

(a) BA will bill basic 911 traffic at the same rate it bills other local traffic from Covad.

(b) For E-911 service, Covad will pay a monthly rate based upon the number of Covad telephone numbers in the E-911 database. The monthly rate will be adjusted annually and will be based on BA E-911 costs in Massachusetts as reported to the Department on an annual basis. The residence rate will be calculated by dividing the total E-911 costs for residence by the total number of residence telephone numbers in the database. The business rate will be calculated by dividing the total E-911 costs for business by the total number of business telephone numbers in the database. The total annual cost for residence and business will be divided by twelve (12) to develop the monthly cost for residence and business. The monthly bill to Covad will be calculated by multiplying the number of Covad residence telephone numbers contained in the E-911 database by the monthly residence rate and by multiplying the number of the Covad business telephone numbers contained in the E-911 database by the monthly business rate.

(c) Unless otherwise required by the Department, within 90 days after the Department approves or adopts a different rate or rate structure for funding E-911 and the TDD/TTY Message

Relay service than stated in this Agreement (“New E-911 Date”), (i) if the aggregate amounts paid by Covad for such funding under this Agreement during the period prior to the New E-911 Date shall exceed the amount which would have been payable by Covad if the new E-911 rate had been applicable during such period, then BA shall refund to Covad such excess; or (ii) if the aggregate amounts paid by Covad for such funding under this Agreement during such period shall be less than the amount which would have been payable by Covad if the new E-911 rate had been applicable during such period, then Covad shall pay such deficiency to BA.

8.0 NUMBER RESOURCES, RATE CENTERS AND RATING POINTS

8.1 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 (NXX) Codes pursuant to the Central Office Code Assignment Guidelines, as may be amended from time to time, or to establish, by Tariff or otherwise, Rate Centers and Rating Points corresponding to such NXX codes. Until such time as number administration is provided by a third party, BA shall provide Covad access to telephone numbers by assigning NXX codes to Covad in accordance with such Assignment Guidelines at no charge.

8.2 It shall be the responsibility of each Party to program and update its own switches and network systems in accordance with the Local Exchange Routing Guide (“LERG”) in order to recognize and route traffic to the other Party’s assigned NXX codes at all times. Neither Party shall impose any fees or charges whatsoever on the other Party for such activities, except as expressly set forth in this Agreement.

8.3 Unless mandated otherwise by a Department order, the Rate Center Areas will be the same for each Party. During the term of this Agreement, Covad shall adopt the Rate Center Areas and Rate Center Points that the Department has approved for BA, in all areas where BA and Covad service areas overlap, and Covad shall assign whole NPA-NXX codes to each Rate Center unless the LEC industry adopts alternative methods of utilizing NXXs in the manner adopted by the NANP.

8.4 Covad will also designate a Rating Point for each assigned NXX code. Covad shall designate one location for each Rate Center Area as the Rating Point for the NPA-NXXs associated with that Area, and such Rating Point shall be within the same LATA as the Rate Center Area but not necessarily within the Rate Center Area itself.

8.5 Notwithstanding anything to the contrary contained herein, nothing in this Agreement is intended to, and nothing in this Agreement shall be construed to, in any way constrain Covad’s choices regarding the size of the local calling area(s) that Covad may establish for its Customers, which local calling areas may be larger than, smaller than, or identical to, BA’s local calling areas.

9.0 NETWORK MAINTENANCE AND MANAGEMENT; OUTAGES

9.1 Cooperation

The Parties will work cooperatively to install and maintain a reliable network. Covad and BA will exchange appropriate information (e.g., maintenance contact numbers, escalation procedures, network information, information required to comply with law enforcement and other security agencies of the Government) to achieve this desired reliability. In addition, the Parties will work cooperatively to apply sound network management principles to alleviate or to prevent congestion. BA and Covad agree to work cooperatively to implement technical guidelines to prevent degradation or other impairments to the quality or reliability of either Party's network.

9.2 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 or any facilities of the other or any third parties connected with or involved directly in the network of the other.

9.3 Interference or Impairment

If Bell Atlantic reasonably determines that the use of an unbundled Network Element or network service by Covad is interfering with or impairing BA's provision of services, BA shall have the right to discontinue service to the degree reasonably necessary to resolve the interference or impairment, subject, however, to the following:

9.3.1 BA shall have given Covad at least ten (10) days' prior written notice of the interference or impairment and the need to correct the condition within said time period.

9.3.2 BA shall have concurrently provided a copy of the notice provided to Covad under subsection 9.3.1 above to the appropriate federal and/or state regulatory bodies.

9.3.3 Notice in accord with subsections 9.3.1 and 9.3.2 above shall not be required in emergencies and BA may immediately discontinue service if reasonably necessary to avoid interference with or impairment of BA's network or services. In such case, however, BA shall use all reasonable means to notify Covad and the appropriate federal and/or state regulatory bodies.

9.3.4 Upon correction of the interference or impairment, which may include relocation at appropriate rates and charges, BA will promptly renew service to Covad. During such period of discontinuance, there will be no compensation or credit allowance by BA to Covad for interruptions.

9.3.5 The provisions of this Section 9.3 shall not apply to ADSL-2W, HDSL-2W, and HDSL-4W ULLs provided to Covad by Bell Atlantic pursuant to Section 11.2 of this

Agreement, so long as Covad conforms to the applicable technical references in its use of such loops.

9.3.6 If Bell Atlantic reasonably determines that (i) Covad's use of an unbundled Network Element or a service provided by BA or (ii) the characteristics and methods of operation used by Covad will or may interfere with or impair BA's provision of services, BA shall give Covad at least twenty (20) days' prior written notice of the potential interference or impairment and the need to correct the condition within said time period. If Covad fails to correct the condition within said time period, BA may take any action permitted by Applicable Law, including, but not limited to, filing a complaint with or seeking other relief from the FCC or the Department.

9.4 Repeated or Willful Noncompliance

The Interconnection, unbundled Network Elements, and services provided hereunder may be discontinued by either Party upon thirty (30) days written notice to the other for repeated or willful violation of and/or a refusal to comply with this Agreement in any material respect. The Party discontinuing will notify the appropriate federal and/or state regulatory bodies concurrently with the notice to the other Party of the prospective discontinuance.

9.5 Outage Repair Standard

In the event of an outage or trouble in any arrangement, facility, or service being provided by a Party hereunder, the providing Party will follow procedures for isolating and clearing the outage or trouble that are no less favorable than those that apply to comparable arrangements, facilities, or services being provided by the providing Party to itself or any other carrier whose network is connected to that of the providing Party. Covad and BA may agree to modify those procedures from time to time based on their experience with comparable Interconnection arrangements with other carriers.

9.6 Notice of Changes - Section 251(c)(5)

If a Party makes a change in the information necessary for the transmission and routing of services using that Party's network, or any other change in its network which it believes will materially affect the inter-operability of its network with the other Party's network, the Party making the change shall provide at least ninety (90) days advance written notice of such change to the other Party. In addition to all other disclosure rules required by Applicable Law, the Parties will comply with the Network Disclosure rules adopted by the FCC in CC Docket No. 86-79 and those promulgated pursuant to Section 251(c)(5) of the Act as may be amended from time to time.

9.7 Fraud

The Parties shall work cooperatively to minimize fraud associated with third-number

billed calls, calling card calls, and any other services related to this Agreement.

10.0 JOINT NETWORK CONFIGURATION AND GROOMING PROCESS; AND INSTALLATION, MAINTENANCE, TESTING AND REPAIR.

10.1 Joint Network Configuration 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,

- (a) agreement on Physical Architecture consistent with the guidelines defined in Section 4.0;
- (b) standards to ensure that Interconnection trunk groups experience a grade of service, availability and quality which is comparable to that achieved on interoffice trunks within BA's network and in accord with all appropriate relevant industry-accepted quality, reliability and availability standards;
- (c) 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;
- (d) disaster recovery provision escalations;
- (e) additional technically feasible IP(s) in a LATA as provided in Section 4.0 above; and
- (f) 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.

The initial mutual Interconnection is not dependent upon completion of the Joint Grooming Process.

10.2 Installation, Maintenance, Testing and Repair

Unless otherwise agreed to by the Parties, Interconnection shall be provided at parity. For purposes of this Agreement, a Party's obligation to provide parity shall be in accordance with Applicable Laws, including relevant Tariffs or service standards, regarding the establishment of interconnection arrangements. If either Party is unable to fulfill its obligations under this subsection 10.2, it shall notify the other Party of its inability to do so and will negotiate alternative intervals in good faith. The Parties agree that the standards to be used by each Party for isolating and clearing any disconnections and/or other outages or troubles shall be at parity.

10.3 Forecasting Requirements for Trunk Provisioning

Within ninety (90) days of executing this Agreement, each Party shall provide the other Party a one (1) year traffic forecast. This initial forecast will provide the amount of traffic to be delivered to BA over each of the Traffic Exchange Trunk groups over the next four (4) quarters. The forecast shall be updated and provided to BA on an as-needed but no less frequently than quarterly. All forecasts shall include Access Carrier Terminal Location (ACTL), traffic type (local/toll, operator services, 911, etc.), code (identifies trunk group), A location/Z location (CLLI codes for Covad-IPs and BA-IPs, interface type (e.g., DS1), and trunks in service each year (cumulative).

10.3.1 Trunk Provisioning Pursuant to Forecasts. Because BA's trunking requirements will be dependent on the Customer segments and service segments within Customer segments to whom Covad decides to market its services, BA will be dependent on Covad to provide accurate trunk forecasts for both inbound (from BA) and outbound (from Covad) traffic. BA will, as an initial matter and upon request, provide the same number of trunks to terminate local traffic to Covad as Covad provides to terminate local traffic to BA, unless Covad expressly identifies particular situations that are expected to produce traffic that is substantially skewed in either the inbound or outbound direction, in which case BA will provide the number of trunks Covad suggests; provided, however, that in all cases BA's provision of the forecasted number of trunks to Covad is conditioned on the following: that such forecast is based on reasonable engineering criteria, there are no capacity constraints, and Covad's previous forecasts have proven to be reliable and accurate.

10.3.2 Monitoring and Adjusting Forecasts. BA will, for ninety (90) days, monitor traffic on each trunk group that it establishes at Covad's suggestion or request pursuant to the procedures identified in subsection 10.3.1 above. At the end of such ninety (90) day period, BA may disconnect trunks that, based on reasonable engineering criteria and capacity constraints, are not warranted by the actual traffic volume experienced. If, after such initial ninety (90) day period for a trunk group, BA determines that any trunks in the trunk group in excess of four (4) DS-1s are not warranted by actual traffic volumes (considering engineering criteria for busy hour CCS and blocking percentages), then BA may hold Covad financially responsible for the excess facilities. In subsequent periods, BA may also monitor traffic for ninety (90) days on additional trunk groups that Covad suggests or requests BA to establish. If, after any such (90) day period, BA determines that any trunks in the trunk group are not warranted by actual traffic volumes (considering engineering criteria for busy hour call seconds and blocking percentages), then BA may hold Covad financially responsible for the excess facilities. At any time during the relevant ninety (90) day period, Covad may request that BA disconnect trunks to meet a revised forecast. In such instances, BA may hold Covad financially responsible for the disconnected trunks retroactive to the start of the ninety (90) day period through the date such trunks are disconnected.

10.3.3 Reciprocal Responsibility. To the extent that BA requires Covad to install trunks for delivery of traffic to BA, Covad may apply the same procedures described in 10.3.2 with respect to BA's trunking requirements.

10.4 Demand Management Forecasts

10.4.1 Covad will furnish BA with good faith demand management forecasts to enable BA to effectively plan its network infrastructure and work force levels to accommodate anticipated Covad demand for BA services and products. Such forecasts will describe Covad's expected needs for service volumes, and timeframes for service deployment, by wire center. Covad agrees to provide such forecasts to BA thirty (30) days following the Effective Date, with updates to follow every six months thereafter. BA agrees that such forecasts shall be subject to the confidentiality provisions defined in subsection 29.4 below, and that such information will only be used by BA to provide Interconnection, unbundled Network Elements and other services pursuant to this Agreement.

11.0 UNBUNDLED ACCESS -- SECTION 251(c)(3)

To the extent required of each Party by Section 251 of the Act, each Party shall offer to the other Party nondiscriminatory access to Network Elements on an unbundled basis at any technically feasible point. BA shall unbundle and separately price and offer Network Elements such that Covad will be able to lease and interconnect to whichever of the Network Elements Covad requires, and to allow Covad to combine the BA-provided elements with any facilities and services that Covad may itself provide, subject to Applicable Law. To the extent permitted by Applicable Law, Covad may use one or more unbundled Network Elements to provide to itself, its affiliates or its customers any feature, function or service option that (1) such unbundled Network Element is presently capable or becomes capable of providing in the BA network, (2) is described in the applicable Bellcore and other industry standard technical references identified herein and which the BA network has the capability of providing on the Effective Date of this Agreement or becomes capable of providing during the Term of this Agreement, or (3) may otherwise be agreed to by the Parties. Any combination by Covad of unbundled Network Elements purchased from BA shall be through a Collocation arrangement pursuant to Section 13.0 or applicable Tariff.

The unbundled Network Elements and rates specified in this Agreement shall be made available by BA to Covad pursuant to and to the extent required by Applicable Law. Unless otherwise provided in this Agreement, the unbundled Network Elements specified in this Agreement shall be made available by BA to Covad for ordering and provisioning on the Effective Date. To the extent required by Applicable Law, and notwithstanding anything to the contrary in this Section, BA will offer Covad nondiscriminatory access to ADSL-2W, HDSL-2W, and HDSL-4W ULLs to the extent that BA offers such ULLs to any Telecommunications Carrier in the state of Massachusetts.

Covad and BA agree tht the unbundled Network Elements identified in this Section 11 are

not exclusive and that pursuant to the BFR Process Covad may identify and request that BA furnish additional or revised unbundled Network Elements to the extent required under the Act. Additionally, if BA provides any unbundled Network Element that is not identified in this Agreement to a requesting Telecommunications Carrier, including a BA affiliate, without requiring such carrier to utilize the BFR process, then BA will make available the same unbundled Network Element to Covad without Covad being required to use the BFR process.

At the time Covad provides BA with an order for a particular unbundled Network Element other than the standard interfaces provided under this Agreement, Covad may request any technically feasible network interface. Any such requested network interface shall be subject to the approval of BA, which approval shall not be unreasonably withheld or delayed. If Covad's request is denied, BA shall provide Covad with written notice of said denial, including, if applicable, a specific description of why it is technically infeasible for BA to comply with Covad's request.

For each appropriate unbundled Network Element, BA shall identify a demarcation point and, if necessary and appropriate, access to such demarcation point.

11.1 Available Network Elements

At the request of Covad, BA shall provide Covad access to the following unbundled Network Elements in accordance with the requirements of the FCC Regulations and Applicable Law:

- 11.1.1 Local Loops, as set forth in subsection 11.2;
- 11.1.2 The Network Interface Device;
- 11.1.3 Switching Capability, as set forth in subsection 11.3;
- 11.1.4 Interoffice Transmission Facilities, as set forth in subsection 11.4;
- 11.1.5 Signaling Links and Call-Related Databases, as set forth in subsection 5.4 and Section 17;
- 11.1.6 Operations Support Systems, as set forth in subsection 11.5;
- 11.1.7 Operator Services and Directory Assistance, as set forth in Section 19; and
- 11.1.8 such other Network Elements in accordance with subsection 11.7 below.

11.2 Unbundled Local Loop ("ULL") Types

Subject to subsection 11.7, BA shall allow Covad to access the following Unbundled Local Loop ("ULL") types unbundled from local switching and local transport in accordance

with the terms and conditions set forth in this subsection 11.2.

11.2.1 "2-Wire Analog Voice Grade ULL" or "Analog 2W" which supports analog transmission of 300-3000 Hz, repeat link start, link reverse battery, or ground start seizure and disconnect in one direction (toward the End Office Switch), and repeat ringing in the other direction (toward the Customer) and terminates at both the central office MDF (or equivalent) and the Customer premises, in accordance with BA TR72565 and TR72570.

11.2.2 "4-Wire Analog Voice Grade ULL" or "Analog 4W" which supports transmission of voice grade signals using separate transmit and receive paths and terminate in a 4-wire electrical interface at both ends, in accordance with BA TR72570..

11.2.3 "2-Wire ISDN Digital Grade ULL" or "BRI ISDN" (Premium Link) which supports digital transmission of two 64 Kbps bearer channels and one 16 Kbps data channel ("2B+D") in accordance with BA TR72575. BRI ISDN is a 2B+D Basic Rate Interface-Integrated Services Digital Network (BRI-ISDN) Loop which will support equipment that meets national ISDN standards and conforms to ANSI T1.601-1992 & T1E1.4 90-004R3.

11.2.4 2-Wire ADSL-Compatible ULL or ADSL 2W is a 2-wire, non-loaded, twisted copper pair that meets revised resistance design or carrier serving area design guidelines. An ADSL-2W is a transmission path that is suitable for the transmission of up to a 6 Mbps digital signal downstream (toward the Customer) and up to a 640 Kbps digital signal upstream (away from the Customer) while simultaneously carrying an analog voice signal, although Covad is not restricted to those bandwidth specifications in providing its services, provided that Covad complies with appropriate industry ADSL standards and BA technical reference TR72575. An ADSL 2W terminates in a 2-wire electrical interface at the Customer premises and at the Bell Atlantic Central Office frame. 2-wire ADSL-compatible local loops are only available where existing facilities can meet the non-loaded revised resistance design or carrier serving area design guidelines. The upstream and downstream ADSL power spectral density masks and dc line power limits referenced in BA TR72575 must be met. 2-Wire ADSL-compatible local loops are subject to availability.

11.2.5 2-Wire HDSL-Compatible ULL or HDSL 2W consists of a single 2-wire, non-loaded, twisted copper pair that meets the carrier serving area design criteria. The HDSL power spectral density mask and dc line power limits referenced in BA TR 72575 must be met. 2-Wire HDSL-compatible local loops are subject to availability.

11.2.6 4-Wire HDSL-Compatible ULL or HDSL 4W consists of two 2-wire, non-loaded, twisted copper pairs that meet the carrier serving area design criteria. The HDSL power spectral density mask and dc line power limits referenced in BA TR 72575 must be met. 4-Wire HDSL-compatible local loops are subject to availability.

11.2.7 "4-Wire DS-1-compatible ULL" (Digital Grade Loop) is a transmission

path that supports the transmission of digital signals of up to a maximum binary information rate of 1.544 Mbps and terminates in a 4-Wire electrical interface at the Customer premises and a Covad Collocation node at a BA central office. A DS-1 Digital Grade Loop is capable of operating in a full duplex, time division (digital) multiplexing mode and provides transmission capacity equivalent to 24 voice grade channels with associated signaling, twenty-four 56 Kbps digital channels when in band signaling is provided or twenty-four 64 Kbps channels with the selection of the Clear Channel signaling option, as described in BA TR72575.

11.2.8 BA will make Analog 2-Wire ULLs, BRI ISDN ULLs, Analog 4-Wire ULLs and 4-Wire DS-1-compatible ULLs available for purchase by Covad at any time after the Effective Date.

11.2.9 Special Provisions Regarding ADSL and HDSL ULLs

At Covad's request, BA will provide the ADSL-2W, HDSL-2W and HDSL-4W ULLs described in Sections 11.2.4, 11.2.5 and 11.2.6 of this Agreement after successful completion of a Technical Trial, if necessary, and an Operational Trial for each ULL type. A Technical Trial is required prior to an Operational Trial; however, the Technical and/or Operational Trial may or may not involve Covad and may or may not take place in Massachusetts. Upon Covad's request, BA will advise Covad as to the status of any technical and/or operational trial(s) then being conducted or already completed by BA in any state. The Parties agree that if such technical or operational trials are being or have been conducted by BA, then BA shall in its sole discretion decide whether there is a need for a Technical and/or Operational Trial with Covad in Massachusetts.

For each of the ADSL-2W, HDSL-2W and HDSL-4W types of ULLs, if BA makes generally available in any of its service territories in the state of Massachusetts an xDSL service that utilizes such Local Loop type, or if BA successfully completes a Technical Trial (whether that provided for in Section 2.9.1 of their Massachusetts interconnection agreement or a trial with another Telecommunications Carrier) for such ULL type, then the Technical Trial otherwise required by this Section will not be required for such ULL type. BA may also waive the need for the Operational Trial, and BA will then provide Covad, and Covad may utilize, such ULL types, subject to the provisions of Section 11.2.9.3-11.2.9.3.5 below.

BA shall exercise its best efforts to utilize all technical data available to it to satisfy its requirement to conduct a Technical Trial. BA shall share with Covad, upon Covad's written request, the technical trial results related to potential interference issues of any ADSL or HDSL technical trial that BA has undertaken with another Telecommunications Carrier in its service territory, to the extent that the information is not proprietary to the other Telecommunications Carrier. The results of such other technical trials may be used to satisfy the Technical Trial required under this Section.

If a Technical Trial is not required, but BA has determined that an Operational Trial is necessary, Covad may request an Operational Trial in accordance with this Section, provided that Covad

agrees to (i) conform to BA's published technical standards, guidelines or procedures that result from other technical trials or that are used in the general deployment of such service(s), and (ii) uses technology that is substantially similar to that underlying the technical data subject to the other technical trials, is relied on by BA, or is used in the general deployment of such service(s).

11.2.9.1 Trial Milestones

Covad shall notify BA of its request for a Technical and/or Operational Trial in writing and share any technical information pertinent to such trial concerning potential interference issues. Covad will provide BA with a list of proposed locations for said trial(s). BA will indicate a suitable location from such list for said trial within 15 business days of receipt of Covad's list. In the event Covad does not have a suitable Collocation space at the designated trial location, it shall submit a Collocation Application within 30 business days of the trial request. The Parties shall then meet to agree upon a Trial Plan for the requested trial(s). The Trial Plan shall include, but is not limited to, the minimum and maximum volumes for each Local Loop type (which shall be in the range of 10 to 20 loops), the trial location, the technical and/or operational trial parameters and expected results for the specified Technical and/or Operational trial. The Trial Plan shall be a joint work effort completed no later than the completion of Collocation space to be used in the trial, if ordered, or 120 days from the trial request, whichever is later, or as otherwise mutually agreed.

Covad shall provide BA with fourteen (14) days written prior notice of its Equipment Ready Date (ERD). Such notice shall indicate the date upon which Covad can and will accept termination of and turn-up of the trial Local Loop(s). The Technical Trial shall commence no later than 10 business days from the ERD and shall be of a duration of not more than 60 days. The Operational Trial shall commence the later of 30 days from the ERD or September 1, 1998 and shall be of a duration of not more than 60 days.

Upon successful completion as defined in the Trial Plan of the Technical Trial, if necessary, and Operational Trial, which includes, but is not limited to, the resolution of any network interference or other network impairment issues, the Parties shall agree upon an implementation schedule for deployment of the ULL type(s) subject to such trial(s). Within 60 days of successful completion of the Operational Trial as defined in the Trial Plan, BA will publish relevant documentation. At that time, Covad may order and use the type of ULL which had been the subject of the trial in conformance with the BA published references and guidelines for such ULL type.

11.2.9.2 Rates

The ADSL-2W and HDSL-2W rates and any other charges specified in Exhibit A as applicable to such ULLs shall apply during the Operational Trial and thereafter on an interim basis for ADSL-2W and HDSL-2W ULLs. The HDSL-4W rate and any other charges specified in Exhibit A as applicable to such ULLs shall apply during the Operational Trial and on an interim basis thereafter for HDSL-4W ULLs. The interim rates identified in this subsection shall only apply until such time as the Department approves rates for ADSL and HDSL-compatible ULL that comply with Section 252(d)(1) of the Act.

11.2.9.3 Interference and Impairment for ADSL-2W, HDSL-2W and HDSL-4W ULLs

During and until successful completion of the Technical and Operational Trial(s), BA, at its sole discretion, has the right to terminate, modify or reconfigure Covad's ADSL and HDSL ULLs deployed as part of the Trial(s), which BA determines to cause interference or other impairments to the services or facilities provisioned by BA to itself or others as set forth in Section 9.3 of this Agreement.

After the successful completion of the Operational Trial as defined in the Trial Plan and subject to the BA published technical references and guidelines:

- 11.2.9.3.1 Covad shall be able to order and BA shall provision ADSL-2W, HDSL-2W and HDSL-4W ULL(s) subject to such trial.
- 11.2.9.3.2 In its use of ADSL-2W, HDSL-2W and HDSL-4W ULLs, Covad shall conform to the BA references and guidelines such that its provision of services to its customers does not degrade or otherwise adversely affect the quality or reliability of service to BA's customers, provided that BA is in compliance with the provisions of this Section.
- 11.2.9.3.3 BA shall conform to its references and guidelines and shall not introduce services on its network that would degrade or otherwise adversely affect the quality or reliability of service to Covad's customers, provided that Covad is in compliance with the provisions of this Section.
- 11.2.9.3.4 If Covad determines that BA is deploying xDSL technology in a manner that will or may interfere with Covad's provision of its services, Covad shall notify BA in a reasonable manner and time frame. If BA determines that Covad is using an ADSL or HDSL Compatible ULL in a manner that will or may interfere with or impair BA's provision of its services, BA shall notify Covad in a reasonable manner and time frame.
- 11.2.9.3.5 The Parties agree to work cooperatively to resolve interference or other impairment issues. In the event a cooperative resolution cannot be reached, the Dispute Resolution procedures for this Agreement shall apply.

11.3 Unbundled Switching Elements

BA shall make available to Covad the local Switching Element and tandem Switching Element unbundled from transport, local loop transmission, or other services in accordance with the terms and conditions of and at the rates specified in BA's applicable Tariff MassachusettsDTEas amended from time to time. In the event there is no applicable Tariff in Massachusetts, the Parties agree to negotiate the terms, conditions and rates for the provision of unbundled switching elements upon Covad's request.

11.4 Unbundled Inter Office Facilities

11.4.1 BA will provide Covad access to unbundled interoffice transmission facilities as set forth herein between its Central Offices.

11.4.2 BA will provide Covad access to unbundled shared IOF transport in conjunction with Covad's purchase of unbundled local switching. Unbundled shared IOF transport provides Covad access to BA's inter-office transport facilities (i.e. existing route(s) that are used within the Bell Atlantic network) which carry transmission from several different carriers, including BA.

11.4.3 BA will provide Covad access to unbundled dedicated IOF transport. "Dedicated Transport" is an interoffice transmission path of fixed capacity between designated locations to which Covad is granted exclusive use. Access to Dedicated Transport is from Covad's premises or from its collocation arrangement established at BA's Central Office.

11.4.4 Dedicated Transport will be paid for by Covad at rates set forth in Exhibit A.

11.4.5 BA will provide access to unbundled dedicated IOF transport between: 1) Telecommunications Carrier Premises, 2) CLEC Collocation Arrangements, and 3) a CLEC Collocation arrangement and a Telecommunication Carrier Premises. When unbundled dedicated IOF transport terminates at a Bell Atlantic Central Office, it must terminate at a CLEC Collocation arrangement.

11.4.6 BA will provide unbundled dedicated IOF transport at the following transmission speeds: DS-1, DS-3, OC-3 and OC-12. For other transmission speed requests (i.e. OC-48, OC-96) Covad shall submit a Bona Fide Request (BFR).

11.4.7 In addition to its obligations pursuant to this Section 11.4, BA shall provide Covad unbundled IOF Transport, unbundled from switching, and other services as required by Applicable Law, at the rates, terms and conditions set forth in applicable DTE Tariffs, as amended from time to time.

11.5 Operations Support Systems

BA shall provide Covad with nondiscriminatory access to OSS functions for pre-ordering, ordering, provisioning, maintenance and repair, and billing as soon as required by Applicable Law. Once BA has developed a pre-order loop qualification database for xDSL-compatible ULLs in Massachusetts, and either (i) makes the database available to other Telecommunications Carriers, or (ii) utilizes the database in its own retail operations on a routine basis, it shall provide Covad nondiscriminatory access to such database, at rates and charges to be determined. Nothing in this subsection shall restrict Covad's ability to obtain access to any operational support systems ("OSS") that BA makes generally available to any other Telecommunications Carrier in the state.

11.6 Limitations on Unbundled Access

11.6.1 BA shall only be required to provide ULLs and Ports where such Loops and Ports are available.

11.6.2 Covad shall access BA's unbundled Network Elements specifically identified in this Agreement via Collocation in accordance with Section 13 at the BA Wire Center where those elements exist, and each ULL or Port shall, in the case of Collocation, be delivered to Covad's Collocation node, at Covad's request, by means of a Cross Connection or Strapping, at the rates set forth in Exhibit A, or via such other alternative arrangement(s) as the Parties may mutually agree, to the extent required by Applicable Law.

11.6.3 BA shall provide Covad access to its Unbundled Local Loops at each of BA's Wire Centers for loops terminating in that Wire Center. In addition, if Covad orders one or more ULL provisioned via Integrated Digital Link Carrier or Remote Switching technology deployed as a ULL concentrator, BA shall, where available and in accordance with applicable technical references, move the requested ULL(s) to a spare, existing physical ULL at no additional charge to Covad. If, however, no spare physical ULL is available, BA shall within three (3) Business days of Covad's request notify Covad of the lack of available facilities. In such event, BA shall offer Covad other options as may be available, which shall, where feasible, include the placement of a suitable digital line card at the remote terminal, provided that Covad shall agree to pay the additional costs incurred by BA in making such other options available to Covad. The additional cost of such other specific option, and the basis for allocating such additional cost, will be determined at the time the option is made available. Covad may also, at its discretion, make a Network Element Bona Fide Request to BA to provide the unbundled Local Loop through the demultiplexing of the integrated digitized ULL(s). Covad may also make a Network Element Bona Fide Request for access to Unbundled Local Loops at the ULL concentration site point. Notwithstanding anything to the contrary in this Agreement, standard provisioning intervals shall not apply to ULL provided under this subsection 11.6.3.

11.6.4 If Covad orders a ULL type and the distance requested on such ULL exceeds the transmission characteristics in applicable technical references, as specified below, distance extensions may be required and additional rates and charges shall apply as set forth in Exhibit A or applicable Tariffs.

Loop Type	Technical Reference/Limitation
ISDN	Bellcore TA-NWT-000393
HDSL 2W	T1E1 Technical Report Number 28
HDSL 4W	T1E1 Technical Report Number 28
ADSL 2W	ANSI T1.413 1995 Specification

11.7 Availability of Other Network Elements on an Unbundled Basis

11.7.1 BA shall, upon request of Covad, and to the extent required by Applicable Law, provide to Covad nondiscriminatory access to its Network Elements on an unbundled basis

for the provision of Covad's Telecommunications Service. Any request by Covad for access to a BA Network Element that is not already available shall be treated as a Network Element Bona Fide Request. Covad shall provide BA access to its Network Elements as mutually agreed by the Parties or as required by Applicable Laws.

11.7.2 A Network Element obtained by one Party from the other Party under this subsection 11.7 may be used in combination with the facilities of the requesting Party only to provide a Telecommunications Service, including obtaining billing and collection, transmission, and routing of the Telecommunications Service.

11.7.3 Notwithstanding anything to the contrary in this subsection 11.7, a Party shall not be required to provide a proprietary Network Element to the other Party under this subsection 11.7 except as required by the Department or FCC.

11.8 Provisioning of Unbundled Local Loops

The following coordination procedures shall apply for conversions of "live" Telephone Exchange Services to Unbundled Local Loops (also referred to as "hot cuts"). These and other mutually agreed-upon procedures shall apply reciprocally for the "live" cutover of Customers from BA to Covad and from Covad to BA.

11.8.1 Covad shall request ULLs from BA by delivering to BA a valid electronic transmittal Service Order using the BA electronic ordering platform or another mutually agreed upon system. Within two (2) business days of BA's receipt of such valid Service Order, BA shall provide Covad the firm order commitment ("FOC") date by which the Loop(s) covered by such Service Order will be installed.

11.8.2 BA agrees to accept from Covad at the time the service request is submitted for scheduled conversion of hot cut ULL orders, a desired date and A.M. or P.M. designation (the "Scheduled Conversion Time") to the extent available (as applicable, the "Conversion Window") for the hot cut.

11.8.3 BA shall test for Covad dial tone at the POT bay by testing through the tie cable provisioned between the BA main distributing frame and the Covad expanded Interconnection node forty-eight (48) hours prior to the Scheduled Conversion Time.

11.8.4 Not less than one hour prior to the Scheduled Conversion Time, either Party may contact the other Party and unilaterally designate a new Scheduled Conversion Time (the "New Conversion Time"). If the New Conversion Time is within the Conversion Window, no charges shall be assessed on or waived by either Party. If, however, the New Conversion Time is outside of the Conversion Window, the Party requesting such New Conversion Time shall be subject to the following:

If BA requests the New Conversion Time, the applicable Line Connection Charge

shall be waived; and

If Covad requests the New Conversion Time, Covad shall be assessed a Line Connection Charge in addition to the Line Connection Charge that will be incurred for the New Conversion Time.

11.8.5 Except as otherwise agreed by the Parties for a specific conversion such as large cutovers of ten (10) lines or more that have been negotiated, the Parties agree that the time interval expected from disconnection of BA's "live" Telephone Exchange Service to the connection of an unbundled Network Element at the Covad Collocation node will be accomplished within a window of time of sixty (60) minutes or less. If Covad has ordered INP with the installation of a Loop, BA will coordinate the implementation of INP with the Loop conversion during with the above stated intervals at no additional charge.

11.8.6 If Covad requests or approves a BA technician to perform services in excess of or not otherwise contemplated by the Line Connection Service charge BA may charge Covad for any additional and reasonable labor charges to perform such services.

11.8.7 If as the result of end user actions, (e.g. Customer not ready ["CNR"]), BA cannot complete requested work activity when technician has been dispatched to the site, Covad will be assessed a non-recurring charge associated with this visit. This charge will be the sum of the Service Order Charge and Premises Visit Charge as specified in Exhibit A or applicable Tariff.

11.9 Maintenance of Unbundled Network Elements

BA has the obligation to maintain and repair unbundled Network Elements provided to Covad on a nondiscriminatory basis and at parity with the maintenance and repair services it provides to itself and other carriers. If (i) Covad reports to BA a Customer trouble, (ii) Covad requests a dispatch, (iii) BA dispatches a technician, and (iv) such trouble was not caused by BA facilities or equipment in whole or in part, then Covad shall pay BA a charge set forth in Exhibit A for time associated with said dispatch. In addition, this charge also applies when the Customer contact as designated by Covad is not available at the appointed time. Covad accepts responsibility for initial trouble isolation and providing BA with appropriate dispatch information based on its test results. If as the result of Covad instructions, BA is erroneously requested to dispatch within a BA Central Office or to a POT Bay ("dispatch in"), a charge set forth in Exhibit A will be assessed per occurrence to Covad by BA. If as the result of Covad instructions, BA is erroneously requested to dispatch outside a BA Central Office or to a POT Bay ("dispatch out"), a charge set forth in Exhibit A will be assessed per occurrence to Covad by BA. BA agrees to respond to Covad trouble reports on a non-discriminatory basis consistent with the manner in which it provides service to its own retail customers or to any other similarly situated Telecommunications Carrier.

11.10 Other Terms and Conditions Including Rates and Charges

11.10.1 ULLs and other Network Elements will be offered on the terms and conditions, including rates and charges, specified herein and on such other terms as stated in applicable Tariffs, as amended from time to time, that are not inconsistent with the terms and conditions set forth herein.

11.10.2 In the event that the Department has not adopted permanent rates for services, ULLs, and other Network Elements consistent with the requirements of the FCC regulations, BA shall charge the non-recurring and monthly recurring rates for ULLs and other Network Elements set forth in Exhibit A as interim rates until such time as the Department adopts permanent rates consistent with the requirements of the FCC Regulations. Such permanent rates shall be applied in the manner described in Exhibit A and subsection 20.1.2 below.

11.10.3 Monthly ULL Charges

11.10.3.1 “Current Monthly Rates” for ULLs are set forth in Exhibit A.

11.10.3.2 Nothing in this Agreement shall be construed to imply that Covad agrees that the Current Monthly Rate referenced in Section 11.9.1 is a reasonable or appropriate charge for ULLs.

12.0 RESALE -- SECTIONS 251(c)(4) and 251(b)(1)

12.1 Availability of Wholesale Rates for Resale

BA shall make available to Covad for resale all Telecommunications Services as described in Section 251(c)(4) of the Act, pursuant to the rates, terms and conditions of BA’s Massachusetts DTE No. 14 tariff, when approved, as may be amended from time to time.

12.2 Availability of Retail Rates for Resale

Each Party shall make available its Telecommunications Services for resale at the retail rates set forth in its Tariffs to the other Party in accordance with Section 251(b)(1) of the Act. In addition, BA and Covad shall each allow the resale by the other of all Telecommunications Services that are offered primarily or entirely to other Telecommunications Carriers (e.g. Switched and special Exchange Access Services) at the rates already applicable to such services. BA shall also allow the resale by Covad of such other non-Telecommunications Services as BA, in its sole discretion, determines to provide for resale under terms and conditions to be agreed to by the Parties.

12.3 Additional Terms Governing Resale and Use of BA Services

12.3.1 Covad shall comply with the provisions of this Agreement (including, but not limited to, all applicable BA Tariffs) regarding resale or use of BA services. In addition, Covad shall undertake in good faith to ensure that its Customers comply with the provisions of BA's Tariffs applicable to their use of BA's Telecommunications Services.

12.3.2 Without in any way limiting subsection 12.3.1, Covad shall not resell (a) residential service to business or other nonresidential Customers of Covad, {b} Lifeline or other means-tested service offerings, or grandfathered service offerings, to persons not eligible to subscribe to such service offerings from BA, or (c) any other BA service in violation of any user or user group restriction that may be contained in the BA Tariff applicable to such service to the extent such restriction is not prohibited by Applicable Laws. In addition, Covad shall be subject to the same limitations that BA's own retail Customers may be subject to with respect to any Telecommunications Service that BA may, in its discretion and to the extent not prohibited by Applicable Law, discontinue offering.

12.3.3 BA shall not be obligated to offer to Covad at a wholesale discount Telecommunications Services that BA offers at a special promotional rate if such promotions are for a limited duration of ninety (90) days or less.

12.3.4 Upon request by BA, Covad shall provide to BA adequate assurance of payment of charges due to BA in connection with Covad's purchase of BA services for resale. Assurance of payment of charges may be requested by BA: if Covad (a) in BA's reasonable judgment, at the Effective Date or at any time thereafter, is unable to show itself to be creditworthy; (b) in BA's reasonable judgment, at the Effective Date or at any time thereafter, is not creditworthy; or, (c) fails to timely pay a bill rendered to Covad by BA. Unless otherwise agreed by the Parties, the assurance of payment shall be in the form of a cash deposit and shall be in an amount equal to the charges for BA services that Covad may reasonably be expected to incur during a period of two (2) months. BA may at any time use the deposit or other assurance of payment to pay amounts due from Covad.

12.3.5 Covad shall not be eligible to participate in any BA plan or program under which BA end user retail Customers may obtain products or merchandise, or services which are not BA Retail Telecommunications Services, in return for trying, agreeing to purchase, purchasing, or using BA Retail Telecommunications Services.

12.3.6 BA may impose additional restrictions on Covad's resale of BA's retail Telecommunications Services to the extent permitted by Applicable Laws.

13.0 COLLOCATION -- SECTION 251(c)(6)

13.1 BA shall offer to Covad Physical or Virtual Collocation of equipment necessary for Interconnection (pursuant to Section 4.0) or for access to unbundled Network Elements (pursuant to Section 11.0), pursuant to the terms and conditions in this Section and BA's

approved Tariffs on file with the FCC and the DTE, except that BA may offer only Virtual Collocation if BA demonstrates to the Department that Physical Collocation as described in this Agreement is not practical for technical reasons or because of space limitations, as provided in Section 251 (c)(6) of the Act. BA shall provide Collocation solely for the purpose of Interconnection with facilities or services of BA or access to unbundled Network Elements of BA, except as otherwise mutually agreed to in writing by the Parties or as required by the FCC or the Department, subject to applicable federal and state Tariffs and license agreements.

13.2 BA shall offer, upon request by Covad and to the extent technically feasible, Physical Collocation arrangements where the dedicated space may be a minimum of approximately twenty-five (25) square feet, at the appropriate cost. Such arrangements will be made pursuant to applicable Tariffs when such Tariffs are approved.

13.3 Bell Atlantic will provide Covad with Physical Collocation as specified in Sections 13.1 and 13.2 above; provided however, that upon written request by Covad, Bell Atlantic will not enclose by a cage or other means Covad's equipment that is placed within the secured and physically separated area set aside by Bell Atlantic within a central office for the purposes of collocation set forth in 13.1 above and pursuant to BA's state collocation Tariff(s) on file with the DTE. When Covad avails itself of this option, Bell Atlantic will adjust its charges for Physical Collocation, as approved by the Department, by deducting the costs included in the approved charges associated with enclosing a collocater's equipment by a cage or other means within the collocation area.

13.4 BA shall provide Collocation at additional locations for placement of equipment necessary for interconnection or for access to unbundled Network Elements, and alternative physical collocation arrangements, to the extent required by Applicable Law.

13.5 In comport with Applicable Law, Covad reserves the right to have Covad's dedicated Collocation space constructed by a third party sub-contractor in accordance with BA engineering specifications utilizing a BA-approved sub-contractor. Request by Covad for approval of additional sub-contractors will not be unreasonably withheld.

13.6 Covad may collocate Digital Subscriber Line Access Multiplexers ("DSLAM's") in its collocated space, subject to the requirements of this Section. Covad may install any equipment allowed by Law, including Remote Switching Modules ("RSM's") and DSLAMs in its Collocation space unless and until the FCC determines that incumbent LECs need not permit Collocation of such equipment, or until the Massachusetts arbitration decision on which this clause is based is reversed or overruled, in which event BA must allow Covad a reasonable transition period for removing, replacing or modifying such equipment, or for otherwise negotiating a mutually satisfactory alternative arrangement with BA. Covad agrees that any such equipment must comply with National Equipment Building System ("NEBS") Level III. Covad agrees that such RSM or DSLAM equipment as may be collocated at BA premises will not be used to provide switching functionality unless such use is specifically approved by the Department.

13.7 Covad agrees to offer to BA Collocation of equipment for purposes of Interconnection (pursuant to Section 4) on a non-discriminatory basis and at comparable rates, terms and conditions as Covad may provide to other third parties. Covad shall provide such collocation subject to applicable Tariffs.

13.8 In the course of implementation of a Collocation project, BA shall:

- (a) identify the Collocation project manager assigned to the project;
- (b) develop a written comprehensive “critical tasks” timeline detailing the work (and relative sequence thereof) that is to be performed by each Party or jointly by both Parties; and
- (c) provide Covad with the relevant engineering requirements.

13.9 The Collocating Party shall purchase Cross Connection to services or facilities as described in applicable Tariffs or this Agreement. Transport facilities may be leased from BA under terms and conditions set forth in this Agreement or applicable Tariffs.

13.10 Except in the event that Covad changes its Application for Collocation requirements after they have been accepted by BA and such changes would, in the reasonable judgment of BA, cause a construction or other delay which would affect the delivery of collocated space, or in the event of “Special Circumstances” detailed by BA for Covad, and subject to the circumstances contemplated by Section 29.3 of this Agreement, the collocated space shall be constructed, made ready, and delivered by BA to Covad within fifteen (15) weeks of the date of receipt by BA of Covad’s Application for Collocation and the applicable BA Tariff fee(s).

Covad and BA also agree that a three (3) week extension will apply when “Special Circumstances” are identified at the time of a “space walk-through” or later in the collocation process, provided BA notifies Covad within two (2) business days of the discovery of such “Special Circumstances”. For the purposes of this Section 13.0, the term “Special Circumstances” shall mean special, unusual or unanticipated conditions or circumstances arising out of or required by Covad’s Application for Collocation (excluding changes made by Covad to such Application after such Application has been accepted by BA) which could, in the reasonable judgment of BA, cause a construction or other delay in the delivery of collocated space, including, by way of illustration and without limitation, major construction obstacles, asbestos abatement procedures or uncustomary modifications to the Collocation premises.

In those instances where Covad changes its requirements which will affect the delivery of collocated space, or where otherwise extraordinary circumstances exist, the interval for construction and delivery of the collocated space shall be extended to reflect those changes upon mutual agreement of the Parties.

13.11 Collocation shall occur under the terms of each Party's applicable and available Tariffs, subject to the provisions of this Section 13, and pursuant to Applicable Law.

13.12 Dedicated Transit Service

13.12.1 "Dedicated Transit Service" provides for the dedicated connection between a Covad Collocation arrangement established pursuant to applicable tariffs and/or license agreements at a BA premises and a Collocation arrangement of a third Party carrier that maintains a Collocation arrangement at the same premises. Dedicated Transit Service shall be provided using a cross-connection (dedicated connection) using suitable BA-provided cable or transmission facilities or any other mutually agreed upon arrangement.

13.12.2 The carrier that requests the Dedicated Transit Service shall be the customer of record for both ends of the service in terms of ordering, provisioning, maintenance, and billing. Alternative arrangements may be utilized if agreed upon by all three parties. Rates and charges for Dedicated Transit Service are stated in Exhibit A.

SECTION 251(b) PROVISIONS

14.0 NUMBER PORTABILITY -- SECTION 251(b)(2)

14.1 Scope

14.1.1 Upon request, the Parties shall provide Number Portability on a reciprocal basis to each other to the extent technically feasible, and in accordance with rules and regulations as from time to time prescribed by the FCC and/or the Department. The Parties shall provide Number Portability to each other in the event a Customer of one Party ("Party A") elects to become a Customer of the other Party ("Party B") and the Customer (i) remains within the same central office district and within the boundary of the smallest geographical area that is significant for billing (e.g. exchange zone) as defined by the LEC to whom the ported Customer's NXX code was originally assigned and (ii) elects to utilize the original telephone number(s) correspondent to the Exchange Service(s) it previously received from Party A in conjunction with the Exchange Service(s) it will now receive from Party B.

14.1.2 Until Permanent Number Portability is implemented by the industry pursuant to regulations issued by the FCC and/or the Department, the Parties agree to reciprocally provide Interim Number Portability ("INP") to each other at the prices listed in Exhibit A. Such agreed-upon prices for INP are not intended to reflect either Party's views on the cost recovery mechanisms being considered by the FCC in its current proceeding on number portability issues.

14.1.3 Upon the agreement of the Parties or issuance of applicable FCC and/or Commission order(s) or regulations mandating the adoption of a Permanent Number Portability ("PNP") arrangement, BA and Covad will commence migration from INP to the agreed-upon or mandated PNP arrangement as quickly as practically possible while minimizing interruption or degradation of service to their respective Customers. Once Permanent Number Portability is implemented, either Party may withdraw, at any time and at its sole discretion, its INP offerings, subject to advance notice to the other Party and coordination to allow the seamless and transparent conversion of INP Customer numbers to Permanent Number Portability. Upon implementation of Permanent Number Portability pursuant to FCC or Department regulation, both Parties agree to conform and provide such Permanent Number Portability. To the extent PNP rates or cost recovery mechanisms are not established by the applicable FCC or Department order or regulation mandating the adoption of PNP, the Parties will negotiate in good faith the charges or cost recovery mechanism for PNP service at such time as a PNP arrangement is adopted by the Parties.

14.1.4 Under either an INP or PNP arrangement, Covad and BA will implement a process to coordinate Number Portability cutovers with ULL conversions (as described in Section 11 of this Agreement).

14.2 Procedures for Providing INP Through Remote Call Forwarding

Covad and BA will provide INP through Remote Call Forwarding as follows:

14.2.1 A Customer of one Party ("Party A") elects to become a Customer of the other Party ("Party B"). The Customer elects to utilize the original telephone number(s) corresponding to the Telephone Exchange Service(s) it previously received from Party A, in conjunction with the Telephone Exchange Service(s) it will now receive from Party B. Upon receipt of confirmation of a signed letter of agency ("LOA") from the Customer (and an associated service order) assigning the number to Party B, Party A will implement an arrangement whereby all calls to the original telephone number(s) will be forwarded to a new telephone number(s) designated by Party B, only within the same Exchange Area as the original telephone number(s). It is Party B's responsibility to maintain a file of all LOAs and Party A may request, upon reasonable notice, a copy of the LOA. Party A will route the forwarded traffic to Party B over the appropriate Telephone Exchange Service Trunks as if the call had originated on Party A's network.

14.2.2 Party B will become the customer of record for the original Party A telephone numbers subject to the INP arrangements. Party A shall use its reasonable efforts to consolidate into as few billing statements as possible all collect, calling card, and 3rd-number billed calls associated with those numbers, with sub-account detail by retained number. Such billing statement shall be delivered to Party B in a mutually agreed-upon format via either electronic file transfer, magnetic tape, or other mutually acceptable medium.

14.2.3 Party A will update its Line Information Database ("LIDB") listings for retained numbers, with the screening options provided by Party B on a per order basis. Party B shall determine which of the screening options offered by Party A should apply to the Party B Customer account. Party A will cancel calling cards associated with those forwarded numbers assigned to Party B.

14.2.4 Party B will outpulse the telephone number to which the call has been forwarded to the 911 Tandem Office. Party B will also provide the 911 database with both the forwarded number and the directory number, as well as the appropriate address information of the Customer.

14.2.5 Within two (2) business days of receiving notification from the Customer, Party B shall notify Party A of the Customer's termination of service with Party B, and shall further notify Party A as to that Customer's instructions regarding its telephone number(s). Party A will reinstate service to that Customer, cancel the INP arrangements for that Customer's telephone number(s), or redirect the INP arrangement to another INP-participating LEC pursuant to the Customer's instructions at the time.

14.2.6 Party A shall be permitted to cancel INP arrangements and reassign the

telephone number(s) upon receipt of notification from Party B or a third party that is authorized to act on behalf of the Customer. The Parties agree to work cooperatively to develop procedures or adopt industry standards or practices concerning the initiation and termination of INP service in a multi-carrier environment.

14.3 Procedures for Providing INP Through Route Indexing

Upon mutual agreement, BA will deploy a Route Index arrangement which combines direct trunks, provisioned between BA's and Covad's end offices, with Trunk Side routing translations and full functionality for those CLASS services deployed in the specific BA switch. Under this arrangement, inbound calls to a ported number will be pointed at a route index that sends the call to a dedicated trunk group, built as a direct final, for the sole purpose of facilitating completion of calls to a ported number. BA will coordinate with Covad to provide this solution in a mutually agreeable and administratively manageable manner (e.g. NXX level) so as to minimize switch resource utilization for both Parties.

14.4 Procedures for Providing INP Through Full NXX Code Migration

Where either Party has activated an entire NXX for a single Customer, or activated at least eighty percent (80%) of an NXX for a single Customer, with the remaining numbers in that NXX either reserved for future use by that Customer or otherwise unused, if such Customer chooses to receive Telephone Exchange Service from the other Party, the first Party shall cooperate with the second Party to have the entire NXX reassigned in the LERG (and associated industry databases, routing tables, etc.) to an End Office operated by the second Party. Such transfer will be accomplished with appropriate coordination between the Parties and subject to appropriate industry lead-times for movements of NXXs from one switch to another. Neither Party shall charge the other in connection with this coordinated transfer.

14.5 Other Interim Number Portability Options

Covad may also request Direct Inward Dial Trunks pursuant to applicable tariffs.

14.6 Receipt of Terminating Compensation on Traffic to INP'ed Numbers

The Parties agree in principle that, under the INP arrangements described in subsections 14.2 and 14.3 above, terminating compensation on calls to INP'ed numbers should be received by each Customer's chosen LEC as if each call to the Customer had been originally addressed by the caller to a telephone number bearing an NPA-NXX directly assigned to the Customer's chosen LEC. In order to accomplish this objective where INP is employed, the Parties shall utilize the process set forth in this subsection 14.6 whereby terminating compensation on calls subject to INP will be passed from the Party (the "Performing Party") which performs the INP to the other Party (the "Receiving Party") for whose Customer the INP is provided.

14.6.1 The Parties shall individually and collectively make best efforts to track

and quantify INP traffic between their networks based on the CPN of each call by identifying CPNs which are INP'ed numbers. The Receiving Party shall charge the Performing Party for each minute of INP traffic at the INP Traffic Rate specified in subsection 14.6.3 in lieu of any other compensation charges for terminating such traffic, except as provided in subsection 14.6.2.

14.6.2 By the Interconnection Activation Date in each LATA, the Parties shall jointly estimate for the prospective six months, based on historic data of all traffic in the LATA, the percentages of such traffic that, if dialed to telephone numbers bearing NPA-NXXs directly assigned to a Receiving Party (as opposed to the INP'ed number), would have been subject to (i) Reciprocal Compensation ("Recip Traffic"), (ii) appropriate intrastate FGD charges ("Intra Traffic"), (iii) interstate FGD charges ("Inter Traffic"), or (iv) handling as Transit Traffic. On the date which is six (6) months after the Interconnection Activation Date, and thereafter on each succeeding six month anniversary of such Interconnection Activation Date, the Parties shall establish new INP traffic percentages to be applied in the prospective six (6) month period, based on the Performing Party's choice of actual INP traffic percentages from the preceding six (6) month period or historic data of all traffic in the LATA.

14.6.3 The INP Traffic Rate shall be equal to the sum of:

(Recip Traffic percentage times the Reciprocal Compensation Rate set forth in Exhibit A)
plus
(Intra Traffic percentage times Receiving Party's effective intrastate FGD rates)
plus
(Inter Traffic percentage times Receiving Party's effective interstate FGD rates).

14.7 Recovery of INP Costs Pursuant to FCC Order and Rulemaking

Notwithstanding anything to the contrary contained in this Section 14, in light of the FCC's First Report and Order and Further Notice of Proposed Rulemaking, adopted June 27, 1996, in CC Docket 95-116 (the "Order"), the Parties stipulate and agree as follows:

14.7.1 The rates listed in Exhibit A for the provision of INP are appropriate amounts that each Party providing INP service should recover for the provision of those INP functionalities in BA's operating territory on an interim basis until the Department mandates an alternative cost recovery mechanism for the provision of INP. For the INP functions it provides, each Party should be allowed to recover these amounts in a manner consistent with any final FCC and/or Department order on INP cost recovery (such as a state-wide fund contributed to by all telecommunications carriers).

14.7.2 The Parties agree that neither Party waives its rights to advocate its views that are consistent with this subsection 14.7 on the appropriate INP cost recovery mechanism, or to present such views before any relevant regulatory body or other agency as they relate to FCC or Department actions on INP cost recovery.

15.0 DIALING PARITY -- SECTION 251(b)(3)

BA and Covad shall each provide the other with nondiscriminatory access to such services and information as are necessary to allow the other Party to implement Dialing Parity for Telephone Exchange Service, operator services, directory assistance, and directory listing information with no unreasonable dialing delays, as required under Section 251(b)(3) of the Act.

16.0 ACCESS TO RIGHTS-OF-WAY -- SECTION 251(b)(4)

Each Party ("Licensor") shall provide the other Party ("Licensee") within a reasonable time period access to the poles, ducts, rights-of-way and conduits it owns or controls, to the extent permitted by law and as required by Section 224 of the Act or any FCC or Department Order or practice, on terms, conditions and prices comparable to those offered to any other entity pursuant to each Party's applicable standard agreements with such entities.

17.0 DATABASES AND SIGNALING

BA shall provide Covad with interfaces to access BA's databases, including LIDB and toll-free service access codes (i.e.; 800/888), and associated signaling necessary for the routing and completion of Covad's traffic through the provision of SS7 under its applicable tariffs.

18.0 COORDINATED SERVICE ARRANGEMENTS

18.1 Intercept and Referral Announcements

When a Customer changes its service provider from BA to Covad, or from Covad to BA, and does not retain its original telephone number, the Party formerly providing service to such Customer shall provide a referral announcement ("Referral Announcement") on the abandoned telephone number which provides details on the Customer's new number or provide other appropriate information to the extent known. Referral Announcements shall be provided reciprocally, free of charge to either the other Party or the Customer, for a period of not less than one hundred and eighty days (180) days after the date the Customer changes its telephone number in the case of business Customers and not less than ninety (90) days after the date the Customer changes its telephone number in the case of residential Customers or other time periods as may be required by the Department. The periods for referral announcement may be shorter if a number shortage conditions is in effect for a particular NXX code. However, if either Party provides Referral Announcements for a period different than the above respective periods when its Customers change their telephone numbers, such Party shall provide the same level of service to Customers of the other Party.

18.2 Coordinated Repair Calls

Covad and BA will employ the following procedures for handling misdirected repair calls:

18.2.1 Covad and BA will educate their respective Customers as to the correct telephone numbers to call in order to access their respective repair bureaus.

18.2.2 To the extent Party A is identifiable as the correct provider of service to Customers that make misdirected repair calls to Party B, Party B will immediately refer the Customers to the telephone number provided by Party A, or to an information source that can provide the telephone number of Party A, in a courteous manner and at no charge.

18.2.3 Covad and BA will provide their respective repair contact numbers to one another on a reciprocal basis.

18.3 Customer Authorization

18.3.1 Without in any way limiting either Party's obligations under subsection 28.1, each Party shall comply with Applicable Laws with regard to Customer selection of a primary Telephone Exchange Service provider. Until the Department and/or FCC adopts regulations and/or orders applicable to Customer selection of a primary Telephone Exchange Service provider, each Party shall adhere to the rules and procedures set forth in Section 64.1100 of the FCC Rules, 47 CFR § 64.1100, in effect on the Effective Date hereof when ordering, terminating, or otherwise changing Telephone Exchange Service on behalf of the other Party's or another carrier's Customers.

18.3.2 In the event either Party requests that the other Party install, provide, change, or terminate a Customer's Telecommunications Service (including, but not limited to, a Customer's selection of a primary Telephone Exchange Service Provider) and (a) fails to provide documentary evidence of the Customer's primary Telephone Exchange Service Provider selection upon request, or (b) without having obtained authorization from the Customer for such installation, provision, selection, change or termination in accordance with Applicable Laws (or as provided in subsection 18.3.1 above), the requesting Party shall be liable to the other Party for all charges that would be applicable to the Customer for the initial change in the Customer's Telecommunications Service and any charges for restoring the Customer's Telecommunications Service to its Customer-authorized condition, including to the appropriate primary Telephone Exchange Service provider.

18.3.3 Without in any way limiting Covad's obligations under subsection 28.1, Covad shall comply with Applicable Laws with regard to Customer Proprietary Network Information, including, but not limited to, 47 U.S.C. § 222. Covad shall not access (including, but not limited to, through BA OSS Services and BA Pre-OSS Services), use, or disclose Customer Proprietary Network Information made available to Covad by BA pursuant to this Agreement unless Covad has obtained the appropriate Customer authorization for such access, use and/or disclosure required by Applicable Laws. By accessing, using or disclosing Customer Proprietary Network Information, Covad represents and warrants that it has obtained

authorization for such action from the applicable Customer in the manner required by Applicable Laws and this Agreement. Covad shall, upon request by BA, provide proof of such authorization (including a copy of any written authorization).

18.3.4 BA shall have the right to monitor and/or audit Covad's access to and use and/or disclosure of Customer Proprietary Network Information that is made available by BA to Covad pursuant to this Agreement to ascertain whether Covad is complying with the requirements of Applicable Laws and this Agreement with regard to such access, use, and/or disclosure. To the extent permitted by Applicable Laws, the foregoing right shall include, but not be limited to, the right to electronically monitor Covad's access to and use of Customer Proprietary Network Information that is made available by BA to Covad pursuant to this Agreement.

19.0 DIRECTORY SERVICES ARRANGEMENTS

BA will provide certain directory services to Covad as defined herein. In this Section 19 of this Agreement, references to Covad customer telephone numbers means telephone numbers falling within NXX codes directly assigned to Covad and to numbers which are retained by Covad on the customer's behalf pursuant to Interim Telephone Number Portability arrangements described in Section 14.0 of this Agreement.

19.1 Directory Listings and Directory Distributions

19.1.1 BA will include Covad's Customers telephone numbers in all of its "White Pages" and "Yellow Pages" directory listings (including electronic directories) and directory assistance databases associated with the areas in which Covad provides services to such customers, and will distribute such directories to such customers, in an identical and transparent manner in which it provides those functions for its own customers' telephone numbers.

19.1.2 BA will include all Covad NXX codes on appropriate existing calling charts in the BA customer Guide section of the directory in the same manner as it provides this conformation for its own NXX Codes.

19.1.3 Covad will provide BA with its directory listings and daily updates to those listings (including new, changed, and deleted listings) in a mutually agreed upon format at no charge.

19.1.4 BA will accord Covad's directory listing information the same level of confidentiality which BA accords its own directory listing information.

19.1.5 BA will include, without charge, an Other Local Service Provider section in its Primary White and Primary White and Yellow Page Telephone Directories. When Covad is operating with established end users in the geographic region covered by a specific White Page or Primary White and Yellow Page Directory, Covad will be included, at its request, in the Other

Local Service Provider section of that specific directory. Covad will be responsible for providing the Other Local Service Provider Information Pages Input Form to Bell Atlantic Yellow Pages Company for each directory. Covad telephone numbers for installation, repair and billing departments, and logo information that appears in the directory will be in accordance with BA's generally applicable policies. Covad shall comply with the Other Local Service Provider Information Pages General Guidelines.

19.1.6 BA will provide Covad with a report of all Covad customer listings ninety (90) days prior to service order close date for that directory in such form and format as may be mutually agreed to by both parties. Both Parties shall use their best efforts to ensure the accurate listing of such information. BA will process any corrections made by Covad with respect to its listings, provided such corrections are received prior to the close date of the particular directory. BA will provide appropriate advance notice of applicable close dates.

19.1.7 Yellow Page Maintenance

BA will work cooperatively with Covad so that Yellow Page advertisements purchased by customers who switch their service to Covad (including customers utilizing Interim Telephone Number Portability) are maintained without interruption. BA will allow Covad customers to purchase new yellow pages advertisements without discrimination, under the identical rates, terms and conditions that apply to BA's customers.

19.2 Directory Assistance (DA) and Operator Services (OS)

19.2.1 Upon request, BA will provide Covad with directory assistance and/or IntraLATA operator services in accordance with the rates and terms the Pricing Schedule (Exhibit A appended hereto) and the Directory Assistance and Operator Services Agreement (Exhibit C appended hereto).

19.2.2 Covad shall arrange at its expense the trunking and other facilities required to transport traffic to and from the designated DA and OS switch locations.

19.3 Wholesale Busy Line Verification and Interrupt (BLV/I)

19.3.1 Wholesale Busy Line Verification permits the operator of one local carrier to request the status of access lines (conversation in progress, available to receive calls, or out of order) that are served by another local carrier. Interrupt allows the operator of one local carrier to request interruption of conversation on access lines that have been determined to be in use.

19.3.2 If Local Carrier A decides or is required by a regulatory body of competent jurisdiction to offer BLV/I services to enable its Customers to verify and/or interrupt calls of Local Carrier B's Customers, the operator bureau of Local Carrier B shall accept and respond to Wholesale BLV/I requests from the operator bureau of Local Carrier A. Covad and Bell Atlantic shall compensate the other Local Carrier for Wholesale BLV/I inquiries in accordance with the

rates of the other Local Carrier's Tariff or at the rates specified in Exhibit A of this Agreement for Wholesale BLV/I.

19.3.3 The Local Carrier B operator shall only verify the status of the line or interrupt the line to inform the called party that another caller is attempting to reach them. The Local Carrier B operator will not complete the telephone call of the Customer initiating the BLV/I request. The Local Carrier B operator will make only one Wholesale BLV/I attempt per operator bureau telephone request, and the applicable charges apply whether or not the called party releases the line. Wholesale BLV/I cannot be performed on telephone numbers utilizing a "call forwarding" feature. The operator shall respond to only one telephone number per call on requests for Wholesale BLV/I.

19.3.4 Each Local Carrier shall route Wholesale BLV/I traffic inquiries over separate direct trunks groups (and not the Local/IntraLATA/InterLATA Trunks) established between the Local Carriers' respective operator bureaus. Each Party shall offer interconnection for Wholesale BLV/I traffic at its operator services switch serving the LATA or other mutually agreed point within the LATA. Unless otherwise mutually agreed, the Parties shall configure Wholesale BLV/I trunks over the Interconnection architectures in accordance with the terms of Section 4 of this Agreement. Local Carrier A shall output the appropriate NPA, ATC Code, and Routing Code (operator code) to Local Carrier B.

19.4 Direct Access to Directory Assistance

Direct Access to Directory Assistance ("DADA") is a database service that provides access to BA listings to a Covad operator. The DADA database is a physically distinct entity from the BA DA database, populated with identical listing data, and updated from the same source on a daily basis.

To obtain access, Covad is required to arrange for interconnection to the database. BA will interconnect at any technically feasible point designated by Covad.

BA will provide Covad with a User Guide for training its agents.

Rates and Charges for DADA are stated in Exhibit A.

19.5 Operator Emergency Bulletin Service

To the extent that BA makes the Operator Emergency Bulletin Service generally commercially available to Telecommunications Carriers in Massachusetts, and at Covad's option, BA will provide Covad with emergency numbers for police, fire, ambulance and Public Safety Answering Points (PSAP) in the BA serving area so that Covad operators can connect callers directly to the proper emergency bureaus.

The BA Operator Emergency Bulletin Service lists the emergency, police, fire, ambulance and PSAP telephone numbers by municipality and in alphabetical order for each of the areas served by BA.

Operator Emergency Bulletin Service is available for use by Covad operators solely for the purpose of assisting callers in reaching an emergency bureau.

Operator Emergency Bulletin Service provides a copy of BA's own emergency bulletin. This service includes one annual copy of the bulletin plus periodic updates during the year. Other Local Exchange Carrier emergency numbers are not included.

Rates and charges for Operator Emergency Bulletin service are set forth in Exhibit A.

20.0 COORDINATION WITH TARIFF TERMS

20.1 The Parties acknowledge that some of the services, facilities, and arrangements described herein are or will be available under and subject to the terms of the federal or state tariffs of the other Party applicable to such services, facilities, and arrangements. To the extent a Tariff of the providing Party applies to any service, facility, and arrangement described herein, the Parties agree as follows:

20.1.1 Those rates and charges set forth in Exhibit A for the services, facilities, and arrangements described herein that reference or are identical to a rate contained in an existing Tariff of the providing Party, shall conform with those contained in the then-prevailing Tariff and vary in accordance with any changes that may be made to the Tariff rates and charges subsequent to the Effective Date.

20.1.2 As applied to wholesale discount rates, unbundled Network Elements or termination of Reciprocal Compensation Traffic and other Interconnection services purchased for the provision of Telephone Exchange Service or Exchange Access, the rates and charges set forth in Exhibit A shall apply until such time as they are replaced by new rates as may be approved by the Department from time to time, subject to a stay or other order issued by any court of competent jurisdiction. At such time(s) as such new rates have been approved by the Department, the Parties shall amend Exhibit A to reflect the new approved rates.

20.2 Except with respect to the rates and charges described in subsection 20.1 above, all other terms contained in an applicable Tariff of the providing Party shall apply in connection with its provision of the particular service, facility, and arrangement pursuant to that Tariff. The availability of particular services pursuant to this Agreement that are similar to those provided for in any applicable Tariff shall not affect the ability of a Party to obtain those services pursuant to this Agreement.

21.0 INSURANCE

21.1 Covad shall maintain, during the term of this Agreement, all insurance and/or bonds required by law and necessary to satisfy its obligations under this Agreement, including, without limitation, its obligations set forth in Section 25 hereof. At a minimum and without limiting the foregoing covenant, Covad shall maintain the following insurance:

(a) 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.

(b) Automobile Liability, Comprehensive Form, with limits of at least \$500,000 combined single limit for each occurrence.

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

(d) Worker's Compensation Insurance as required by law and Employer's Liability Insurance with limits of not less than \$1,000,000 per occurrence.

21.2 Covad shall name BA as an additional insured on the foregoing insurance.

21.3 Covad shall, within two (2) weeks of the date hereof and on a semi-annual basis thereafter, furnish certificates or other adequate proof of the foregoing insurance. The certificates or other proof of the foregoing insurance shall be sent to: Bell Atlantic, Insurance Administration Group, 1320 N. Court House Road, 4th Floor, Arlington, Virginia, 22201. In addition, Covad shall require its agents, representatives, or contractors, if any, that may enter upon the premises of BA or BA's affiliated companies to maintain similar and appropriate insurance and, if requested, to furnish BA certificates or other adequate proof of such insurance. Certificates furnished by Covad or Covad's agents, representatives, or contractors shall contain a clause stating: "BA-Massachusetts shall be notified in writing at least thirty (30) days prior to cancellation of, or any material change in, the insurance."

22.0 TERM AND TERMINATION

22.1 This Agreement shall be effective as of the date first above written and continue in effect until March 15, 2001, and thereafter the Agreement shall continue in force and effect unless and until terminated as provided herein. Upon the expiration of the initial term, either Party may terminate this Agreement by providing written notice of termination to the other Party, such written notice to be provided at least ninety (90) days in advance of the date of termination. In the event of such termination, those service arrangements made available under this Agreement and existing at the time of termination shall continue without interruption under (a) a new agreement executed by the Parties, (b) standard Interconnection terms and conditions approved and made generally effective by the Department, (c) Tariff terms and conditions generally available to CLECs, or (d) if none of the above is available, under the terms of this Agreement on a month-to-month basis until such time as (a), (b), or (c) becomes available. .

22.2 For service arrangements made available under this Agreement and existing at the time of termination, if the standard Interconnection terms and conditions or Tariff terms and conditions result in the non-terminating Party physically rearranging facilities or incurring programming expense, the non-terminating Party shall be entitled to recover such rearrangement or programming costs from the terminating Party.

22.3 If either Party defaults in the payment of any amount due hereunder, or if either Party violates any other provision of this Agreement, and such default or violation shall continue for sixty (60) days after written notice thereof, the other Party may terminate this Agreement and services hereunder by written notice; provided the other Party has provided the defaulting Party and the appropriate federal and/or state regulatory bodies with written notice at least twenty-five (25) days prior to terminating service. Notice shall be posted by overnight mail, return receipt requested. If the defaulting Party cures the default or violation within the twenty-five (25) day period, the other Party will not terminate service or this Agreement but shall be entitled to recover all costs, if any, incurred by it in connection with the default or violation, including, without limitation, costs incurred to prepare for the termination of service.

23.0 DISCLAIMER OF REPRESENTATIONS AND WARRANTIES

EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT, NO PARTY MAKES OR RECEIVES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES, FUNCTIONS AND PRODUCTS IT PROVIDES UNDER OR CONTEMPLATED BY THIS AGREEMENT AND THE PARTIES DISCLAIM THE IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.

24.0 CANCELLATION CHARGES

Except as provided in this Agreement or as otherwise provided in any applicable Tariff, no cancellation charges shall apply for cancelling a particular service or Network Element.

25.0 INDEMNIFICATION

25.1 Each Party agrees to release, indemnify, defend and hold harmless the other Party from and against all losses, claims, demands, damages, expenses, suits or other actions, or any liability whatsoever, including, but not limited to, costs and attorneys' fees (collectively, a "Loss"), (a) whether suffered, made, instituted, or asserted by any other party or person, relating to personal injury to or death of any person, or for loss, damage to, or destruction of real and/or personal property, whether or not owned by others, arising from transactions or activities relating to this Agreement and to the extent proximately caused by the negligent or willful acts or omissions of the indemnifying Party, regardless of the form of action, or (b) suffered, made, instituted, or asserted by its own customer(s) against the other Party arising out of the other Party's provision of services to the indemnifying Party under this Agreement. Notwithstanding the foregoing indemnification, nothing in this Section 25.0 shall affect or limit any claims, remedies, or other actions the indemnifying Party may have against the indemnified Party under this Agreement, any other contract, or any applicable Tariff(s), regulations or laws for the indemnified Party's provision of said services.

25.2 The indemnification provided herein shall be conditioned upon:

(a) The indemnified Party shall promptly notify the indemnifying Party of any action, claim, lawsuit or demand taken against the indemnified Party relating to the indemnification.

(b) The indemnifying Party shall have sole authority to defend any such action, claim, lawsuit or demand including the selection of legal counsel, and the indemnified Party may engage separate legal counsel only at its sole cost and expense. The Indemnifying Party shall keep the Indemnified Party reasonably and timely apprised of the status of the action, claim, demand or lawsuit. The Indemnifying Party will not be liable under this Section for settlements or compromises by the Indemnified Party of any action, claim, demand or lawsuit unless the Indemnifying Party has approved the settlement or compromise in advance or unless the defense of the action, claim, demand or lawsuit has been tendered to the Indemnifying Party in writing and the Indemnifying Party has failed to promptly undertake the defense.

(c) In no event shall the indemnifying Party settle or consent to any judgment pertaining to any such action without the prior written consent of the indemnified Party, which consent shall not be unreasonably withheld. However, in the event the settlement or judgment requires a contribution from or affects the rights of the Indemnified Party, the Indemnified Party shall have the right to refuse such settlement or judgment and, at its own cost and expense, take over the defense against such Loss, provided that in such event the

indemnifying Party shall not be responsible for, nor shall it be obligated to indemnify the indemnified Party against, the Loss for any amount in excess of such refused settlement or judgment.

(d) The indemnified Party shall, in all cases, assert any and all provisions in its Tariffs that limit liability to third parties as a bar to any recovery by the third party claimant in excess of such limitation of liability.

(e) The indemnified Party shall offer the indemnifying Party all reasonable cooperation and assistance in the defense or settlement of any such action, demand or lawsuit.

26.0 LIMITATION OF LIABILITY

26.1 The liability of either Party to the other Party for damages arising out of failure to comply with a direction to install, restore or terminate facilities; or out of failures, mistakes, omissions, interruptions, delays, errors, or defects (collectively, "Errors") occurring in the course of furnishing any services, arrangements, or facilities hereunder shall be determined in accordance with the terms of the applicable tariff(s) of the providing Party. In the event no tariff(s) apply, the providing Party's liability for such Errors shall not exceed an amount equal to the pro rata monthly charge for the period in which such failures, mistakes, omissions, interruptions, delays, errors or defects occur. Except as otherwise provided in Section 25, Section 26.2, Section 27 and Section 29.4, recovery of said amount shall be the injured Party's sole and exclusive remedy against the providing Party for Errors, provided however that Errors shall not include grossly negligent or willful conduct. .

26.2 Except as provided in Section 25, Section 27, and Section 29.4, or in instances of gross negligence or willful misconduct, neither Party shall be liable to the other in connection with the provision or use of services offered under this Agreement for indirect, incidental, consequential, reliance or special damages, including (without limitation) damages for lost profits (collectively, "Consequential Damages"), regardless of the form of action, whether in contract, warranty, strict liability, or tort, including, without limitation, negligence of any kind, even if the other Party has been advised of the possibility of such damages; provided, that the foregoing shall not limit a Party's obligation under Section 25.

26.3 The Parties agree that neither Party shall be liable to the customers of the other Party in connection with its provision of services to the other Party under this Agreement. Nothing in this Agreement shall be deemed to create a third party beneficiary relationship between the Party providing the service and the customers of the Party purchasing the service. In the event of a dispute involving both Parties with a customer of one Party, both Parties shall assert the applicability of any limitations on liability to customers that may be contained in either Party's applicable Tariff(s).

27.0 PERFORMANCE STANDARDS FOR SPECIFIED ACTIVITIES

27.1 Installation Intervals

BA shall provision the unbundled Network Elements and services identified below in accordance with the installation intervals specified herein. With regard to the Elements or services listed in Section 27.1 below, in no event shall BA be obligated to provide intervals that are more favorable than BA extends to its own customers for comparable services. In the event that an interval BA extends to its own customers for a comparable service exceeds the interval specified below, BA shall notify Covad in writing of the interval that BA extends to its own customers for that comparable service (the "parity interval"). Ten (10) days after receipt of such notice, the parity interval shall apply to subsequent orders placed by Covad for the comparable element for which intervals are specified in this Section 27, notwithstanding the intervals specified in Section 27.1(a)-(c) below. After receipt of such notice, and notwithstanding Section 27.5 below, Covad may, at any time and at its sole discretion, elect to waive its rights to credits pursuant to this Section 27 and may seek other applicable intervals and remedies that may result from FCC or Department proceedings for any failure by BA to timely provide any unbundled Network Element specified in this Section 27(a)-(c).

(a) In every instance where facilities exist and Covad orders less than ten (10) 2-Wire ISDN-Compatible Digital Loops or less than ten (10) 4-Wire 64 Kbps digital Loops, as described in Section 11, from BA, BA shall provide to Covad such loops within ten (10) business days from BA's receipt of a complete and accurate order from Covad.

(b) Unless otherwise mutually agreed, Interoffice Transport Facilities ("IOF"), excluding SONET, shall be provided to Covad within thirty (30) calendar days from BA's receipt of a complete and accurate order from Covad, subject to the availability of facilities. The installation interval for the provision of IOF on or using SONET technologies shall be negotiated by the Parties in good faith.

(c) To the extent xDSL-compatible ULLs become available under the terms set forth in Section 11, BA and Covad agree to negotiate installation intervals for such unbundled Network Elements. The Parties shall negotiate in good faith to establish such installation intervals and associated credit provisions within sixty (60) days of the date on which such ULLs are first provisioned by BA to Covad pursuant to Section 11.

27.2 Specified Performance Breach

If BA's provision of an unbundled Network Element identified in Section 27.1 above exceeds the installation interval set forth in that Section, BA shall issue credits to Covad, in accordance with and subject to the terms and conditions set forth in this Section 27.

27.3 Credits

Covad and BA agree and acknowledge that: (i) the credits are not a penalty and have been determined based upon the facts and circumstances known to Covad and BA at the time of the negotiation and the execution of this Agreement, with due regard given to the performance expectations of each Party; and (ii) Covad shall not be required to provide any proof of its injury from any failure by BA to achieve the installation interval as a condition precedent to issuance of the credit. Notwithstanding (ii) above, Covad upon BA's request shall provide any information reasonably requested by BA to enable BA to determine whether a credit is payable, including information for any particular unbundled Network Element for which Covad asserts BA failed to meet the installation interval set forth in Section 27.1. Credits will apply as follows, subject to the foregoing and to the limitations set forth in Section 27.4 below:

(a) 2-Wire ISDN-Compatible ULLs, 4-Wire 64 Kbps ULLs, and xDSL-Compatible ULLs. In the event that BA fails to provide a 2-Wire ISDN-Compatible ULL, a 4-Wire 64 Kbps Digital Loop, or an xDSL-Compatible ULL to Covad within the installation interval set forth in Section 27.1(a) or (c), BA shall credit Covad twenty-five percent (25%) of the applicable installation nonrecurring charges associated with that installation. For every business day beyond the installation interval specified in Section 27.1(a) or (c) that BA does not provide such loops, BA shall credit Covad with 1/10th of the installation nonrecurring charge for each such ULL. Notwithstanding the foregoing, at no time shall the maximum credit exceed the full nonrecurring charge applicable to the installation of such loops.

(b) Interoffice Transport Facilities. If BA fails to install IOF within the installation interval set forth in Section 27.1(b), then for every business day that BA does not provide IOF services beyond a thirty-five (35) day period, BA shall credit Covad with 1/20th of the applicable installation nonrecurring charge for such service. Notwithstanding the foregoing, at no time shall the maximum credit exceed the full nonrecurring charge applicable to the installation of such service.

27.4 Limitations

BA shall not be liable for credits specified in Section 27.3 where:

(a) BA's failure to meet the installation interval is caused, directly or indirectly, by a Delaying Event. A Delaying Event means (i) a failure by Covad to perform any of its obligations set forth in this Agreement; (ii) any delay, act or failure to act by Covad or its customer, agent, vendor, affiliate, representative or subcontractor; (iii) any Force Majeure event; or (iv) such other delay, act or failure to act upon which the Parties may agree. Where BA is unable to provision an unbundled Network Element because of a Delaying Event, BA shall assign a new installation interval subject to the terms set forth in this Section.

(b) For any order for ULL or IOF where Covad has requested a date due or other installation interval different (later or earlier) from those specified in Section 27.1(a) and (b).

(c) Covad has submitted orders for ULL in excess of (i) 3000 in any one month, (ii) 200 in any one day, (iii) 150 in any one Central Office in any one day, or (iv) 30 in any one hour. In such event, credits will apply only to the first (w) 3000 orders submitted in that particular month; (x) 200 orders submitted in that particular day; (y) 150 orders submitted in that particular Central Office on that particular day; or (z) 30 orders submitted in that particular hour.

(d) Covad has submitted orders for ULL or IOF that exceed the forecast provided by Covad by greater than five percent (5%) by type and location. In such event, credits will apply only to orders up to the forecasted amount; and/or

(e) Covad has not submitted the order(s) for ULL or IOF through the standard electronic interface, provided that BA has made available to Covad a standard interface pursuant to this Agreement.

27.5 Sole Remedy

In the absence of gross negligence or willful misconduct, the credits described herein shall be the sole and exclusive remedy available for any failure by BA to provide the unbundled Network Elements in accordance with this Section 27 regardless of the existence or availability of any other remedy, procedure or process available to Covad at law or equity.

28.0 COMPLIANCE WITH LAWS; REGULATORY APPROVAL

28.1 Each Party shall promptly notify the other Party in writing of any governmental action that suspends, cancels, withdraws, limits, or otherwise materially affects its ability to perform its obligations hereunder.

28.2 The Parties understand and agree that this Agreement will be filed with the Department and may thereafter be filed with the FCC as an integral part of BA's application pursuant to Section 271(d) of the Act. The Parties covenant and agree that this Agreement is satisfactory to them as an agreement under Section 251 of the Act. Each Party covenants and agrees to fully support approval of this Agreement by the Department or the FCC under Section 252 of the Act without modification. The Parties, however, reserve the right to seek regulatory relief and otherwise seek redress from each other regarding performance and implementation of this Agreement, including, without limitation, the conformance of this Agreement to the FCC Regulations as provided in subsection 28.3 below.

28.3 The Parties recognize that the FCC has issued and may continue to issue regulations implementing Sections 251, 252, and 271 and other Sections of the Act that affect certain terms contained in this Agreement. In the event that any one or more of the provisions contained herein is inconsistent with any applicable rule contained in such FCC Regulations or as may be enacted by the Department, or imposed by a court in the exercise of its lawful jurisdiction, or which, in BA's reasonable determination, affects BA's application pursuant to Section 271(d) of the Act, the Parties agree to negotiate in good faith the revisions necessary to eliminate the inconsistency or

amend the application-affecting provision(s). Such revisions need not be considered material, and need not require further Department approval beyond any Department approval required under Section 252(e) of the Act. If, however, any such change in Applicable Law or amendment to this Agreement would necessitate a change that would affect the interconnection of network facilities or Covad's ability to use any BA service or Network Element, Covad shall have a reasonable time to modify or re-deploy its network or operations to reflect such change.

28.4 Except as provided in 28.4.1, in the event any Applicable Law other than the FCC Regulations requires modification of any material term(s) contained in this Agreement, either Party may require a renegotiation of the term(s) that require direct modification as well as of any term(s) that are reasonably affected thereby. If neither Party requests a renegotiation or if an Applicable Law requires modification of any non-material term(s), the remaining provisions of this Agreement shall remain in full force and effect. For purposes of this subsection 28.4 and without limitation of any other modifications required by Applicable Laws, the Parties agree that any modification required by Applicable Laws (i) to the two-tier Reciprocal Call Termination compensation structure for the transport and termination of Reciprocal Compensation Traffic described in Exhibit A, or (ii) that affects either Party's receipt of reciprocal compensation for the transport and termination of Reciprocal Compensation Traffic, shall be deemed to be a modification of a material term that requires immediate good faith renegotiation between the Parties.

28.4.1 The Parties acknowledge and agree that certain provisions in this Agreement are based in whole or in part upon DTE orders in DPU 96-73/74, 96-75, 96-80/81, 96-83, and/or 96-94 ("Consolidated Arbitrations") in which COVAD is not a party. Notwithstanding anything herein to the contrary, in the event that as a result of any decision, order or determination of any judicial or regulatory authority with jurisdiction over the subject matter hereof, including but not limited to an appeal of any DTE order issued in the Consolidated Arbitrations, it is determined that BA shall not be required to furnish any service or item or provide any benefit required to be furnished or provided to COVAD hereunder, then COVAD and BA shall promptly commence and conduct negotiations in good faith with a view toward agreeing to mutually acceptable new terms as may be required or permitted as a result of such decision, order or determination; provided, however, that BA expressly reserves all rights it may have to discontinue any such service or item or benefit provided under this Agreement to the extent permitted by any such decision, order or determination.

28.5 Compliance with the Communications Assistance for Law Enforcement Act of 1994 ("CALEA"). Each Party represents and warrants that any equipment, facilities or services provided to the other Party under this Agreement comply with CALEA. Each Party shall indemnify and hold the other Party harmless from any and all penalties imposed upon the other Party for such noncompliance and shall at the non-compliant Party's sole cost and expense, modify or replace any equipment, facilities or services provided to the other Party under this Agreement to ensure that such equipment, facilities and services fully comply with CALEA.

29.0 MISCELLANEOUS

29.1 Authorization

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

29.1.2 Covad is a corporation duly organized, validly existing and in good standing under the laws of the State of California, and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder.

29.2 Independent Contractor

Each Party shall perform services hereunder as an independent contractor and nothing herein shall be construed as creating any other relationship between the Parties. Each Party and each Party's contractor shall be solely responsible for the withholding or payment of all applicable federal, state and local income taxes, social security taxes and other payroll taxes with respect to their employees, as well as any taxes, contributions or other obligations imposed by applicable state unemployment or workers' compensation acts. Each Party has sole authority and responsibility to hire, fire and otherwise control its employees.

29.3 Force Majeure

Neither Party shall be responsible for delays or failures in performance resulting from acts or occurrences beyond the reasonable control of such Party, regardless of whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement, including, without limitation: adverse weather conditions, fire, explosion, power failure, acts of God, war, revolution, civil commotion, or acts of public enemies; any law, order, regulation, ordinance or requirement of any government or legal body; or labor unrest, including, without limitation, strikes, slowdowns, picketing or boycotts; or delays caused by the other Party or by other service or equipment vendors; or any other circumstances beyond the Party's reasonable control. In such event, the affected Party shall, upon giving prompt notice to the other Party, be excused from such performance on a day-to-day basis to the extent of such interferences (and the other Party shall likewise be excused from performance of its obligations on a day-to-day basis to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use its best efforts to avoid or remove the cause(s) of non-performance and both Parties shall proceed to perform with dispatch once the cause(s) are removed or cease.

29.4 Confidentiality

29.4.1 All information, including but not limited to specification, microfilm, photocopies, magnetic disks, magnetic tapes, drawings, sketches, models, samples, tools, technical information, data, employee records, maps, financial reports, and market data, (i) furnished by one Party to the other Party dealing with customer specific, facility specific, or usage specific information, other than customer information communicated for the purpose of publication or directory database inclusion, or (ii) in written, graphic, electromagnetic, or other tangible form and marked at the time of delivery as “Confidential” or “Proprietary,” or (iii) communicated orally and declared to the receiving Party at the time of delivery, and by written notice given to the receiving Party within ten (10) days after delivery, to be “Confidential” or “Proprietary” (collectively referred to as “Proprietary Information”), shall remain the property of the disclosing Party.

29.4.2 Each Party shall keep all of the other Party’s Proprietary Information confidential in the same manner it holds its own Proprietary Information confidential (which in all cases shall be no less than reasonable) and shall use the other Party’s Proprietary Information only for performing the covenants contained in this Agreement. Neither Party shall use the other Party’s Proprietary Information for any other purpose except upon such terms and conditions as may be agreed upon between the Parties in writing. All Proprietary Information (i) shall be held in confidence by each receiving Party; (ii) shall be disclosed on a confidential basis to only those persons who have a need for it in connection with the provision of services required to fulfill this Agreement and shall be used only for such purposes; and (iii) may be used for other purposes only upon such terms and conditions as may be mutually agreed to in advance of use in writing by the Parties.

29.4.3 Unless otherwise agreed, the obligations of confidentiality and non-use set forth in this Agreement do not apply to such Proprietary Information that:

- (a) was, at the time of receipt, already known to the receiving Party free of any obligation to keep it confidential as evidenced by written records prepared prior to delivery by the disclosing Party; or
- (b) is or becomes publicly known through no wrongful act of the receiving Party; or
- (c) is rightfully received from a third person having no direct or indirect secrecy or confidentiality obligation to the disclosing Party with respect to such information; or
- (d) is independently developed by an employee, agent, or contractor of the receiving Party that is not involved in any manner with the provision of services pursuant to this Agreement and does not have any direct or indirect access to the Proprietary Information; or
- (e) is approved for release by written authorization of the disclosing Party; or

(f) is required to be made public by the receiving Party pursuant to applicable law or regulation, provided that the receiving Party shall give sufficient notice of the requirement to the disclosing Party to enable the disclosing Party to seek protective orders. In such event, the receiving Party shall provide the disclosing Party with written notice of such requirement, to the extent permitted by law, as soon as possible and, where possible, prior to such disclosure. The disclosing Party may then seek appropriate protective relief from all or part of such requirement, and the receiving Party shall use reasonable efforts to cooperate with the disclosing Party in attempting to obtain any protective relief which such disclosing Party chooses to obtain.

29.4.4 Upon request by the disclosing Party, the receiving Party shall return all tangible copies of Proprietary Information, whether written, graphic, electromagnetic or otherwise.

29.4.5 Notwithstanding any other provision of this Agreement, the provisions of this subsection 29.4 shall apply to all Proprietary Information furnished by either Party to the other in furtherance of the purpose of this Agreement, even if furnished before the Effective Date.

29.4.6 Except as otherwise expressly provided elsewhere in this Agreement, no license is hereby granted under any patent, trademark, or copyright, nor is any such license implied, solely by virtue of the disclosure of any Proprietary Information.

29.5 Choice of Law

The construction, interpretation and performance of this Agreement shall be governed by and construed in accordance with the laws of the state in which this Agreement is to be performed, except for its conflicts of laws provisions. In addition, insofar as and to the extent federal law may apply, federal law will control.

29.6 Taxes

Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, transaction or similar taxes, fees or surcharges levied against or upon such purchasing Party (or the providing Party when such providing Party is permitted to pass along to the purchasing Party such taxes, fees or surcharges), except for any tax on either Party's corporate existence, status or income. Whenever possible, these amounts shall be billed as a separate item on the invoice. To the extent a sale is claimed to be for resale tax exemption, the purchasing Party shall furnish the providing Party a proper resale tax exemption certificate as authorized or required by statute or regulation by the jurisdiction providing said resale tax exemption. Failure to timely provide said resale tax exemption certificate will result in no exemption being available to the purchasing Party.

29.7 Assignment

Neither Party may assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third party without the prior written consent of the other Party which consent shall not be unreasonably withheld or delayed; provided, however, each Party may assign this Agreement to a corporate Affiliate or an entity under its common control or an entity acquiring all or substantially all of its assets or equity by providing prior written notice to the other Party of such assignment or transfer, together with a properly executed acceptance of the assigning Party's obligations and duties hereunder. Any attempted assignment or transfer that is not permitted shall be void ab initio. All obligations and duties of any Party shall be binding on all successors in interest and assigns of such Party.

29.8 Billing and Payment; Disputed Amounts

29.8.1 Except as may otherwise be provided in this Agreement, each Party shall submit on a monthly basis an itemized statement of charges incurred by the other Party during the preceding month(s) for services rendered hereunder. Payment of billed amounts under this Agreement, whether billed on a monthly basis or as otherwise provided herein, shall be due, in immediately available U.S. funds, within thirty (30) days of the date of such statement.

29.8.2 Although it is the intent of both Parties to submit timely and accurate 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 the billed Party shall not be entitled to dispute the billing Party's statement(s) based on such Party's failure to submit them in a timely fashion.

29.8.3 If any portion of an amount due to a Party (the "Billing Party") under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the "Non-Paying Party") shall within thirty (30) days of its receipt of the invoice containing such disputed amount 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 Non-Paying Party shall pay when due (i) all undisputed amounts to the Billing Party and (ii) all Disputed Amounts into an interest bearing escrow account with a third Party escrow agent mutually agreed upon by the Parties.

29.8.4 If the Parties are unable to resolve the issues related to the Disputed Amounts in the normal course of business within ninety (90) days after delivery to the Billing Party of notice of the Disputed Amounts, each of the Parties shall appoint a designated representative who has authority to settle the dispute and who is at a higher level of management than the persons with direct responsibility for administration of this Agreement. The designated representatives shall meet as often as they reasonably deem necessary in order to discuss the dispute and negotiate in good faith in an effort to resolve such dispute. The specific format for such discussions will be left to the discretion of the designated representatives, however all reasonable requests for relevant information made by one Party to the other Party shall be

honored.

29.8.5 If the Parties are unable to resolve issues related to the Disputed Amounts within forty-five (45) days after the Parties' appointment of designated representatives pursuant to subsection 29.9, then either Party may file a complaint with the Department to resolve such issues or proceed with any other remedy pursuant to law or equity. The Department may direct release of any or all funds (including any accrued interest) in the escrow account, plus applicable late fees, to be paid to either Party.

29.8.6 The Parties agree that all negotiations pursuant to this subsection 29.8 shall remain confidential and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and state rules of evidence.

29.8.7 Any undisputed amounts not paid when due shall accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1-1/2%) per month or (ii) the highest rate of interest that may be charged under applicable law.

29.9 Dispute Resolution

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, in the first instance. Should such negotiations fail to resolve the dispute in a reasonable time, either Party may initiate an appropriate action in any regulatory or judicial forum of competent jurisdiction.

29.10 Notices

Except as otherwise provided in this Agreement, notices given by one Party to the other Party under this Agreement shall be in writing and shall be (a) delivered personally, (b) delivered by express delivery service, (c) mailed, certified mail or first class U.S. mail postage prepaid, return receipt requested, or (d) delivered by telecopier to the following addresses of the Parties:

To Covad:

Covad Communications Company
3560 Bassett Street
Santa Clara, CA 95054
Attn: Vice President and General Counsel
Facsimile: (408) 490-4507

with a copy to:

Covad Communications Company
6849 Old Dominion Drive, Suite 220
McLean, VA 22101
Attn: Assistant General Counsel
Facsimile: (408) 490-4097

To BA:

BELL ATLANTIC
1095 Avenue of Americas
40th Floor
New York, NY 10036
Attn: President - Telecom Industry Services
Facsimile: (212) 597-2585

with a copy to:

BELL ATLANTIC
1095 Avenue of Americas
40th Floor
New York, NY 10036
Attn: General Counsel
Facsimile: (212) 597-2560

or to such other address as either Party shall designate by proper notice. Notices will be deemed given as of the earlier of (i) the date of actual receipt, (ii) the next business day when notice is sent via express mail or personal delivery, (iii) three (3) days after mailing in the case of first class or certified U.S. mail, or (iv) on the date set forth on the confirmation in the case of telecopy.

29.11 Section 252(i) Obligations

29.11.1 To the extent required under Applicable Law, BA shall make available without unreasonable delay to Covad any individual interconnection, service or network element contained in any agreement to which it is a party that is approved by the Department pursuant to Section 252 of the Act, upon the same rates, terms, and conditions as those provided in the agreement.

29.11.2 To the extent the exercise of the foregoing options requires a rearrangement of facilities by the providing Party, the opting Party shall be liable for the non-recurring charges associated therewith.

29.11.3 The Party electing to exercise such option shall do so by delivering written notice to the first Party. Upon receipt of said notice by the first Party, the Parties shall amend this

Agreement to provide the same rates, terms and conditions to the notifying Party for the remaining term of this Agreement; provided, however, that the Party exercising its option under this subsection 29.11 must continue to provide the same services or arrangements to the first Party as required by this Agreement, subject either to the rates, terms, and conditions applicable to the first Party in its agreement with the third party or to the rates, terms, and conditions of this Agreement, whichever is more favorable to the first Party in its sole determination.

29.12 Joint Work Product

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

29.13 No Third Party Beneficiaries; Disclaimer of Agency

This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein express or implied shall create or be construed to create any third-party beneficiary rights hereunder. Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party's business.

29.14 No License

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

29.14.2 Neither Party shall have any obligation to defend, indemnify or hold harmless, or acquire any license or right for the benefit of, or owe any other obligation or have any liability to, the other Party or its customers based on or arising from any claim, demand, or proceeding by any third party alleging or asserting that the use of any circuit, apparatus, or system, or the use of any software, or the performance of any service or method, or the provision of any facilities by either Party under this Agreement, alone or in combination with that of the other Party, constitutes direct, vicarious or contributory infringement or inducement to infringe, misuse or misappropriation of any patent, copyright, trademark, trade secret, or any other proprietary or intellectual property right of any Party or third party. Each Party, however, shall offer to the other

reasonable cooperation and assistance in the defense of any such claim.

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

29.15 Technology Upgrades

Nothing in this Agreement shall limit BA's ability to upgrade its network through the incorporation of new equipment, new software or otherwise. BA shall provide Covad written notice at least ninety (90) days prior to the incorporation of any such upgrades in BA's network that will materially affect Covad's service, and shall exercise reasonable efforts to provide at least one hundred eighty (180) days notice where practicable. In addition, BA shall comply with the FCC Network Disclosure rules, promulgated pursuant to Title II of the Act and, in particular, Section 251(c)(5) of the Act, set forth in the FCC Regulations to the extent applicable. Covad shall be solely responsible for the cost and effort of accommodating such changes in its own network.

29.16 Survival

The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement, including but not limited to Section 29.4, shall survive the termination or expiration of this Agreement.

29.17 Entire Agreement

The terms contained in this Agreement and any Schedules, Exhibits, tariffs and other documents or instruments referred to herein, which are incorporated into this Agreement by this reference, constitute the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written. Neither Party shall be bound by any preprinted terms additional to or different from those in this Agreement that may appear subsequently in the other Party's form documents, purchase orders, quotations, acknowledgments, invoices or other communications.

29.18 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.

29.19 Modification, Amendment, Supplement, or Waiver

No modification, amendment, supplement to, or waiver of the Agreement or any of its provisions shall be effective and binding upon the Parties unless it is made in writing and duly signed by the Parties. A failure or delay of either Party to enforce any of the provisions hereof, to exercise any option which is herein provided, or to require performance of any of the provisions hereof shall in no way be construed to be a waiver of such provisions or options.

29.20 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.

29.21 Publicity and Use of Trademarks or Service Marks

Neither Party nor its subcontractors or agents shall use the other Party's trademarks, service marks, logos or other proprietary trade dress in any advertising, press releases, publicity matters or other promotional materials without such Party's prior written consent.

29.22 Reserved.

29.23 Integrity of BELL ATLANTIC Network

The Parties acknowledge that BELL ATLANTIC, at its election, may deploy fiber throughout its network and that such fiber deployment may inhibit or facilitate Covad's ability to provide service using certain technologies. Notwithstanding any other provision of this Agreement, BELL ATLANTIC shall have the right to deploy, upgrade, migrate and maintain its network at its discretion pursuant to Section 29.15 of this Agreement.

29.24 Merger Conditions

Nothing in this Agreement shall constitute a waiver by Covad of any rights it may have under the FCC Order in the Application of Bell Atlantic Corporation, Transferee, For Consent to Transfer Control of Bell Atlantic Corporation and its Subsidiaries, NSD-L-96-10, Memorandum Opinion and Order (August 14, 1997) ("the FCC Merger Order"). Any such rights under the FCC Merger Order shall supplement Covad's rights under this Agreement. Pursuant to the FCC Merger Order, Bell Atlantic will provide Covad with the installment payment option outlined in Exhibit D.

29.25 Dark Fiber

29.25.1 Subject to the provisions of 29.25.2 below, BA agrees to provide Unbundled Dark Fiber to Covad as a Network Element pursuant to the same terms and

conditions under which BA makes Unbundled Dark Fiber generally available to all Competitive Local Exchange Carriers ("CLECs") in Massachusetts. Those generally applicable terms and conditions are contained in BA's Unbundled Dark Fiber Service Description, as modified from time to time in BA's reasonable discretion subject to the jurisdiction of the Massachusetts Department of Telecommunications and Energy ("DTE"). A copy of the current Unbundled Dark Fiber Service Description is attached hereto as Exhibit D.

29.25.2 BA agrees to provide Unbundled Dark Fiber to Covad as a Network Element hereunder only to the extent that, and only for as long as, BA is required to do so pursuant to the Phase 3 Order of the DTE in the Consolidated Arbitrations (D.P.U. 96-73/74, 96-75, 96-80/81, 96-83 and 96-94) ("Order"), or such other explicit legal requirement as may subsequently be imposed. BA expressly reserves the right to appeal or otherwise seek to overturn the Order by any lawful means. At such time as the Order ceases to be binding on BA, BA may terminate its provision of Unbundled Dark Fiber hereunder on written notice to Covad, subject to a reasonable transition period or such alternative arrangements as the parties may at that time negotiate.

29.25.3 The initial prices applicable to the provision of Unbundled Dark Fiber hereunder shall be those filed by BA with the DTE for approval, as indicated in Exhibit A. Upon DTE approval of permanent prices for Unbundled Dark Fiber, the approved prices shall apply.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of this ___ day of _____, 1998

Covad Communications Company

BELL ATLANTIC - Massachusetts

By: _____

By: _____

Printed: Charles J. McMinn

Printed: Jacob J. Goldberg

Title: President and CEO

Title: President -
Telecom Industry Services

SCHEDULE 1.0

CERTAIN TERMS AS DEFINED IN THE ACT

"Affiliate" means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term "own" means to own an equity interest (or the equivalent thereof) of more than ten percent (10%).

"Dialing Parity" means that a person that is not an Affiliate of LEC is able to provide Telecommunications Services in such a manner that Customers have the ability to route automatically, without the use of any access code, their Telecommunications to the Telecommunications Services provider of the Customer's designation from among two (2) or more Telecommunications Services providers (including such LEC).

"Exchange Access" means the offering of access to Telephone Exchange Services or facilities for the purpose of the origination or termination of Telephone Toll Services.

"InterLATA Service" means Telecommunications between a point located in a local access and transport area and a point located outside such area.

"Local Access and Transport Area" or "LATA" means a contiguous geographic area: (a) established before the date of enactment of the Act by a Bell operating company such that no Exchange Area includes points within more than one (1) metropolitan statistical area, consolidated metropolitan statistical area, or State, except as expressly permitted under the AT&T Consent Decree; or (b) established or modified by a Bell operating company after such date of enactment and approved by the FCC.

"Local Exchange Carrier" means any person that is engaged in the provision of Telephone Exchange Service or Exchange Access. Such term does not include a person insofar as such person is engaged in the provision of a commercial mobile service under Section 332(c) of the Act, except to the extent that the FCC finds that such service should be included in the definition of such term.

"Network Element" means a facility or equipment used in the provision of a Telecommunications Service. Such term also includes features, functions, and capabilities that are provided by means of such facility or equipment, including subscriber numbers, databases, signaling systems, and information sufficient for billing and collection or used in the transmission, routing, or other provision of a Telecommunications Service.

"Number Portability" means the ability of users of telecommunications services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another.

"Telecommunications" means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.

"Telecommunications Carrier" means any provider of Telecommunications Services, except that such term does not include aggregators of Telecommunications Services (as defined in Section 226 of the Communications Act).

"Telecommunications Service" means the offering of Telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.

"Telephone Exchange Service" means (a) service within a telephone exchange within a connected system of telephone exchanges within the same exchange area operated to furnish subscribers intercommunicating service of the character ordinarily furnished by a single exchange, and which is covered by the exchange service charge, or (b) comparable service provided through a system of switches, transmission equipment, or other facilities (or combination thereof) by which a subscriber can originate and terminate a telecommunications service.

"Telephone Toll Service" means telephone service between stations in different exchange areas for which there is made a separate charge not included in contracts with subscribers for exchange service.

Schedule 4.0 Network Interconnection Schedule

LATA	Covad-IP	BA-IP	Activation Date
128	TBD	TBD	TBD

Covad - Bell Atlantic Interconnection Agreement

Schedule 7.1.4

Billing Arrangement Options for Variable-Rated Information Services Calls

Bell Atlantic offers two billing arrangement options representing different methods for Covad and Bell Atlantic to jointly ensure that the end users making calls to the Information Provider (“IP”) programs on the Bell Atlantic platform are billed at correct rates, and that the IP’s they call are reimbursed for the use of their services. Prior to establishing working interconnection to the variable-rated services, Covad must confirm which ONE of the following two Billing Arrangement Options it will use for variable-rated Information Services Traffic, and complete acceptance testing with Bell Atlantic for that option. Covad’s choice of one or the other Billing Arrangement Option will be indicated on Appendix A (“Bell Atlantic Information Services Billing Option Selection Form”) following this Schedule 7.1.4.

Where Covad does not select either billing arrangement option, as indicated in Appendix A to this Schedule 7.1.4, Covad agrees that its Customers will not be able to complete calls to variable-rated Information Service providers on the Bell Atlantic platform, regardless of whether the Customers are served by Covad switching facilities, or by Unbundled Network Element(s) purchased by Covad.

The “Information Mass Announcement Service” (“IMAS”) product is unique to the New York Metropolitan LATA (132), and is not offered elsewhere in New York State or in the Bell Atlantic region. The Billing Arrangement options described below do not apply to IMAS traffic, which is not a variable-rated Information Service.

Option 1: BUNDLED BILLING ARRANGEMENT

A. Usage Processing

- 1a. Covad using its own facilities records originating call detail, and delivers message to Bell Atlantic over a dedicated IP trunk. Bell Atlantic makes terminating recording.
- or--
- 1b. Covad using Bell Atlantic Unbundled Network Elements for Local Switching receives originating call detail from Bell Atlantic in unrated EMR format.
2. Using the called number, Covad identifies the call as a variable-rated IP call. Covad sends the call detail record to Bell Atlantic in unrated EMR format.

Bell Atlantic rates correctly formatted messages at the price set by the Information Provider, and bills Covad for the full value of the call less the Information Service Billing Fee (“IP B&C Fee”) stated in Exhibit A. Incorrectly formatted records are not rated and no IP B&C Fee is applied. Rated messages are returned to Covad in rated EMR format.

Error messages will be returned in either unrated or rated EMR format, depending on the nature of the error. The error will be defined by appropriate indicators in the record.

“Killer” calls, i.e. calls where the originating end user has disconnected within a Tariff-specified time limit in order to avoid charges, are returned with a special locally-defined indicator. An IP B&C Fee is credited to Covad for these calls, although there are no charges billable to the Covad Customer.

4. Covad bills its end user for the full value of the call as shown in the rated EMR record, calculates and collects appropriate state and local taxes.
5. Bell Atlantic uses the rated message to calculate the payment due the Information Provider, and remits that amount to the IP. The Information Provider is charged for “killer” calls according to Tariff regulations.

B. Adjustments

1. Adjustment requests submitted to Bell Atlantic will be made to the Customer Account Team Center.
2. Covad must provide the following information when requesting an adjustment from Bell Atlantic for an IP call made by one of its end user Customers:
 - originating line number
 - the dialed IP subscriber number
 - the amount to be adjusted, not including tax
 - message date
 - connect time
 - conversation time
3. Bell Atlantic will follow its policy of allowing two (2) adjustments per line per year on eligible Information Provider calls. Once two adjustments have been made for an originating end user line number, no further adjustments will be made to Covad account.

C. Acceptance Testing

1. Acceptance testing between Bell Atlantic and Covad will demonstrate that both Parties are ready to deliver, process and receive usage and billing data as required, and that each has a Single Point of Contact (“SPOC”) available to the other.
2. Covad will provide a sufficient volume of unrated usage data for testing various call scenarios, formatted and delivered to reflect the anticipated production environment.
3. Bell Atlantic will examine, process, and edit such data to produce a return dataset of rated records, for delivery to Covad.
4. Covad will receive and process the Bell Atlantic data.
5. Both Parties will communicate and resolve testing issues until they mutually agree that each is able to format, deliver, receive and process data at an acceptable standard.

Option 2: UNBUNDLED BILLING ARRANGEMENT

A. Usage Processing

- 1a. Covad using its own facilities records originating call detail, and delivers message to Bell Atlantic over dedicated IP trunk. Bell Atlantic makes terminating recording.
--or--
- 1b. Covad using Bell Atlantic Unbundled Network Elements for Local Switching receives originating call detail from Bell Atlantic in unrated EMR format.
2. Bell Atlantic bills Covad for access to its IP platform. This charge for Access to BA IP Switching Platform replaces the standard Reciprocal Compensation charge, and is calculated in the same manner, on a per minute of use basis. The Access to BA IP Switching Platform charge is stated in Exhibit A.
3. Using the called number, Covad identifies the call as a variable-rated IP call. Covad has the option of either rating the call in its own system, or sending the call detail record to Bell Atlantic in unrated EMR format for rating (“BA IP Rating Service”).
4. When Covad uses the optional Bell Atlantic rating service, Bell Atlantic receives an unrated EMR record from Covad. Bell Atlantic rates correctly formatted messages at the price set by the Information Provider, and bills Covad for the BA IP Rating Service on a per message basis, at the rate stated in Exhibit A. The per

message charge applies to every rating attempt: correctly formatted messages, error records, and “killer” records.

Rated messages will be returned to Covad in rated EMR format. Error messages will be returned in either unrated or rated EMR format, depending on the nature of the error. The error will be defined by appropriate indicators in the record.

“Killer” calls, i.e. calls where the originating end user has disconnected within a Tariff-specified time limit in order to avoid charges, are returned with a special locally-defined indicator.

5. Covad bills its end user for the full value of the call based on rates set by the Information Provider: as shown in the rated EMR record returned from Bell Atlantic under the optional rating service, or as determined in Covad’s own rating process. Covad calculates and collects appropriate state and local taxes.
6. Covad uses the rated message to calculate the payment due the Information Provider, and remits that amount to the IP. CLEC may charge the Information Provider for “killer” calls according to tariff regulations.

B. Adjustments

1. On all calls where Covad makes direct payment to the Information Provider, adjustments will be handled directly between Covad and the Information Provider.

C. Acceptance Testing

1. Acceptance Testing will be required for Covad to use the BA IP Rating Service.
2. Acceptance testing between Bell Atlantic and Covad will ensure that both Parties are ready to deliver, process and receive usage and billing data as required, and that each has a SPOC available to the other.
3. Covad will provide a sufficient volume of unrated usage data for testing various call scenarios, formatted and delivered to reflect the anticipated production environment.
4. Bell Atlantic will examine, process, and edit such data to produce a return dataset of rated records, for delivery to Covad.
5. Covad will receive and process the Bell Atlantic data.

6. Both Parties will communicate and resolve testing issues until they mutually agree that each is able to format, deliver, receive and process data at an acceptable standard.

**BELL ATLANTIC INFORMATION SERVICES
 BILLING OPTION SELECTION FORM**

Please select desired services for VARIABLE-RATED INFORMATION SERVICES messages.

OPTION	MINIMUM PERIOD	CHARGE	SERVICE SELECTION
OPTION 1: Bundled Billing Arrangement	12 months following successful completion of acceptance test	Rated value of each call less <u>IP Billing & Collection fee</u> stated in Exhibit A.	Yes <input type="checkbox"/> No <input type="checkbox"/>
OPTION 2: Unbundled Billing Arrangement	12 months following Effective Date	Per minute of use charge for initial minute or fraction thereof, and for each additional minute or fraction thereof at the <u>Access to BA IP Switching Platform rate</u> stated in Exhibit A.	Yes <input type="checkbox"/> No <input type="checkbox"/>
	Remaining term of Option 2 following successful completion of acceptance test	Per message charge for each call detail usage record delivered to Bell Atlantic for <u>BA IP Rating Service processing</u> stated in Exhibit A.	Yes <input type="checkbox"/> No <input type="checkbox"/>

Covad - Bell Atlantic Interconnection Agreement

EXHIBIT A

INTRODUCTION TO PRICING SCHEDULES

Exhibit A contains rates the Parties shall charge on a reciprocal basis for the specific services identified herein.

Except as otherwise provided for in this Agreement, when the Department approves actual rates in the Consolidated Arbitration proceeding, Docket 96-73/74, et al. (“Consolidated Proceeding”), those rates shall apply to any network element or service provided by BA to Covad under this Agreement.

If the Department approves additional or different rates and/or rate structures at a later time, unless otherwise agreed to by the Parties herein, the rates and/or rate structures established by the Department at a later time shall become the rates and/or rate structures established herein. The Parties agree that those rates and/or rate structures shall be applied prospectively only.

**Bell Atlantic - Massachusetts and Covad
PRICING SCHEDULE¹**

BA Services, Facilities, and Arrangements:

I. Call Transport & Termination

	BA Service	Non-recurring	Recurring
1.	Reciprocal Compensation Traffic delivered to BA Interconnection Point	\$.008*/mou (Peak) \$.008*/mou (Off-Peak) \$.008*/mou (Peak) \$.008*/mou (Off-Peak)	End Office Termination End Office Termination Tandem Termination Tandem Termination
	Access charges for termination of intrastate and interstate Toll Traffic	Per BA FCC No. 1 interstate and DTE No. 15 intrastate access tariffs (charged in conjunction with Local Traffic, using PLU and PIU factors, as appropriate)	
3.	Entrance facilities, and transport, as appropriate, for Interconnection at BA End Office, Tandem Office, Serving Wire Center, or other Point of Interconnection	Per BA FCC No. 1 interstate and DTE No. 15 intrastate access tariffs for Feature Group D service.	

¹ All rates and/or rate structures set forth herein, that are marked with an asterisk (“*”), as applied to wholesale discount of retail Telecommunications Services, unbundled Network Elements or call transport and/or termination of Local Traffic purchased for the provision of Telephone Exchange Service or Exchange Access, shall be interim rates and/or rate structures. These interim rates and/or rate structures shall be replaced on a prospective basis by such permanent rates and/or rate structures (applicable to wholesale discount of retail Telecommunications Services, unbundled Network Elements or call transport and/or termination of Local Traffic purchased for the provision of Telephone Exchange Service or Exchange Access) as may be approved by the Department and if appealed as may be ordered at the conclusion of such appeal. At such time as such permanent rates and/or rate structures have been approved by the Department, the Parties shall append to this Exhibit an Exhibit AA, setting forth such rates and/or rate structures, which Exhibit AA the Parties shall update periodically as necessary.

Pending approval of rates and/or rate structures filed for intrastate physical collocation, all intrastate physical collocation services shall be charged at rates found in Mass. DTE Tariff No. 15.

Note 2: **RECIPROCAL COMPENSATION TRAFFIC TERMINATION RATES**

Covad - Bell Atlantic Interconnection Agreement

A. Charges by BA

(a) Reciprocal Compensation Traffic delivered to BA Tandem

- (1) Peak: \$.008* per mou
- (2) Off-Peak: \$.008* per mou

(b) Reciprocal Compensation Traffic delivered to terminating BA End Office/node

- (1) Peak: \$.008* per mou
- (2) Off-Peak: \$.008* per mou

B. Charges by Covad

1. Single-tiered interconnection structure:

Covad's rate for the termination of BA's Reciprocal Compensation Traffic from a BA Tandem under the single-tiered interconnection structure shall be recalculated biannually, beginning six (6) months from the Effective Date (the "Rate Determination Dates"). The methodology for recalculating the rate is as follows:

Access Tandem Rated Minutes = Total minutes of use of Reciprocal Compensation Traffic delivered by Covad to the BA Tandem for most recent billed quarter multiplied by appropriate time-of-day rate:

$$\begin{aligned} & (\text{Tandem Minutes (Peak)} \times \$.008^*) \\ & + \\ & (\text{Tandem Minutes (Off-Peak)} \times \$.008^*) \\ & = (\text{Tandem Rated Minutes}) \end{aligned}$$

End Office Rated Minutes = Total minutes of use Reciprocal Compensation Traffic delivered by Covad directly to the terminating BA End Office for most recent billed quarter multiplied by appropriate time-of-day rate:

$$\begin{aligned} & (\text{End Office Minutes (Peak)} \times \$.008^*) \\ & + \\ & (\text{End Office Minutes (Off-Peak)} \times \$.008^*) \\ & = (\text{End Office Rated Minutes}) \end{aligned}$$

Total Minutes = Total minutes of use of Reciprocal Compensation Traffic delivered by Covad to BA for most recent billed quarter.

Covad Charge at the Covad-IP =

$$\frac{(\text{Tandem Rated Minutes}) + (\text{End Office Rated Minutes})}{\text{Total Minutes}}$$

For the first six months after the Effective Date, the Covad charge shall be calculated based on the traffic data of the quarter immediately preceding such Effective Date or, if no such data is available, at the average rate of \$.008 per mou.

2. Multiple-tiered interconnection structure (if offered by Covad to any carrier):

Covad - Bell Atlantic Interconnection Agreement

- (a) Local Traffic delivered to Covad Tandem
 - (1) Peak: \$.008* per mou
 - (2) Off-Peak: \$.008* per mou

- (b) Local Traffic delivered to terminating Covad End Office/node
 - (1) Peak: \$.008* per mou
 - (2) Off-Peak: \$.008* per mou

C. Miscellaneous Notes

1. The Covad termination rate under the single-tiered interconnection structure set forth above is intended by the Parties to be a Reciprocal Compensation Traffic termination rate for Interconnection to the Covad-IP within each LATA that is reciprocal and equal to the actual rates that will be charged by BA to Covad under the two-tiered Reciprocal Compensation Traffic termination rate structure described above. Under this single-tiered interconnection structure, the Covad termination rate for Reciprocal Compensation Traffic is also intended to provide financial incentives to Covad to deliver traffic directly to BA's terminating End Offices once Covad's traffic volumes reach an appropriate threshold. The Parties agree that the Reciprocal Compensation rate(s) set forth herein recover a reasonable approximation of each Party's additional costs of terminating calls that originate on the network facilities of the other Party.

II. Information Services Billing and Collection

- A. Information Service Billing Fee (“IP B&C Fee”) \$0.05 per call
- B. Variable-rated Information Services rates:
 - (1) Access to BA IP Switching Platform \$0.03 per minute of use
 - (2) BA IP Rating Service \$0.03 per message

III. Transit Service

A. Tandem Transit Service

- Rates: (Peak) = \$.008642* per minute
- (Off-Peak) = \$.002702* per minute

B. Dedicated Transit Service

- | | |
|---|-----------------|
| | Monthly charges |
| (1) 1.544 Mbps Connection: 2(DS-1 SAC)# | \$ 3.62* |
| (2) 45 Mbps Connection: 2(DS-3 SAC)# | \$58.08 * |

#Rate = twice the applicable charge for the appropriate Service Access Charge (“SAC”)

- | | |
|---------------------------------|---------------------------|
| | Non-recurring charges |
| <u>Standard Interval</u> | |
| (3) Service Order Charge | \$23.63* (per order) |
| (4) Service Connection Charge | \$43.49* (per connection) |
| (5) Service Installation Charge | \$10.74* (per connection) |
| <u>Expedited Interval</u> | |
| (3) Service Order Charge | \$35.04* (per order) |
| (4) Service Connection Charge | \$60.21* (per connection) |
| (5) Service Installation Charge | \$14.92* (per connection) |

IV. Interim Telecommunications Number Portability

A. Monthly Recurring Charges

- Rate per Business Number = \$2.00
- Rate per Residential Number = \$1.00

No additional charges shall apply for interim number portability, including additional per-path, per-port, or usage-related charges, except for third Party and collect calls.

B. Non-recurring Charge

Rate = \$20 per ported number

Non-recurring charges only apply when interim number portability is ordered separately from an unbundled loop.

C. Access Revenues Associated with Ported Numbers

In accordance with subsection 14.6 of the Agreement

V. Unbundled Database Access

A. 800/888 Database

Reciprocal Compensation: 800 Database (refer to I above)
(charged to originating Party).

800 Database query: \$0.00108* per query

B. LIDB

LIDB Database query \$0.00138* per query

VI. Unbundled Local Loops

A. Monthly Recurring Charges

(1) ULL facility: ULL type	Metro	Urban	Suburban	Rural
(per month)				
2-Wire Analog Voice Grade	\$7.54*	\$14.11*	\$16.12*	\$20.04*
4-Wire Analog Voice Grade	\$30.97*	\$43.40*	\$46.95*	\$52.39*
2-Wire ISDN Digital Grade	\$19.87*	\$27.24*	\$29.38*	\$32.84*
4-Wire DS-1-Compatible Digital Grade	\$76.11*	\$98.05*	\$102.64*	\$147.05*
<i>Interim rates per Section 11.2.9.2:</i>				
2-Wire ADSL-Compatible	\$19.87*	\$27.24*	\$29.38*	\$32.84*
2-Wire HDSL-Compatible	\$19.87*	\$27.24*	\$29.38*	\$32.84*
4-Wire HDSL-Compatible	\$76.11*	\$98.05*	\$102.64*	\$147.05*

(2) Service Access Charge: ULL type	(per month)
Voice Grade/DS-0	\$0.27*
DS-1	\$1.81*

B. Non-Recurring Charges**(1) Service Order Charge (per order)**

ULL Type	Standard Interval			Expedite		
	1 ULL	2-9 ULL	10+ ULL	1 ULL	2-9 ULL	10+ ULL
2-Wire Analog Voice Grade	0*	\$10.17*	\$14.18*	0*	\$15.07*	\$21.02*
4-Wire Analog Voice Grade	0*	\$10.17*	\$14.18*	0*	\$15.07*	\$21.02*
2-Wire ISDN Digital Grade	\$6.08*	\$16.25*	\$20.26*	\$9.02*	\$24.09*	\$30.04*
4-Wire DS-1-Comp.Digital Gr.	\$64.44*	\$64.44*	\$64.44*	\$95.55*	\$95.55*	\$95.55*
<i>Interim rates per Section 11.2.9.2:</i>						
2-Wire ADSL-Compatible	\$6.08*	\$16.25*	\$20.26*	\$9.02*	\$24.09*	\$30.04*
2-Wire HDSL-Compatible	\$6.08*	\$16.25*	\$20.26*	\$9.02*	\$24.09*	\$30.04*
4-Wire HDSL-Compatible	\$64.44*	\$64.44*	\$64.44*	\$95.55*	\$95.55*	\$95.55*

(2) Service Connection Charge: (per loop)

ULL Type	Service Connection: Standard	Service Connection: CO Wiring
2-Wire Analog Voice Grade	\$46.06*	\$21.12*
4-Wire Analog Voice Grade	\$46.06*	\$21.12*
2-Wire ISDN Digital Grade	\$46.06*	\$21.12*
4-Wire DS-1-Comp.Digital Gr.	\$124.15*	\$43.38*
<i>Interim rates per Section 11.2.9.2:</i>		
2-Wire ADSL-Compatible	\$46.06*	\$21.12*
2-Wire HDSL-Compatible	\$46.06*	\$21.12*
4-Wire HDSL-Compatible	\$124.15*	\$43.38*

(3) Installation Dispatch (per dispatch)

ULL Type	Installation Dispatch (per dispatch)			TC Not Ready (per occasion)
	1 ULL	2-9 ULL	10+ ULL	
2-Wire Analog Voice Grade	\$48.66*	\$57.06*	\$64.14*	\$46.22*
4-Wire Analog Voice Grade	\$48.66*	\$57.06*	\$64.14*	\$46.22*
2-Wire ISDN Digital Grade	\$48.66*	\$57.06*	\$64.14*	\$46.22*
4-Wire DS-1-Comp.Digital Gr.	\$64.58*	\$64.58*	\$64.58*	\$46.22*
<i>Interim rates per Section 11.2.9.2:</i>				
2-Wire ADSL-Compatible	\$48.66*	\$57.06*	\$64.14*	\$46.22*

2-Wire HDSL-Compatible	\$48.66*	\$57.06*	\$64.14*	\$46.22*
4-Wire HDSL-Compatible	\$64.58*	\$64.58*	\$64.58*	\$46.22*

(4) Manual Intervention Surcharge (where mechanized interface available but not used)

Standard Interval	Service Order (per order)			Svc Connection Chg (per ULL)		
ULL Type	1 ULL	2-9 ULL	10+ ULL	1 ULL	2-9 ULL	10+ ULL
2-Wire Analog Voice Grade	\$34.91*	\$68.33*	\$311.91*	\$11.96*	\$11.96*	\$11.96*
4-Wire Analog Voice Grade	\$34.91*	\$68.33*	\$311.91*	\$11.96*	\$11.96*	\$11.96*
2-Wire ISDN Digital Grade	\$34.91*	\$68.33*	\$311.91*	\$11.96*	\$11.96*	\$11.96*
<i>Interim rates per Section 11.2.9.2:</i>						
2-Wire ADSL-Compatible	\$34.91*	\$68.33*	\$311.91*	\$11.96*	\$11.96*	\$11.96*
2-Wire HDSL-Compatible	\$34.91*	\$68.33*	\$311.91*	\$11.96*	\$11.96*	\$11.96*
Expedited Interval	Service Order (per order)			Svc Connection Chg (per ULL)		
ULL Type	1 ULL	2-9 ULL	10+ ULL	1 ULL	2-9 ULL	10+ ULL
2-Wire Analog Voice Grade	\$51.76*	\$101.32*	\$462.49*	\$11.96*	\$11.96*	\$11.96*
4-Wire Analog Voice Grade	\$51.76*	\$101.32*	\$462.49*	\$11.96*	\$11.96*	\$11.96*
2-Wire ISDN Digital Grade	\$51.76*	\$101.32*	\$462.49*	\$11.96*	\$11.96*	\$11.96*
<i>Interim rates per Section 11.2.9.2:</i>						
2-Wire ADSL-Compatible	\$51.76*	\$101.32*	\$462.49*	\$11.96*	\$11.96*	\$11.96*
2-Wire HDSL-Compatible	\$51.76*	\$101.32*	\$462.49*	\$11.96*	\$11.96*	\$11.96*

(5) Misdirected Trouble Dispatches (charge per occasion)

- | | | |
|-----|------------------------------------|-----------|
| (a) | Dispatch IN (to Central Office) | \$77.24* |
| (b) | Dispatch IN (EXPEDITE) | \$104.44* |
| (c) | Dispatch OUT (to Customer Premise) | \$120.87* |
| (d) | Dispatch OUT (EXPEDITE) | \$162.35* |

VIII. Unbundled IOF

A. Monthly Recurring Charges

(1) Dedicated Transport:		
Facility (per month)	Interoffice Mileage FIXED	Interoffice Mileage/ MILE
DS-1	\$126.35*	\$0.73*
DS-3	\$996.54*	\$20.44*
OC-3	\$1,779.69*	\$61.31*
OC-12	\$4,518.08*	\$245.24*

(2) Service Access Charge: IOF	(per month)
DS-1	\$1.81*
DS-3	\$29.04*
OC-3	\$20.91*
OC-12	\$20.91*

(3) Unbundled Multiplexing		
DS-1 to DS-0 (1/0 Mux)	(per mux/per month)	\$446.78*
DS-3 to DS-1 (3/1 Mux)	(per mux/per month)	\$236.69*

B. Non-Recurring Charges

Standard Interval	DS-1	DS-3	OC-3	OC-12
(1) Service Order (per order)	\$23.63*	\$23.63*	\$23.63*	\$23.63*
(2) Manual Intervention Surcharge (per order)	0*	0*	0*	0*
(3) ServiceConnection: Provisioning (per facility)	\$201.50*	\$201.50*	\$201.50*	\$225.78*
(4) Service Connection: Installation (per facility)	\$148.18*	\$327.71*	\$327.71*	\$411.03*
Expedited Interval	DS-1	DS-3	OC-3	OC-12
(1) Service Order (per order)	\$35.04*	\$35.04*	\$35.04*	\$35.04*
(2) Manual Intervention Surcharge (per order)	0*	0*	0*	0*
(3) ServiceConnection: Provisioning (per facility)	\$229.64*	\$229.64*	\$229.64*	\$263.81*
(4) Service Connection: Installation (per facility)	\$205.89*	\$455.36*	\$455.36*	\$571.13*

IX. Unbundled Common Channel Signaling and Call-Related Database Access

Rates for all unbundled Common Channel Signaling and call-related database access are as set forth in BA's Mass. DTE No. 15 Tariff, as amended from time to time, subject to the provisions of Section 11 and Section 17.

X. Operations Support Systems

A. Rates for access to, development, maintenance and use of Operations Support Systems, as related to the provision of unbundled Network Elements:

OSS for UNE Providers		
(1) Access to Electronic Interface	(per month)	\$4,907.00*
(2) Transaction Cost	(per transaction)	\$1.19*
(3) Customer Record Retrieval	(per view)	\$0.12*

(4) Record Change Charge	(per change)	\$10.74*
(5) Design Change Charge	(per change)	\$10.74*
(6) Customer Loop Information	(per loop)	\$9.12*
(7) Data entry search (15 minute period)	(per period)	\$10.74*
(8) Out of scope request	(per request)	ICB

B. Rates for all access to, development, maintenance and use of Operations Support Systems, as related to the provision of Resale:

OSS for Resellers		
(1) Recurring Establishment Charge	(per month)	\$2,557.00*
(2) Non-recurring establishment charge	(per transaction)	\$1.19*
(3) Electronic Interface Maintenance Chg	(per transaction)	\$0.38*
(4) Complex Order Charge	(per line)	\$16.27*
(5) Service Center Maintenance Charge	(resold line/month)	\$0.21*
(6) Customer Record Retrieval	(per loop)	\$0.12*

XI. 911/E911 Interconnection

Monthly Rate:

A. \$252.00* per month for an unequipped DS1 Port and \$100 per month per voice grade trunk activated and equipped on the DS1 port.

B. \$0.05* per line per month for unbundled local Switching Element.

XII. Wholesale Discounts

Wholesale discounts are as set forth in the Mass. DTE No.14 Tariff, as amended from time to time.

Month- to- month discounts (per qualifying retail rate):

A. Where Covad purchases BA-provided Operator Services

(1) Business 24.99%*

(2) Residence 24.99%*

B. Where Covad does not purchase BA Operator Services

(1) Business 29.47%*

(2) Residence 29.47%*

XIII. A. Unbundled Directory Assistance Services

(1)	Directory Assistance	<u>(Per Request)</u>
	Each Request for Information per one telephone number, with BA branding	\$0.308657*
	Each Request for Information per one telephone number, with CLEC branding	\$0.308657*
	Each Request for Information per one telephone number, without branding	\$0.258028*
	Branding surcharge per call (if applicable)	\$0.050629*
(2)	Directory Assistance Call Completion	
	DA Request + Call Completion (DACC) #	
	Each Request for Information per one telephone number, with CLEC branding or with NYNEX branding plus call completion	\$0.423713*
	Each Request for Information per one telephone number, without branding plus call completion	\$0.373084*
	DACC Surcharge per call	\$0.115056*

#These rates are in addition to the applicable UTTC, TTSC & UNRCC or UCRCC charges.

(3)	Direct Access to Directory Assistance (DADA)	
	Monthly Access Charge	\$4,000.00*
	Each Search Request	\$0.037*
(4)	Bell Atlantic recording of Covad Branding Announcement	ICB*
		<u>Rate</u>
B.	Inward Operator Services #	
	(1) BLV (per work second)	\$0.032444*
	(2) BLV/I (per work second)	\$0.032444*
	(3) Branding surcharge per call (if applicable)	\$0.050629*

C. 0+/Mechanized Operator Calls #

(1)	Calling Card (per request)	\$0.096659*
(2)	Collect (per request)	\$0.098626*
(3)	Third Number (per request)	\$0.098626*
(4)	Branding surcharge per call (if applicable)	\$0.050629*

#These rates are in addition to the applicable UTTC, TTSC & UNRCC or UCRCC charges.

D. 0- Operator Handled Calls #

(1)	Per work second	\$0.012637*
(2)	Collect & Bill to Third Number (per request)	\$0.098626*
(3)	Branding surcharge per call (if applicable)	\$0.050629*

#These rates are in addition to the applicable UTTC, TTSC & UNRCC or UCRCC charges.

E. Operator Emergency Bulletin Service
state bulletin (per year)

\$17.77*

Recurring

Non-recurring

F. TOPS Trunk Ports

\$14.53 *

\$130.75*

Service Access Charge

-Per TOPS Port

\$1.81*

N/A

G. IOF mileage for Dedicated Trunk

\$126.35*

Transport

Mileage charge, per mile per month

\$0.73*

XIV. Customer Usage Detail Charges

Record Charges

• Per record processed (EMR format)	\$0.004085*
• Per record processed (Tandem Subtending Arrangement/EMR)	\$0.004085*
• Per record transmitted	\$0.000118*
• Per tape/cartridge	\$20.12*

XV. Time and Materials Charges

Labor Rate, Per Hour or Fraction thereof

- Service Representative - Regular \$42.96*
- Service Representative - Expedited \$63.70*
- Technician - Regular \$44.23 *
- Technician - Expedited \$59.81 *

XVI. Unbundled Local Switching**A. Monthly Recurring Charges**

Dedicated Local Switch Ports	Metro	Urban	Suburban	Rural
(per month)				
(1) Local Switching Analog Port	\$5.52*	\$5.00*	\$3.95*	\$6.96*
(2) Local Switching Digital Port	\$5.37*	\$6.96*	\$6.34*	\$11.10*
(3) Local Switching ISDN-BRI Port	\$48.54*	\$31.13*	\$34.94*	\$26.88*
(4) Local Switching ISDN-PRI Port	\$609.58*	\$471.64*	\$583.35*	\$583.35*
(5) Local Switching Digital Trunk Port	\$12.53*	\$12.38*	\$13.63*	\$14.21*

Local Switching Port Additives (Features)	Metro	Urban	Suburban	Rural
(per month)				
(1) Centrex	\$0.7924*	\$0.7924*	\$0.7807*	\$0.7807*
(2) Ringmate	\$0.9127*	\$0.9194*	\$0.9154*	\$0.9128*
(3) Three-Way Calling	\$0.3575*	\$0.3523*	\$0.3535*	\$0.3477*
(4) Speed Calling	\$0.0011*	\$0.0031*	\$0.0064*	\$0.0056*
(5) Call Waiting	\$0.0005*	\$0.0014*	\$0.0029*	\$0.0025*
(6) Call Forwarding - Don't Answer	\$0.0001*	\$0.0003*	\$0.0007*	\$0.0006*
(7) Call Forwarding - Busy	\$0.0001*	\$0.0003*	\$0.0007*	\$0.0006*
(8) Call Forwarding - Variable	\$0.0003*	\$0.0008*	\$0.0016*	\$0.0014*

Local Switching Usage	Metro	Urban	Suburban	Rural
(per minute of use)				
(1) Local Switching Trunk Port (PEAK)	\$0.001703*	\$0.001820*	\$0.002090*	\$0.002093*
(2) Local Switching Trunk Port (OFF-PEAK)	\$0.000379*	\$0.000404*	\$0.000464*	\$0.000465*
(3) Local Switching Usage (PEAK)	\$0.004647*	\$0.007401*	\$0.009549*	\$0.014277*
(4) Local Switching Usage (OFF-PEAK)	\$0.001872*	\$0.003516*	\$0.005282*	\$0.008186*

Shared Interoffice Trunking and Tandem Resources	All Zones
(per minute of use)	
(1) Unbundled Shared Tandem Transport Charge (UTTC) (PEAK)	\$0.001780*

(2) Unbundled Shared Tandem Transport Charge (UTTC) (OFF-PEAK)	\$0.00400*
(3) Unbundled Common Transport Charge (UCTC) (PEAK)	\$0.003745*
(4) Unbundled Common Transport Charge (UCTC) (OFF-PEAK)	\$0.000836*
(5) Unbundled Toll Common Transport Charge (UTCTC) (PEAK)	\$0.005829*
(6) Unbundled Toll Common Transport Charge (UTCTC) (OFF-PEAK)	\$0.001456*
(7) Unbundled Tandem Transit Switching (TTS) (PEAK)	\$0.008642*
(8) Unbundled Tandem Transit Switching (TTS) (OFF-PEAK)	\$0.002702*

Service Access Charge: Switching	(per month)
Voice Grade/DS-0	\$0.27*
DS-1	\$1.81*
DS-3	\$29.04*

B. Non-Recurring Charges

End Office Trunk Ports	Standard Interval	Expedited Interval
(1) Service Order (per order)	\$0*	\$0*
(2) Manual Intervention Surcharge (per order)	\$21.48*	\$31.85*
(3) Service charge (per port)	\$143.58*	\$190.49*
(4) Installation (CO wiring) (per port)	\$16.32*	\$22.68*

End Office Line Ports	Standard Interval	Expedited Interval
(1) Service Order (per order)	\$0*	\$0*
(2) Manual Intervention Surcharge (per order)	\$21.48*	\$31.85*
(3) Service charge (per port)#	\$14.91*	\$14.91*
(4) Installation (CO wiring) (per port)#	\$10.74*	\$10.74*

Integrated DLC ports are priced on an Individual Case Basis

Switching Feature Activation	Standard Interval
(1) Call Forwarding - Busy	\$0.97*
(2) Call Forwarding - Don't Answer	\$0.97*
(3) Call Forwarding - Variable	\$0.97*
(4) Call Waiting	\$0.97*
(5) Centrex Intercom Dialing	\$0.97*
(6) Custom Ringing	\$0.97*
(7) Speed Calling	\$0.97*

Miscellaneous Switching Charges	Standard Interval
(1) Network Design Request (per hour)	\$67.14*
(2) Line Port Traffic Study Set-Up (per study)	\$67.43*
(3) Line Port Traffic Study (per week)	\$45.67*

XVII. Unbundled Tandem Switching

A. Monthly Recurring Charges

Dedicated Tandem Switch Ports	All Zones
(per month)	
(1) Tandem Switching Digital Trunk Port	\$330.00*

Tandem Switching Usage	All Zones
(per minute of use)	
(1) Tandem Trunk Port (PEAK)	\$0.003528*
(2) Tandem Trunk Port (OFF-PEAK)	\$0.000784*
(3) Tandem Usage (PEAK)	\$0.001586*
(4) Tandem Usage (OFF-PEAK)	\$0.001134*

B. Non-Recurring Charges

Tandem Office Trunk Ports	Standard Interval	Expedited Interval
(1) Service Order (per order)	\$0*	\$0*
(2) Manual Intervention Surcharge (per order)	\$21.48*	\$31.85*
(3) Service charge (per port)	\$165.98*	\$218.94*
(4) Installation (CO wiring) (per port)	\$16.32*	\$22.68*

XVIII. Unbundled Dark Fiber

A. Non-Recurring Charges

(1)	Service Order: initial pair	Initial Pair - Per 'A' - 'Z' Point	\$23.63*
(2)	Service Order: additional pairs	Each Add'l Pair - Same 'A' - 'Z' Point	\$21.48*

(3)	Cable Documentation:	Per Request	\$30.26*
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B. Monthly Recurring Charges

(4)	Fixed Cost per Serving Wire Center:	Per Pair	\$11.97*
(5)	Fiber per Mile:	Per Pair	\$65.38*
(6)	Intermediate C.O. Cross-Connection:	Per Pair	\$19.70*
(7)	Unusable Fiber Strands per Mile:	Per Pair	\$45.92*

EXHIBIT B

NETWORK ELEMENT BONA FIDE REQUEST

1. Each Party shall promptly consider and analyze access to a new unbundled Network Element with the submission of a Network Element Bona Fide Request hereunder. The Network Element Bona Fide Request process set forth herein does not apply to those services requested pursuant to Report & Order and Notice of Proposed Rulemaking 91-141 (rel. Oct. 19, 1992) ¶ 259 and n.603 or subsequent orders.

2. A Network Element Bona Fide Request shall be submitted in writing and shall include a technical description of each requested Network Element.

3. The requesting Party may cancel a Network Element Bona Fide Request at any time, but shall pay the other Party's reasonable and demonstrable costs of processing and/or implementing the Network Element Bona Fide Request up to the date of cancellation.

4. Within ten (10) business days of its receipt, the receiving Party shall acknowledge receipt of the Network Element Bona Fide Request.

5. Except under extraordinary circumstances, within thirty (30) days of its receipt of a Network Element Bona Fide Request, the receiving Party shall provide to the requesting Party a preliminary analysis of such Network Element Bona Fide Request. The preliminary analysis shall confirm that the receiving Party will offer access to the Network Element or will provide a detailed explanation that access to the Network Element is not technically feasible and/or that the request does not qualify as a Network Element that is required to be provided under the Act.

6. If the receiving Party determines that the Network Element Bona Fide Request is technically feasible and otherwise qualifies under the Act, it shall promptly proceed with developing the Network Element Bona Fide Request upon receipt of written authorization from the requesting Party. When it receives such authorization, the receiving Party shall promptly develop the requested services, determine their availability, calculate the applicable prices and establish installation intervals.

7. Unless the Parties otherwise agree, the Network Element Requested must be priced in accordance with Section 252(d)(1) of the Act.

8. As soon as feasible, but not more than ninety (90) days after its receipt of authorization to proceed with developing the Network Element Bona Fide Request, the receiving Party shall provide to the requesting Party a Network Element Bona Fide Request quote which will include, at a minimum, a description of each Network Element, the availability, the applicable rates and the installation intervals.

9. Within thirty (30) days of its receipt of the Network Element Bona Fide Request.

quote, the requesting Party must either confirm its order for the Network Element Bona Fide Request pursuant to the Network Element Bona Fide Request quote or seek arbitration by the Department pursuant to Section 252 of the Act.

10. If a Party to a Network Element Bona Fide Request believes that the other Party is not requesting, negotiating or processing the Network Element Bona Fide Request in good faith, or disputes a determination, or price or cost quote, or is failing to act in accordance with Section 251 of the Act, such Party may seek mediation or arbitration by the Department pursuant to Section 252 of the Act.

EXHIBIT C

**DIRECTORY ASSISTANCE AND INTRALATA
OPERATOR SERVICES AGREEMENT**

THIS AGREEMENT is made, effective this ____ day of _____ 19____, by and between **Bell Atlantic - _____, Inc.**, (hereinafter referred to as “Bell Atlantic”), a _____ corporation, with offices at _____, and _____, hereinafter referred to as “Carrier”, a _____ corporation with offices at _____.

1. SCOPE AND TERM OF AGREEMENT

1.1 Scope This Agreement sets forth the terms and conditions which shall govern the use of and payment for Directory Assistance (DA) Service and IntraLATA Operator Service (hereinafter collectively referred to as “Services”) to be provided by Bell Atlantic, or its affiliated companies, to Carrier. Carrier shall subscribe to and pay for Services for Carrier’s local exchange customers in the _____ LATA(s).

1.2 Term The initial term of this Agreement shall be one (1) year and commence as of 12:01 a.m. on the date first written above. At the end of this initial term, or any subsequent renewal term, this Agreement shall automatically renew for an additional period of one (1) year unless either party provides written notice to the other of its intent to terminate at least three (3) months prior to the expiration of the then current term.

2. DESCRIPTION OF SERVICES

2.1 Directory Assistance (DA) Service

a) Directory Assistance Service shall consist of the provisioning of telephone number listings by Bell Atlantic operators in response to calls from Carrier’s local exchange customers located in the LATA(s) designated in Section 1.1.

b) A maximum of two requests for telephone numbers will be accepted per DA call. A “DA call” as used in this Agreement shall mean a call answered by or forwarded to Bell Atlantic, regardless of whether a telephone number is requested, provided, or available. The listings that will be available to Carrier’s customers are those telephone numbers that are listed in Bell Atlantic’s DA records for the LATA(s) designated in Section 1.1.

2.2 IntraLATA Operator Services (OS) IntraLATA Operator Services consist of the live and automated processing of local and IntraLATA toll call completion operator services specified in Appendix B. These include the processing of collect, card and bill-to-third party calls; busy line verification; customer requested interrupt; and other assistance to

Carrier's local exchange customers located in the LATA(s) designated in Section 1.1.

2.3 Customized Branding Customized Branding is a service that permits the Carrier to deliver a customized announcement to its callers, identifying the Carrier as the customer service provider. Carrier shall provide the information and materials needed for the recorded announcement, as specified by Bell Atlantic. Customized Branding may also require that the Carrier maintain dedicated trunking arrangements to the designated Bell Atlantic DA or Operator Services switch locations.

2.4 End User Billing Bell Atlantic will provide Carrier with unrated EMR records for use in the billing of Carrier's end users for Services. The rating, billing, and settlement of end-user charges for the calls are the responsibility of Carrier.

2.5 Service Methods Bell Atlantic agrees to provide Services in accordance with Bell Atlantic's service standards and methods. Bell Atlantic will notify Carrier in writing of any significant policy changes to operator services or directory assistance standards and methods prior to implementation.

2.6 Customized Service Features and Options Carrier may request custom-designed service features or optional services to be provided in conjunction with the Services hereunder. Upon mutual agreement of the parties, such features and options will be provided pursuant to this Agreement. Bell Atlantic, if requested, shall provide Carrier with an estimate of the charges for such custom-designed supplements, changes, or options prior to implementation.

3. COMMENCEMENT AND IMPLEMENTATION OF SERVICE

3.1 Required Information Each party shall make good-faith efforts to carry out its respective responsibilities in meeting a jointly established schedule for implementation. All records and other required information specified in Appendix C, as well as a fully completed Technical Questionnaire, will be furnished by Carrier within forty-five (45) days following the effective date of this Agreement. Notices of any changes, additions, or deletions to such records and information shall be provided promptly in writing by Carrier to Bell Atlantic. Bell Atlantic will review these change requests and determine any potential impact on the cutover date. Written confirmation of any impact will be provided to Carrier.

3.2 Test Date Bell Atlantic and Carrier will arrange for joint testing of Service(s) for Carrier's local exchange customer in the LATA(s) designated in Section 1.1. This Test Date will occur within ninety (90) days after Carrier has provided a complete and accurate Technical Questionnaire to Bell Atlantic, unless mutually agreed otherwise.

3.3 Cutover Date The Cutover Date for Service(s) provided under this Agreement shall be the date on which the Service(s) are available to all of Carrier's local exchange

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customers in the LATA(s) designated in Section 1.1.

3.4 Service Review Meetings Bell Atlantic will meet and confer with Carrier during the term of this Agreement to review and discuss the Services provided under this Agreement. The times for meetings will be established by mutual agreement of the parties.

4. EQUIPMENT AND FACILITIES

4.1 Bell Atlantic will establish and maintain such equipment and related facilities as may be necessary to perform the Services under this Agreement, provided that Carrier furnishes Bell Atlantic the information specified in Appendix C, and any changes in such information, in a timely and accurate manner. Any additional services that Carrier seeks during the term of this Agreement will be subject to mutual agreement and the availability of facilities and equipment.

4.2 Carrier will provide and maintain such equipment within its premises as is necessary to permit Bell Atlantic to perform the agreed-upon Services in accordance with Bell Atlantic standard equipment operation and traffic operation procedures.

4.3 Carrier Transport

a) Carrier shall, at its expense, arrange for and establish the trunking and other transport, interface, collocation, and signaling arrangements as required by Bell Atlantic to provide Services to Carrier, including but not limited to, the transportation of DA/OS traffic to the Bell Atlantic designated switches for processing and from the same switches for completion. Separate dedicated trunks for each NPA and/or LATA may be required. Any trunks or other transport and that Carrier obtains from Bell Atlantic to deliver Carrier's calls to and from Bell Atlantic shall be provided pursuant to the applicable tariffs, Interconnection Agreement, or other contractual arrangements, and not under this Directory Assistance and Operator Services Agreement. Bell Atlantic agrees to coordinate the scheduling of Services to be provided under this Agreement with the scheduling of any trunking or related services provisioned by Bell Atlantic under such tariffs or other contractual arrangements.

b) Carrier shall specify the number of trunks required for Services. Carrier must provide trunks with operator services signaling directly to the locations designated by Bell Atlantic. Bell Atlantic shall provide Carrier at least three (3) months advance notice in the event of any change in a designated location.

5. PAYMENT FOR SERVICES

5.1 Rates Carrier agrees to subscribe to and pay for the Services and options selected in Appendix A. Carrier shall pay the rates set forth in Appendix A, subject to such obligations as Bell Atlantic may have under the Telecommunications Act of 1996, and the

FCC and state regulations and decisions thereunder, to set cost-based rates for unbundled network elements. Specifically, when a regulatory body of competent jurisdiction has duly approved the rates under which Bell Atlantic is required to provide Services to competitive local exchange carriers (hereinafter referred to as "CLEC rates"), Bell Atlantic shall charge, and Carrier shall pay, such CLEC rates for the applicable Services.

5.2 Settlements Carrier shall render payment to Bell Atlantic net thirty (30) calendar days from the date of delivery of the Services or from the date of billing for the Services, whichever occurs later. Carrier shall pay interest on any amount overdue at the rate specified for late payments in the Interconnection Agreement between Bell Atlantic and Carrier.

5.3 Billing Disagreements Carrier may, in good faith, dispute part or all of an invoice provided by Bell Atlantic. Billing disputes will be resolved by the method specified in the Interconnection Agreement between Bell Atlantic and Carrier.

5.4 Taxes The rates specified in this Agreement are exclusive of all taxes, duties, or similar charges imposed by law. Carrier shall be liable for and shall reimburse Bell Atlantic for any sales, use, excise, or other taxes applicable to the Services performed under this Agreement.

5.5 Carrier's Customers Carrier shall be responsible for all contacts and arrangements with its customers concerning the provision and maintenance, and the billing and collection, of charges for Services furnished to Carrier's customers.

6. DEFAULTS AND REMEDIES

6.1 Defaults If Carrier defaults in the payment of any amount due hereunder, or if Bell Atlantic materially fails to provide Services as agreed hereunder, and such default or failure shall continue for thirty (30) days after written notice thereof, the other party may terminate this Agreement with thirty (30) days written notice.

6.2 Carrier Remedies In the event that Bell Atlantic, through negligence or willful misconduct, fails to provide the Services selected and contracted for under this Agreement, Bell Atlantic shall pay Carrier for Carrier's direct damages resulting from such failure, up to an amount not to exceed the charges payable under this Agreement for the Services affected.

6.3 Discontinuance by Carrier

a) If Carrier terminates this Agreement prior to the Cutover Date, Carrier shall pay Bell Atlantic the sum of twenty-five thousand dollars (\$25,000) per discontinued service for each affected LATA.

b) In the event that Carrier discontinues using Services, either in part or in whole, prior to expiration of the then current term and such discontinuance is not due to Bell Atlantic's material failure to provide Services, Carrier shall pay Bell Atlantic an amount equal to the average monthly charges for the six-month period immediately preceding the discontinuance multiplied by the number of months remaining in the then-current term. If Services have been provided for a period of less than six months, Carrier shall pay the charges for the month with the highest usage multiplied by the number of months remaining in the then-current term.

6.4 Other Remedies THE EXTENT OF LIABILITY ARISING UNDER THIS AGREEMENT SHALL BE LIMITED AS DESCRIBED IN SECTIONS 6.1, 6.2 AND 6.3 ABOVE. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY OTHER LOSS, COST, CLAIM, INJURY, LIABILITY, OR EXPENSE RELATED TO OR ARISING OUT OF THIS AGREEMENT OR THE SERVICES PROVIDED HEREUNDER INCLUDING, BUT NOT LIMITED TO, ANY INCIDENTAL, SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF REVENUE OR PROFIT, WHETHER RECOVERY IS SOUGHT IN TORT, CONTRACT, OR OTHERWISE, EVEN IF EITHER PARTY HAD NOTICE OF SUCH DAMAGES.

7. CONFIDENTIAL INFORMATION

7.1 Confidentiality The parties agree that all confidential and proprietary information that is marked as specified in Section 7.2 and that is disclosed by either party to the other party for the purposes of this Agreement, including rates and terms, shall be treated as confidential unless (a) such information was previously or becomes known to the receiving party free of any obligation to keep it confidential, (b) has been or is subsequently made public by the disclosing party, or (c) is required to be disclosed by law. The receiving party shall not, except in the performance of the Services under this Agreement or with the express prior written consent of the other party, disclose or permit access to any confidential information to any other parties. The parties agree to advise their respective employees, agents, and representatives to take such action as may be advisable to preserve and protect the confidentiality of such information.

7.2 Marking of Confidential Information All information the disclosing party considers proprietary or confidential, if in writing or other tangible form, shall be conspicuously labeled or marked as "Proprietary" and/or "Confidential" and, if oral, shall be identified as proprietary at the time of disclosure and promptly confirmed in writing. Either party shall have the right to correct any inadvertent failure to designate information as proprietary by written notification within ten (10) days following disclosure.

8. RELATIONSHIP OF THE PARTIES

8.1 Independent Contractors Bell Atlantic and Carrier shall be independent

contractors under this Agreement, and all services under this Agreement shall be performed by Bell Atlantic as an independent contractor and not as an agent of Carrier.

8.2 Responsibility for Employees and Agents All persons furnished by Bell Atlantic shall be considered solely Bell Atlantic's employees or agents, and Bell Atlantic shall be responsible for compliance with all laws, rules, and regulations relating to such persons including, but not limited to, hours of labor, working conditions, workers' compensation, payment of wages, benefits, unemployment, social security and other payroll taxes. Each party's employees and agents, while on premises of the other, shall comply with all rules and regulations, including any applicable security procedures and safeguarding of confidential data.

9. GENERAL CONDITIONS

9.1 Assignment Neither party may assign or delegate its rights and obligations under this Agreement without the prior written consent of the other party, except that either party may assign this Agreement, without such consent, to its parent, affiliate or subsidiary, provided that the assignee has the resources, legal authority, and ability to perform all terms of this Agreement. Thirty (30) days advance notice of such assignment shall be provided to the other party.

9.2 Choice of Law The validity, construction and performance of this Agreement shall be governed by the laws of the State of Delaware.

9.3 Compliance with Laws Each party shall comply with all applicable federal, state, county and local laws, ordinances, regulation, rules and codes in the performance of this Agreement. Neither party shall be liable to the other for termination of this Agreement or any services to be provided hereunder necessitated by compliance with any law, rule, regulation or court order of a duly authorized governmental body.

9.4 Contingency Neither party shall be held responsible or liable to the other for any delay or failure in performance caused by fires, strikes, embargoes, requirements imposed by Government regulation, civil or military authorities, act of God or by the public enemy, or other causes beyond the control of Carrier or Bell Atlantic. If such a contingency occurs, the party injured by the other's inability to perform may either: a) terminate the affected services or part thereof not already rendered; or b) suspend the affected services or part thereof for the duration of the delaying cause and resume performance once the delaying causes cease.

9.5 Licenses No licenses, expressed or implied, under any patents, copyrights, trademarks or other intellectual property rights are granted by Bell Atlantic to Carrier under this Agreement.

9.6 Notices Except as otherwise specified in this Agreement, any notice required or

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permitted under this Agreement shall be in writing and shall be given to the other party at the address designated below by hand delivery, registered return-receipt requested mail, or nationally recognized courier service:

For Bell Atlantic: _____

For Carrier: _____

The above addresses may be changed by giving thirty (30) calendar days prior written notice as prescribed above. Notice shall be deemed to have been given or made on the date of delivery if received by hand, or express courier, and three days after delivery to the U.S. Postal Service, if mailed.

9.7 Publicity Bell Atlantic and Carrier agree not to publish any advertising, sales promotions, or press releases that promote or otherwise relate to the services provided under this Agreement and include the other party's name, logos, trademarks, or service marks, unless it obtains the other party's prior written consent, except that either party may disclose the fact that Bell Atlantic provides directory assistance and/or operator services to Carrier without such prior review or approval.

9.8 Severability If any provision of this Agreement or the application of any provision shall be held by a tribunal of competent jurisdiction to be contrary to law or unenforceable, the remaining provisions of this Agreement shall continue in full force and effect.

9.9 Survival All obligations hereunder, incurred by either Bell Atlantic or Carrier prior to the cancellation, termination, or expiration of this Agreement shall survive such cancellation, termination or expiration.

9.10 Captions and Section Headings The captions and section headings in this Agreement are for convenience only and do not affect the meaning or interpretation of this Agreement.

9.11 Duplicate Originals This Agreement may be executed separately by the parties in one or more counterparts. Each duplicate executed shall be deemed an original, and all together shall constitute one and the same document.

9.12 Entire Agreement The terms and conditions of this Agreement, including the Appendices attached to this Agreement, constitute the entire Agreement between Bell Atlantic and Carrier relating to the subject matter of this Agreement, and supersede any and all prior or contemporaneous understandings, promises or representations, whether written or oral, between the parties relating to the subject matter of this Agreement. Any waiver, modification or amendment of any provision of this Agreement, or of any right or remedy hereunder, shall not be effective unless made in writing and signed by both parties.

IN WITNESS WHEREOF, the parties agree that the effective date of this Agreement is the date first written above, and each party warrants that it has caused this Agreement to be signed and delivered by its duly authorized representative.

FOR BELL ATLANTIC -

FOR CARRIER _____, INC.

Name: _____

Name: _____

Title: _____

Title: _____

Signature: _____

Signature: _____

Date: _____

Date: _____

EXHIBIT C
APPENDIX A

Reserved.

EXHIBIT C
APPENDIX B

INTRALATA OPERATOR SERVICES CALL TYPES

IntraLATA Operator Services may include the following:

- a. Calling Card
 - (i) *Live*: Bell Atlantic operator keys the calling card number and call details into the system, secures validation, and releases the call to the network.
 - (ii) *Automated*: Caller keys the calling number and call details in response to automated prompts. Bell Atlantic secures validation and releases the call to the network.
- b. Collect
 - (i) *Live*: Bell Atlantic operator obtains the calling party's name, keys the call details if necessary, announces the call to the called party, waits for acceptance, and releases the call to the network.
 - (ii) *Automated*: Caller provides name and call details. Bell Atlantic's automated system obtains called party's consent and releases the call to the network.
- c. Billed To A Third Party
 - (i) *Live*: Bell Atlantic operator requests the calling party's name, keys the call details if necessary, calls the third party to verify acceptance of billing, and upon acceptance, releases the call to the network.
 - (ii) *Automated*: Caller provides name, call details, and billing number. Bell Atlantic's automated system verifies billed number and releases the call to the network.
- d. Person-to-Person

Bell Atlantic operator requests the person or department the calling party has specified, ensures the appropriate party has been reached (person or department), and releases the call to the network.
- e. Miscellaneous Call Assistance (Live)
 - (i) 0- Calls: Bell Atlantic operator provides caller with dialing instructions or assistance, transfers emergency calls, or refers questions to the business office or repair service.
 - (ii) Dialing Assistance & Intervention: Bell Atlantic operator dials a number for a caller who is unwilling to dial directly or is encountering trouble (such as wrong number, poor transmission, or cutoff), and who requests a credit or reconnection.
 - (iii) Time and Charges: Bell Atlantic operator provides caller with time and charges at the

end of conversation, if requested.

(iv) Individuals with Disabilities: Bell Atlantic operator assists a caller requiring dialing assistance due to a disability.

f. Busy-Line Verification

Bell Atlantic operator determines if the number specified by the customer is in use, idle, or out of order. Appropriate facilities and equipment may be required from the Carrier to enable verification of Carrier's lines.

g. Customer-Requested Interrupt

At the caller's request, Bell Atlantic operator interrupts conversation in progress on a line that is in use, as verified through Busy-Line Verification.

h. Operator Number Identification (ONI) Requests

Bell Atlantic operator requests the calling telephone number, keys the number into the system for identification, and releases the call for processing.

i. Automated Coin Toll Service (ACTS)

Bell Atlantic will provide automated messages for intraLATA toll calls that originate from coin phones. The messages will prompt callers for the correct change and record the change upon deposit. If a caller fails to deposit the correct amount within the time threshold (set by Bell Atlantic), the call will default to a live operator.

j. Validation Services

Bell Atlantic will launch queries for the validation of all calling card calls, collect calls, and billed-to-third number calls to a Line Information Data Base (LIDB). The validation costs for queries of LIDB may be separate from the individual call rates. Bell Atlantic will also launch queries for validations to another company's LIDB if that company has a card honoring agreement with Bell Atlantic.

EXHIBIT C
APPENDIX C

REQUIRED INFORMATION

Carrier shall furnish Bell Atlantic all information required by Bell Atlantic to establish and maintain the Services to be provided to Carrier, including a completed Technical Questionnaire. Such required information includes, but is not limited to, the following:

1. Central office exchange names
2. Usage forecasts
3. Local central office characteristics
4. Trunking arrangements and trunk group types
5. Emergency reporting system and procedures
6. Business office information
7. Repair service information
8. Name and address request information
9. Tariffs and rate information
10. Customer dialing capabilities
11. Access to EMR records
12. Desired branding announcement (if applicable)
13. Carrier's estimated start date of Services
14. Trunking and translations information

**EXHIBIT C
APPENDIX D**

OPTIONAL SERVICE SELECTION FORM

SERVICE	MINIMUM SERVICE PERIOD	CHARGE	SERVICE SELECTION
Directory Assistance Call Completion	12 months	\$.27/call	Yes <input type="checkbox"/> No <input type="checkbox"/>

EXHIBIT D

UNBUNDLED DARK FIBER SERVICE DESCRIPTION

1.0 As a result of the Massachusetts Department of Telecommunications and Energy's Phase 3 Order in the Consolidated Arbitrations (D.P.U. 96-73/74, 96-75, 96-80/81, 96-83 and 96-94), Bell Atlantic-Massachusetts (BA-MA) is required to offer dark fiber as an unbundled network element (UNE) to Competitive Local Exchange Carriers (CLECs) in Massachusetts. Unbundled Dark Fiber will be offered in Massachusetts to CLECs in the manner described herein in order to comply with the Phase 3 Order.

1.1 Unbundled Dark Fiber is defined as a continuous fiber optic strand within an existing, in-place fiber optic cable sheath owned by BA-MA that a CLEC may access via its collocation arrangement. Establishment of applicable fiber optic transmission equipment or intermediate repeaters needed to power the Unbundled Dark Fiber in order to transmit information is the responsibility of the CLEC. A strand is not considered continuous if splicing is required to provide fiber continuity between locations. If a fiber strand can be made continuous by joining fibers at existing splice points within the same sheath, BA-MA will perform such splicing at the CLEC's request on a time-and-materials basis.

1.2 Unbundled Dark Fiber will be offered in Massachusetts to CLECs, subject to availability, solely for the purpose of their using the fiber as a transmission medium in the provision of telecommunications services. Unbundled Dark Fiber, where available, may be accessed from the CLEC's collocation arrangement at existing BA-MA hard termination points (e.g., fiber distribution frames, industry standard mechanical fiber connectors) or, as directed in the Phase 3 Order, at existing splice points. Unbundled Dark Fiber will be offered in a minimum quantity of two (2) fibers, with additional increments of two (2) fibers between the same two (2) locations.

1.3 BA-MA will make available for lease existing, in-place, spare dark fiber as Unbundled Dark Fiber to CLECs under contractual agreements and on a "first come, first served" basis. Reservations are not accepted for Unbundled Dark Fiber. BA-MA will not construct new or additional facilities to satisfy a CLEC's request for Unbundled Dark Fiber.

1.4 The Bell Atlantic Telecom Industry Services Operations Center (TISOC) will be the single point of contact for all Unbundled Dark Fiber requests. The CLEC must submit a written request designating the two locations between which Unbundled Dark Fiber is desired and the quantity of Unbundled Dark Fiber pairs requested. Each request must specify two (2) locations only; additional locations will require additional requests. BA-MA provides Unbundled Dark Fiber, where available, between the following locations: 1) CLEC's collocation arrangements, 2) CLEC's collocation arrangement and end users' premises, and 3) CLEC's collocation

arrangement and an existing BA-MA splice point.

Upon receipt of the CLEC's written request, BA-MA will initiate a review of its cable records to determine whether spare dark fiber may be available for lease as Unbundled Dark Fiber between the locations and in the quantities specified in the CLEC's request, subject to field verification as outlined in 1.8 below. BA-MA will respond within fifteen (15) business days from receipt of the CLEC's request, indicating whether Unbundled Dark Fiber may be available based on the records search, except that for voluminous requests or large, complex projects, BA-MA reserves the right to negotiate a different interval. BA-MA will also provide an estimate of the applicable rates and charges for Unbundled Dark Fiber when the records indicate spare dark fiber may be available.

1.5 In order to maintain the integrity and reliability of the BA-MA network, BA-MA will reserve a reasonable quantity of fibers in any cable, depending upon the total number of fibers in the cable, to be designated as maintenance spares in order to effect emergency repairs or network rearrangements. These maintenance spares will not be available for lease as Unbundled Dark Fiber.

1.6 If the CLEC requests Unbundled Dark Fiber pairs that BA-MA has allocated for another customer (e.g., they have been installed or allocated to serve a particular customer in the near future), or for growth or survivability in a particular part of its network, BA-MA shall not be required to lease such dark fiber pairs as Unbundled Dark Fiber.

1.7 In the event Unbundled Dark Fiber is not available because of the reasons cited in the above two paragraphs (i.e., it is being reserved for maintenance, or allocated for a specific customer or for growth), BA-MA will notify the requesting CLEC as soon as practicable. The CLEC may request documentation supporting BA-MA's determination that existing, spare fiber is not available for lease as Unbundled Dark Fiber. BA-MA will provide such documentation which may include, at BA-MA's sole option, copies of its records or information extracted from its records, omitting all proprietary or confidential information. Such documentation will be provided within thirty (30) business days of the CLEC's request for the documentation, except that for voluminous requests or large, complex projects, BA-MA reserves the right to negotiate a different interval. The CLEC will be billed a non-recurring charge for cable documentation per request to reimburse BA-MA for the costs incurred in providing the CLEC with the documentation described in this provision.

1.8 BA-MA makes no representation or warranty regarding the accuracy or completeness of its cable records. At the CLEC's option, per the terms of individually negotiated contracts, BA-MA will initiate a field survey to verify the availability of dark fiber pairs for lease as Unbundled Dark Fiber, and that such fiber pairs are not defective or have not been used by field personnel for prior emergency restoration activity. In addition, as part of the field survey, the fiber pairs requested by the CLEC will be tested by placing a light source on the individual fibers and measuring the end-to-end loss utilizing industry standard fiber optic test equipment. The test results will be documented and provided to the CLEC. The applicable rates and charges

estimated in 1.4 will also be confirmed at the conclusion of the field survey, and the CLEC will be informed of any modifications to the preliminary rate quote. When a field survey is performed, the CLEC will be billed a non-recurring charge on a time-and-materials basis, regardless of the outcome of the survey. The interval for the field survey will be negotiated based upon the number of locations and quantity of fiber pairs requested. Should the CLEC wish to proceed in ordering Unbundled Dark Fiber based on the results of the field survey, the CLEC must place an order with the BA-MA TISOC by the close of business on the next business day, after which the fiber will become available to satisfy other requests.

1.9 Should the CLEC decline the field survey described in 1.8 above and place an order for Unbundled Dark Fiber based solely on the information contained in BA-MA's cable records, the CLEC assumes all risks of relying on such records including, but not limited to, revised rates and/or order cancellation charges if it is subsequently determined during the implementation process that Unbundled Dark Fiber is not available.

1.10 BA-MA's sole obligation is to provide Unbundled Dark Fiber, where available, that conformed to BA-MA standard transmission characteristics at the time the fiber was installed. It is the CLEC's responsibility to determine that the transmission characteristics of the Unbundled Dark Fiber provided by BA-MA will accommodate the CLEC's transmission requirements and loss budget. BA-MA will not re-terminate or re-splice fibers in order to improve the transmission characteristics of Unbundled Dark Fiber. Time-and-materials charges will apply if the CLEC requests BA-MA to re-test the fibers subsequent to the field survey described in 1.8 above. In cases where a field survey is declined by the CLEC, as described in 1.9 above, initial or subsequent testing of the fiber to determine actual transmission requirements will be performed at the CLEC's request on a time-and-materials basis. If the CLEC subsequently determines the Unbundled Dark Fiber provided by BA-MA is not suitable, the CLEC must submit a request to disconnect the Unbundled Dark Fiber.

1.11 The transmission characteristics of the Unbundled Dark Fiber cannot be guaranteed to remain constant over time. Cable restoration or network rearrangements that require additional field splices may result in additional loss being introduced. The CLEC assumes all risks associated with the unforeseen introduction of future splices.

1.12 When the CLEC places an order for Unbundled Dark Fiber, the CLEC will be billed a non-recurring service order charge for the initial pair of fibers between the two (2) locations specified in the CLEC's request. An incremental service order charge will apply for each additional pair of fibers between the same two (2) locations when ordered at the same time on a single request. In addition to the service order charge, appropriate time-and-materials charges will be billed to the CLEC to recover the work efforts involved with the initial review of BA-MA's records.

The CLEC will also be billed a monthly rate that consists of a fixed monthly charge per fiber pair, per serving wire center, and a monthly rate per fiber pair, per mile. The mileage used to determine the monthly rate for Unbundled Dark Fiber is based on airline mileage utilizing the

Vertical and Horizontal (V&H) coordinate method between the locations to which the facility is provisioned. When the calculation results in a fraction of a mile, the mileage will be rounded up to the next whole mile before applying the rates. In all cases, a minimum of one mile shall apply.

1.13 In a BA-MA central office, BA-MA will provide Unbundled Dark Fiber hard termination at a fiber distribution frame (FDF). BA-MA will provide appropriate cross-connections at such FDFs to the collocation node. (Appropriate recurring monthly charges will apply: Service Access Charge (SAC) with physical collocation and Interconnection Access Charge (IAC) with virtual collocation.) In addition, when BA-MA provides intermediate cross-connection(s) at a FDF in intermediate BA-MA central office(s) to accommodate a CLEC's request, an Unbundled Dark Fiber Intermediate Cross-Connection recurring charge will apply.

1.14 BA-MA will not introduce additional splice points to accommodate a CLEC's request. All work required to be performed at an existing splice location will be performed by BA-MA personnel. In the case of interconnection at an existing splice point, BA-MA, using current BA-MA approved splicing methods, will connect to a fiber optic cable provided, installed and maintained by the CLEC. All rights-of-ways, conduit, duct, and pole space for the CLEC-provided cable are to be secured by the CLEC at the CLEC's expense. Any additional BA-MA costs incurred to gain access to an existing splice point and to perform a splice or related work will be billed to the CLEC on a time-and-materials basis. To the extent any governmental or private property permit, easement, or other authorization or approval is required for access to Unbundled Dark Fiber, such as to open manhole covers, the CLEC is responsible for obtaining such permit, easement, or authorization.

1.15 In its Phase 3 Order, the Department recognized that when a fiber cable is spliced, the "downstream" portion of the fiber may become unusable or stranded. In cases where interconnection at an existing splice location renders other portions of the fiber unusable or stranded, a recurring charge will apply per fiber pair, per mile, based on airline mileage utilizing the V&H coordinate method. When the calculation results in a fraction of a mile, the mileage will be rounded up to the next whole mile before applying the rates. In all cases, a minimum of one mile shall apply. Notwithstanding this provision, if BA-MA believes that a request by a CLEC for lease of Unbundled Dark Fiber would strand an unreasonable amount of fiber capacity, BA-MA is allowed to petition the Department for relief from its obligation to provide Unbundled Dark Fiber. BA-MA also reserves the right to seek relief from its obligation if a request for Unbundled Dark Fiber would result in service disruption or degradation to other customers or carriers.

1.16 In the event Unbundled Dark Fiber is leased to a CLEC, and the Unbundled Dark Fiber is no longer being used by the CLEC in the provision of telecommunications services, the Unbundled Dark Fiber will be returned to BA-MA by the CLEC within 60 days.

1.17 In leasing Unbundled Dark Fiber, the CLEC accepts the environmental risks inherent in outside plant construction. In the event BA-MA must perform emergency cable restoration to its own facilities, all efforts will be made to restore the CLEC's leased Unbundled Dark Fiber pairs

in the same manner as other fibers in the same cable sheath using BA-MA standard restoration procedures. Upon notification by BA-MA, the CLEC must also agree to cooperate with BA-MA for normal cable maintenance activity (e.g., cable rearrangements, etc.).

1.18 BA-MA will commence billing for Unbundled Dark Fiber (i.e., applicable non-recurring and recurring rates as described in Sections 1.1, 1.8, 1.10, 1.12, 1.13, 1.14 and 1.15) upon completion of the service order on the requested due date. The CLEC may request a change of service date for the Unbundled Dark Fiber request, but the new service date may not exceed the original service date by more than 30 calendar days. BA-MA accordingly delays the start of service and the CLEC is charged a Service Date Change charge.

If the CLEC's requested service date is more than 30 calendar days after the original service date, or if the CLEC is unable to accept the Unbundled Dark Fiber within 30 calendar days of the original service date, the CLEC's order for the Unbundled Dark Fiber will be canceled by the TISOC representative on the 31st day with the appropriate Cancellation Charges as defined in Section 1.19. In addition, the pairs requested on the canceled order(s) will not be reserved for the CLEC and will be returned to available inventory.

1.19 Cancellation charges billed to the CLEC include appropriate service order charges in addition to any time-and-materials charges for installation work performed and other expenses incurred on behalf of the CLEC's request(s) up to and including the day the cancellation is received or the order is canceled by BA-MA per the terms of Section 1.18.

TIME & MATERIALS BILLING

(When Applicable)

WORK GROUP	USOC	WORK FUNCTION			
		Field Survey (Par. 1.8)	Testing (Par. 1.10)	Splice (Par. 1.1 & 1.14)	Records Review (Par. 1.12)
NTE ¹ Planning	TM1DA	X	X	X	X
NTE ¹ Design	TM1DB	X	X	X	X
NTE ¹ Technician	TM1DC	X	X	X	X
C.O. Frame Technician	TM1DD	X	X		

Exhibit 1

¹ NTE - Network Transport Engineering (Used generically to represent all outside plant work groups involved in the planning, design, and implementation of fiber optic cable.)