

RICHARD A. CUTLER  
KENT R. CUTLER  
BRIAN J. DONAHOE \*\*  
STEVEN J. SARBACKER \*\*  
JAYNA M. VOSS  
MICHAEL D. BORNITZ †  
TRENT A. SWANSON \*  
RYAN J. TAYLOR \*  
KIMBERLY R. WASSINK  
MEREDITH A. MOORE  
DAVID L. EDWARDS  
NATHAN S. SCHOEN ††  
ONNA B. HOUCK #  
DAVID L. REZAC  
JARED A. SORENSON >

CUTLER & DONAHOE, LLP  
ATTORNEYS AT LAW

Telephone (605) 335-4950

Fax (605) 335-4961

[www.cutlerlawfirm.com](http://www.cutlerlawfirm.com)

May 3, 2006

TC06-040  
*electronically received*

JEAN BROCKMUELLER, CPA (Inactive)  
BUSINESS MANAGER

\*Also licensed to practice  
in Minnesota

#Also licensed to practice  
in Iowa

‡Also licensed to practice  
in Nebraska

\*Also licensed to practice  
in Missouri

†Admitted to practice in  
United States Tax Court

\*Also licensed as a  
Certified Public Accountant

>Arizona license only

VIA EMAIL TO [PATTY.VANGERPEN@STATE.SD.US](mailto:PATTY.VANGERPEN@STATE.SD.US)  
AND FEDERAL EXPRESS OVERNIGHT DELIVERY

Ms. Patricia Van Gerpen  
South Dakota Public Utilities Commission  
Capitol Building, 1st Floor  
500 East Capitol Avenue  
Pierre, SD 57501-5070

RE: Petitions for Arbitration

Dear Ms. Van Gerpen:

Enclosed for filing, please find an original and twelve copies of the Petition for Arbitration from each of the following:

1. Armour Independent Telephone Company;
2. Bridgewater-Canistota Independent Telephone Company;
3. Golden West Telecommunications Cooperative, Inc.;
4. Kadoka Telephone Company;
5. Sioux Valley Telephone Company;
6. Union Telephone Company of Hartford; and
7. Vivian Telephone Company.

As indicated above, these documents have been sent to you via electronic mail in PDF form as well as by Federal Express Overnight Delivery. I would ask that you please file-stamp one copy of each Petition and return it to me in the envelope provided herewith. If you have any questions or concerns regarding these documents, please do not hesitate to contact me.

Best regards.

Sincerely,

CUTLER & DONAHOE, LLP



Meredith A. Moore  
For the Firm

MAM/jlh  
Enclosures/Attachments

BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE PETITION OF )  
SIOUX VALLEY TELEPHONE )  
COMPANY FOR ARBITRATION )  
PURSUANT TO THE )  
TELECOMMUNICATIONS ACT OF 1996 )  
TO RESOLVE ISSUES RELATING TO )  
INTERCONNECTION AGREEMENTS )  
WITH WWC LICENSE L.L.C. )

DOCKET NO. \_\_\_\_\_

PETITION FOR ARBITRATION

Sioux Valley Telephone Company ("Telco"), by and through its undersigned counsel, petitions the South Dakota Public Utilities Commission (the "Commission") to arbitrate certain unresolved terms and conditions of a proposed Interconnection Agreement between Telco and WWC License L.L.C. ("WWC"), pursuant to Section 252 of the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996) (codified at 47 U.S.C. § 151 *et seq.*) (the "Act"), SDCL § 49-31-81, and Commission Rule 20:10:32:29. In support of this Petition, Telco states as follows:

1. Telco is an incumbent local exchange carrier engaged in the provision of telephone exchange service in portions of the State of South Dakota pursuant to a certificate of convenience and necessity granted by the Commission.
2. The negotiations with WWC have proceeded based upon the understanding that a form of interconnection agreement with terms and conditions common to Telco and its affiliated local exchange carrier companies<sup>1</sup> would be utilized to govern interconnection and reciprocal compensation between the Golden West Companies and WWC, except that each agreement

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<sup>1</sup> The affiliated companies are: Armour Independent Telephone Co., Bridgewater-Canistota Independent Telephone Co., Golden West Telecommunications Cooperative, Inc., Kadoka Telephone Co., Sioux Valley Telephone Company, Union Telephone Company of Hartford and Vivian Telephone Company (collectively referred to herein as the "Golden West Companies").

between a specific Golden West Company and WWC would contain individual rates and specific provisions to address circumstances unique to such company. Due to the fact that the issues negotiated between WWC and all of the Golden West Companies are common, the Golden West Companies contemplate filing a motion to consolidate the petitions for arbitration filed on behalf of the Golden West Companies into a single proceeding before the Commission.

3. Exhibit A attached hereto is the Interconnection Agreement negotiated to date between Telco and WWC which sets forth both agreed terms and conditions as well as unresolved issues.

4. Telco has an interconnection agreement with WWC on file with the Commission that was approved by the Commission. By a letter from WWC to Telco dated October 21, 2005, WWC notified Telco of WWC's intent to terminate the then existing interconnection agreement with Telco effective December 31, 2005.

5. In accordance with 47 U.S.C. § 252(b)(1), the 135<sup>th</sup> day following the date on which Telco received WWC's request to negotiate a new interconnection agreement would have been on or about March 8, 2006, and the 160<sup>th</sup> day following such request was April 3, 2006. However, by letter dated March 29, 2006, WWC and the Golden West Companies agreed that the period during which the parties may petition the Commission for arbitration of any open issues would lapse on May 4, 2006. A copy of such letter is attached hereto as Exhibit B.

#### **Parties and Their Representatives**

6. Pursuant to Commission Rule 20:10:32:29(1), the names, addresses, telephone and fax numbers of the parties and their representatives are:

Telco  
Denny Law, Eastern Region Manager  
P.O. Box 98  
525 East Fourth St.  
Dell Rapids, SD 57022  
Tel. 605-428-5421  
Fax. 605-428-3132

WWC  
Ron Williams  
3650 131<sup>st</sup> Avenue S.E.  
Bellevue, WA 98006  
Tel. 425-586-8700  
Fax. 425-586-8118

Telco is represented by:

Ryan J. Taylor  
Meredith A. Moore  
Cutler & Donohoe, LLP  
100 North Phillips Avenue, 9th Floor  
Sioux Falls, SD 57104  
Tel. 605-335-4950  
Fax 605-335-4961

and

Paul M. Schudel  
James A. Overcash  
Woods & Aitken LLP  
301 South 13<sup>th</sup> Street  
Suite 500  
Lincoln, NE 68508  
Tel. 402-437-8500  
Fax. 402-437-8558

Currently, Telco is not aware of the identity of WWC's legal representative.

#### **Summary of Negotiation History**

7. Pursuant to Commission Rule 20:10:32:29(2), the date of the initial request for negotiation was by letter dated October 21, 2005, in which WWC notified Telco of WWC's intent to terminate the then existing interconnection agreement with Telco effective

December 31, 2005, and WWC also initially requested that Telco enter into negotiations with WWC to establish a new interconnection agreement for the transport and termination of telecommunications traffic between Telco and WWC. A true and correct copy of such request is attached hereto as Exhibit C.

8. At no time subsequent to the receipt of the request for negotiation by Telco did WWC provide Telco with a proposed form of interconnection agreement or with a mark-up of the form of interconnection agreement that was terminated effective December 31, 2005. Therefore, on February 23, 2006, Dan Davis, a representative of Telco, e-mailed to Mike Wilson, a representative of WWC, a revised version of the form of interconnection agreement that existed between the parties until December 31, 2005.

9. On March 1, 2006, Mr. Davis contacted Mr. Wilson by email in an attempt to schedule a time for negotiation of the terms of interconnection between the parties. The following day, Mr. Wilson advised Mr. Davis of his planned resignation from WWC and that Ron Williams would take over as WWC's representative in the parties' negotiations. As of March 15, 2006, no response to the February 23, 2006 communication had been received from WWC, and therefore Mr. Davis contacted WWC to inquire whether WWC would be willing to extend the arbitration window.

10. After the close of business on March 17, Mr. Williams provided an email to Mr. Davis inquiring as to the likely productivity of possible future discussions between the parties. On March 20, Mr. Davis replied and requested that a list of open issues be identified by WWC. Later on March 20, a partial list of issues was received from Mr. Williams, however, WWC's positions with regard to such issues were not provided. Therefore, on March 22, Mr. Davis requested that WWC identify such positions in response to the draft interconnection agreement

forwarded to WWC on February 23 in order that an assessment could be made as to the scope of open issues. Mr. Williams responded to such request on March 23 by email and provided some details relating to WWC's positions relative to the issues he previously had identified.

11. As stated above, effective March 29, the parties entered into a letter agreement extending the arbitration window so as to lapse on May 4, 2006, in order to assist the parties in reaching a negotiated agreement. On April 3, 2006, Mr. Davis provided Mr. Williams with the preliminary forward-looking economic cost ("FLEC") study results for transport and termination costs for Telco of \$0.0100 and \$0.0031, respectively. On April 5, 2006, Mr. Davis forwarded to Mr. Williams a Confidentiality and Non-Disclosure Agreement ("NCA") in order to facilitate the provision of FLEC study data to WWC supporting the FLEC study results. On April 21, 2005, Mr. Davis received the executed NDA from Mr. Williams. Mr. Davis forwarded the FLEC study documents and data to Mr. Williams on April 24, 2006 which reflect a revised transport rate of \$0.0055 and a termination rate of \$0.0034, for a total reciprocal compensation rate of \$0.0089 per minute of use. WWC has not responded to the Telco's proposed form of interconnection agreement or to Telco's proposed reciprocal compensation rate.

12. Telco requests that the Commission approve an interconnection agreement between Telco and WWC reflecting: (i) the agreed-upon language in Exhibit A, and (ii) the resolution in this arbitration proceeding of the unresolved issues in accordance with the recommendations made by Telco below and the terms of Exhibit A.

#### **Statement of Resolved Issues**

13. Pursuant to Commission Rule 20:10:32:29(4), Telco believes that based upon negotiations to date that the parties are in agreement with regard to the language that will govern the parties' relationship with respect to most of the provisions set forth in Exhibit A. To the

extent WWC asserts that disputes or issues remain unresolved in addition to the issues set forth below, Telco reserves the right to present evidence and argument regarding such issues.

**Unresolved Issues to be Arbitrated**

14. Pursuant to Commission Rule 20:10:32:29(3), a list of unresolved issues of which Telco is aware, and the position of each party on those issues are set forth below.

15. **Issue 1 (Section 5.1.2): Is the reciprocal compensation rate for Local Traffic proposed by Telco appropriate pursuant to 47 U.S.C. §252(d)(2)?** As described above, Telco has developed a proposed reciprocal compensation rate for transport and termination of WWC-originated calls that are terminated on Telco's network. Such rate was developed based upon the results of the FLEC study that was conducted by Telco's consultant, TELEC Consulting Resources, Inc., pursuant 47 U.S.C. §252(d)(2) and 47 C.F.R. §51.505 and 47 C.F.R. §51.511, and the reciprocal compensation rate applicable to Local Traffic is \$0.0089 per minute of use.

16. **Issue 2 (Section 7.2.3): What is the appropriate Percent InterMTA Use factor to be applied to non-local traffic exchanged between the parties?** Telco proposes that the parties use an InterMTA Use factor based upon the data gathered by the parties and presented to the Commission in Docket No. CT05-001. Such data represents actual usage and is the best available information from which the InterMTA Use factor can be established. The InterMTA use factor to be applied to total minutes of use delivered by WWC should be 13.2% of which 98.4% of the InterMTA use factor should be classified as intrastate exchange access and 1.6% of the InterMTA use factor should be classified as interstate exchange access. Telco proposes that Telco's applicable intrastate access tariff shall be used to provide the rates for intrastate InterMTA traffic, and that Telco's applicable interstate access tariff shall be used to provide the rates for interstate InterMTA traffic. WWC's position is that WWC proposes a use factor that is

not based upon the data gathered and presented by the parties to the Commission. WWC proposes a rate that is lower than the applicable intrastate access tariff rate and interstate access tariff rate.

17. **Issue 3 (Section 5.1 and Appendix A): What is the appropriate manner by which the minutes of use of Local Traffic terminated by the parties, one to the other, should be calculated and billed?** Telco proposes that each party measures the Local Traffic minutes of use terminated by the other party to its network and that the party on whose network the Local Traffic is terminated bill the other party based upon the rate established in Section 5.1.2 and Appendix A. As a consequence of this proposal by Telco, a sentence has been added to Section 5.1 of Exhibit A (shown in bold face print), and Section 4.0 of Appendix A of Exhibit A attached hereto has been eliminated (and is shown as lined through). This method of traffic measurement eliminates the uncertainties associated with the establishment of a proxy factor for Local Traffic exchanged between the parties, and further eliminates the need to adjust such factor during the term of the interconnection agreement. In turn, the use of actual minutes of use eliminates potential inequities associated with estimating reciprocal compensation credit factors. WWC proposes a proxy factor for use by Telco as an estimate of local traffic originated by Telco that terminates to WWC. WWC proposes that Telco use such factor to calculate a credit to WWC's bill for the estimated amount of Telco's originated traffic terminated to WWC.

18. Insofar as Telco is aware, there are no unresolved issues that are not being submitted for arbitration and that would thus be required to be listed pursuant to Commission Rule 20:10:32:29(6).



**Documentation in Petitioner's Possession Relevant to this Arbitration**

19. Pursuant to Commission Rule 20:10:32:29(7), Telco advises the Commission that the documentation in Telco's possession or control that is relevant to this arbitration proceeding consists of the proposed Reciprocal Interconnection, Transport and Termination Agreement, Exhibit A attached hereto, Exhibit B attached hereto and a series of e-mails exchanged between the representatives of Telco and WWC that set forth the positions of the parties taken during the course of the negotiations. Telco assumes that such negotiation materials are not appropriately submitted to the Commission as a part of this Petition for Arbitration.

**REQUEST FOR RELIEF**

WHEREFORE, Telco respectfully requests that the Commission grant the following relief:

- A. Order arbitration of any unresolved issues between Telco and WWC;
- B. Issue an order directing Telco and WWC to submit to the Commission for approval an interconnection agreement reflecting: (i) the agreed-upon language in Exhibit A and (ii) the resolution in this arbitration proceeding of any unresolved issues in accordance with the recommendations made by Telco herein, at the hearing on such issues and in Exhibit A;
- C. Order the parties to pay interim compensation for transport and termination of telecommunications traffic from January 1, 2006 (the Effective Date set forth in Exhibit A) to the date on which the Commission approves the parties' executed interconnection agreement in accordance with Section 252(e) of the Act;<sup>2</sup>

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<sup>2</sup> At no time during the parties' discussions of the terms and conditions of the interconnection agreement has WWC raised an issue concerning the Effective Date as provided in such agreement (Exhibit A attached hereto). Thus, Telco reasonably concludes that WWC agrees that the final reciprocal compensation rate approved by the Commission will be retroactive from the date of approval of the interconnection agreement to the Effective Date. Further, Telco submits that such result is consistent with the terms and requirements of 47 C.F.R. Sec. 51.715. In particular, the Commission should require a true-up of reciprocal compensation payable between the parties based upon 47 C.F.R. Sec. 51.715(d), or otherwise require that the final reciprocal compensation rate be applied to intra-MTA traffic exchanged between the

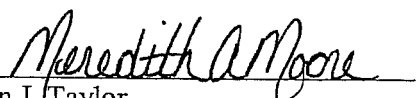
D. Retain jurisdiction of this arbitration until the parties have submitted an executed interconnection agreement for approval by the Commission in accordance with Section 252(e) of the Act; and

E. Take such other and further action as it deems necessary and appropriate.

Dated this 3rd day of May, 2006.

CUTLER & DONAHOE, LLP  
Attorneys at Law

By:

  
Ryan J. Taylor  
Meredith A. Moore  
Cutler & Donohoe, LLP  
100 North Phillips Avenue, 9th Floor  
Sioux Falls, SD 57104  
Tel. 605-335-4950  
Fax 605-335-4961

and

WOODS & AITKEN LLP  
Paul M. Schudel, NE Bar #13723  
James A. Overcash, NE Bar #18627  
301 South 13th Street, Suite 500  
Lincoln, Nebraska 68508  
(402) 437-8500  
(402) 437-8558

*Attorneys for Sioux Valley Telephone Company*

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parties from January 1, 2006 until the date of approval of the interconnection agreement by the Commission." Finally, as an equitable matter, Telco submits that it is entirely proper that the parties compensate one another for termination of traffic on one another's networks from January 1, 2006 to the date on which the Commission approves the final interconnection agreement between the parties.

**EXHIBIT A**

**Reciprocal Interconnection, Transport and Termination Agreement  
(Attached)**

**RECIPROCAL INTERCONNECTION, TRANSPORT AND  
TERMINATION AGREEMENT**

**BETWEEN**

*[Insert Name of Applicable Golden West Company]*

**AND**

**WWC LICENSE L.L.C.**

**RECIPROCAL INTERCONNECTION, TRANSPORT AND TERMINATION  
AGREEMENT**

This Reciprocal Interconnection, Transport and Termination Agreement ("Agreement") is entered into by and between \_\_\_\_\_ ("the Telephone Company"), and WWC License L.L.C. ("the CMRS Provider"). The Telephone Company and the CMRS Provider are each individually a "Party" and are together the "Parties" to this Agreement.

WHEREAS, the Telephone Company is an Incumbent Local Exchange Carrier which is operating as a rural telephone company in the State of South Dakota;

WHEREAS, the CMRS Provider is licensed by the Federal Communications Commission ("FCC") as a Commercial Mobile Radio Service Provider;

WHEREAS, the Telephone Company and the CMRS Provider desire to establish arrangements between one another for the exchange of Traffic between their respective networks for the benefit of the Parties and their customers.

WHEREAS, the Parties wish to put in place an arrangement for the mutual exchange and reciprocal compensation for Local Traffic in accordance with Section 251(b)(5) of the Telecommunications Act of 1996.

WHEREAS, the Parties agree that their entry into this Agreement is without prejudice to and does not waive any positions they may have taken previously, or may take in the future, in any legislative, regulatory, judicial or other public forum addressing any matters related to the same types of arrangements covered in this Agreement, and;

NOW, THEREFORE, in consideration of the foregoing and the undertakings contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Telephone Company and the CMRS Provider agree as follows:

This Agreement sets forth the terms, conditions and prices under which the Parties agree to directly connect or to indirectly connect their networks for the purpose of the exchange of Traffic. This Agreement is not intended to establish any terms, conditions, or pricing applicable to the provisioning of any transiting service. Further, this Agreement is not intended to establish any terms, conditions, or pricing applicable to ISP-bound traffic.

Except as otherwise expressly provided for herein, this Agreement does not obligate either Party to provide arrangements or transport or terminate Traffic not specifically provided for herein. Except as otherwise expressly provided for herein, this Agreement has no effect on the definition of End User services that either Party offers to its End User customers, the services either Party chooses to offer to its respective End User customers, the rate levels or rate structures that either Party charges its End Users for services, or the manner in which either Party provisions or routes the services either Party provides to its respective End User customers.

This Agreement is not, however, intended to address any issues or disagreements that may exist between the Parties concerning the interpretation and application of provisions found in 47 U.S.C. § 332(c) and whether CMRS Provider, in providing certain wireless communications

services, is subject to Commission regulation, including, but not limited to regulations requiring providers of local exchange type services to seek a certificate of authority from the Commission prior to offering such services.

Further, this Agreement does not address the additional service obligations imposed on incumbent local exchange carriers pursuant to 47 U.S.C. § 251(c) and is based on a request for services pursuant to 47 U.S.C. §§ 251(a) and 251(b). By this Agreement neither Party waives any rights it may have under the Act or rules of the FCC, under state statute, or pursuant to rules of the Commission. Such rights may include CMRS Provider's right to request a review of the rural telephone company exemption provided for under 47 U.S.C. § 251(f) and South Dakota Codified Laws § 49-31-79 and Telephone Company's right to seek to maintain the exemption.

## 1.0 Definitions

Definitions of the terms used in this Agreement are listed below. The Parties agree that certain terms may be defined elsewhere in this Agreement, as well. Terms not defined shall be construed in accordance with their customary meaning in the telecommunications industry as of the effective date of this Agreement.

"Act" means the Communications Act of 1934 (47 U.S.C. Section 151 et seq.), as amended.

"Cell Site" means the location of radio transmitting and receiving facilities.

"Commercial Mobile Radio Service" or "CMRS" has the meaning given to the term in the Act.

"Commission" means the South Dakota Public Utilities Commission.

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

"EAS" means a group of two or more exchanges, as defined in the Telephone Company's local exchange tariff or as implemented through the Telephone Company's practice, among which a Telephone Company customer of either exchange may make landline-to-landline calls without incurring a toll charge.

"End Office" means a local Telephone Company switching point where the Telephone Company's customer station loops are terminated for purposes of interconnection to each other and to the network.

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

"FCC" means the Federal Communications Commission.

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

“Indirectly Connected” or “Indirectly Connect” refers to a network arrangement in which the networks of the Parties are connected through a Third Party Provider’s facilities.

“Interconnection” refers to the connection of separate pieces of equipment, facilities, or platforms between or within networks for the purpose of transmission and routing of Telecommunications.

“Interexchange Carrier” or “IXC” means a Telecommunications Carrier that provides telephone toll service, as the latter term is defined in the Act.

“InterMTA Traffic” means all wireless to wireline calls, which originate in one MTA and terminate in another MTA based on the location of the connecting Cell Site serving the wireless End User at the beginning of the call and the location of the End Office serving the wireline End User.

“Local Traffic,” for purposes of this Agreement, means: (1) for wireless to wireline calling, traffic exchanged between the CMRS Provider and the Telephone Company that, at the beginning of the call, originates and terminates within the same MTA based on the location of the connecting Cell Site serving the originating wireless End User and the location of the End Office serving the terminating wireline End User; and (2) for wireline to wireless calling, traffic exchanged between the Telephone Company and the CMRS Provider that originates in a Telephone Company exchange and terminates to a CMRS Provider NXX that has its rate center within the Telephone Company exchange or within the Local Calling Area as set forth in Appendix B to this Agreement, provided, however, that CMRS Provider’s POI must be located within the Telephone Company’s exchange boundary for such exchange or Local Calling Area.

“Mobile Switching Center” or “MSC” means the CMRS Provider’s facilities and related equipment used to route and switch commercial mobile radio service traffic to and from and among its End Users and other Telecommunications Carriers.

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

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

“Party” means either the CMRS Provider or the Telephone Company, and “Parties” means the CMRS Provider and the Telephone Company.

“Point of Interconnection” or “POI” means a physical location where the Telephone Company and the CMRS Provider interconnect their respective networks thereby establishing the technical interface and points for operational division of responsibility.

“Tandem” means a switching system that, through a trunk-to-trunk connection, provides a concentration and distribution function for originating or terminating traffic between End Offices, other tandems and Third Party Providers’.

"Telecommunications" has the meaning given in the Act.

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

"Termination" means the switching of Traffic at the terminating carrier's End Office switch, or equivalent facilities, and delivery of such Traffic to the called party.

"Third Party Provider" shall mean any facilities-based Telecommunications Carrier, including, without limitation, Interexchange Carriers, Regional Bell Operating Companies, independent telephone companies, competitive local exchange carriers, or CMRS providers that carries transiting Traffic. The term shall not mean resellers of a LEC's local exchange services or resellers of a CMRS provider's services.

"Traffic" shall mean Local Traffic and InterMTA Traffic.

"Transport" means the transmission of Traffic from the POI between the two Parties or from the Interconnection point of the Third Party Provider and a Party to the Party's switch that directly serves the called party.

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

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

## 2.0 Description of Traffic

2.1 This Agreement applies both to Local and to InterMTA Traffic originated by the End User of one Party and terminated to the End User of the other Party which is (a) delivered over facilities owned or controlled by the Parties, which directly interconnect the Parties or, (b) delivered over facilities not owned or controlled by the Parties, which Indirectly Connect the Parties, i.e., delivered over a Third Party Provider's transiting facilities. Local Traffic is subject to local Transport and Termination charges as described in Appendix A. InterMTA Traffic is subject to Telephone Company's intrastate access charges if the origination and termination points of such InterMTA Traffic are within South Dakota, and is subject to Telephone Company's interstate access charges if the origination and termination points of such InterMTA Traffic are within and outside of South Dakota.

## 3.0 Direct Interconnection of the Party's Facilities Where a Third Party Provider Is Not Utilized

This Section describes the network architecture with which the Parties to this Agreement may interconnect their respective networks for the Transport and Termination of Traffic.

### 3.1 Interconnection Facilities



3.1.1 Type 1 Interconnection: Facilities which provide line side connections between a Telephone Company End Office and the CMRS Provider's POI within that End Office boundary. Type 1 facilities provide the capability to exchange Traffic between the CMRS Provider subscribers and Telephone Company subscribers served only by that Telephone Company End Office and other End Offices within the Local Calling Area as designated in Appendix B, subject to the capabilities and use of the Interconnection as described in Exhibit 1 attached to this Agreement.

3.1.1.1 For Traffic terminated by the CMRS Provider to the Telephone Company, the Telephone Company will terminate such Traffic from the POI to any End User in the intra-company exchanges that subtend the Tandem/Intermediate/Host office (as specified in Appendix B) where the CMRS Provider is directly connected.

3.1.1.2 Only Local Traffic originating from the Telephone Company's End Users in the LEC Local Calling Area (as specified in Appendix B) will be delivered by the Telephone Company to the CMRS Provider's POI.

3.1.2 Type 2B Interconnection: Facilities which provide a Trunk Side connection between the CMRS Provider and the Telephone Company End Office. The CMRS Provider's POI must be located within the Telephone Company's End Office exchange boundary of that Telephone Company End Office. Type 2B facilities provide the capability for the CMRS Provider with a NPA-NXX in that rate center to exchange Traffic between the CMRS Provider's subscribers and the Telephone Company subscribers served only by that Telephone Company End Office and other End Offices within the Local Calling Area as designated in Appendix B, subject to the capabilities and use of the Interconnection as described in Exhibit 1 attached to this Agreement.

3.1.3 The Parties shall provide each other a forecast of projected Traffic volume for each Point of Interconnection when significant changes in Traffic patterns are anticipated. The Parties agree to work cooperatively to determine the number of trunks needed to handle the estimated Traffic. Upon mutual agreement of the Parties, Type 1 and Type 2B facilities may be either one-way or two-way.

3.1.3.1 When both Parties agree to utilize and implement two-way facilities, charges will be shared by the Parties on a proportional percentage basis as specified in Appendix A "Shared Facility Factor". The Parties shall review actual minutes transported on shared two way facilities and modify the percentages specified in Appendix A three months from the Effective Date of this Agreement and every twelve months thereafter. The modified percentages shall be used to true-up, on a going forward basis, the charges between the Parties.

## 3.2 Facility Locations

### 3.2.1 Technical Feasibility

3.2.1.1 Appendix B contains the existing POIs established between the Parties. The CMRS Provider and Telephone Company may establish additional POIs, from time to time, in accordance with this Agreement. Appendix B also contains information on the other locations where direct Interconnection with the Telephone Company's network may be requested.

3.2.1.2 Both Parties recognize the Telephone Company may make modifications to its network architecture, NPA-NXX utilization, or Local Calling Area that impact the "Interconnection and Local Calling Data" contained in Appendix B. In the event the Telephone Company intends to make modifications that impact Appendix B, the Telephone Company will provide 90 days advance notice of any such modifications to CMRS Provider where such modifications will impact Traffic routed over direct Interconnection facilities.

### 3.2.2 Incumbent LEC Requirement

3.2.2.1 The Parties acknowledge that the services provided by Telephone Company under this Agreement are provided pursuant to the Telephone Company's obligations falling under 47 U.S.C. § 251(a) and 251(b) and that terms and conditions specified in this Agreement do not apply to the provision of services or facilities by the Telephone Company in those areas where the Telephone Company is not the Incumbent LEC.

### 3.3 Additional Interconnection Methods Available to the CMRS Provider

3.3.1 The CMRS Provider may provide its own facilities to connect with the POI on the Telephone Company's network. Alternatively, the CMRS Provider may purchase facilities from a Third Party Provider or from the Telephone Company. Rates for facilities purchased from the Telephone Company are specified in the Telephone Company's applicable tariff, pricing catalog or as established under separate agreement.

3.3.2 The Parties may share the Telephone Company's Interconnection facilities at the rates specified in applicable tariffs. Charges will be shared by the Parties based on their proportional (percentage) use of such facilities as specified in Appendix A Shared Facility Factor. The Parties shall review actual minutes transported on shared two way facilities and modify the percentages specified in Appendix A three months from the Effective Date of this Agreement and every twelve months thereafter. The modified percentages shall be used to true-up, on a going forward basis, the charges between the Parties.

### 3.4 Technical Requirements and Standards

- 3.4.1 Each Party will provide the services in this Agreement to the other Party under reasonable and non-discriminatory conditions and at a standard that is at least equal in quality and performance to that which the Party provides to other connecting carriers. Either Party may request and the other Party will provide, to the extent technically feasible, services at a higher or lesser standard, provided however, that any such requests shall be considered a special request, and will be handled on a case-by-case basis.
- 3.4.2 Nothing in this Agreement will limit either Party's ability to modify its network, including, without limitation, the incorporation of new equipment and new software. Each Party will provide the other Party reasonable written notice, of any such modifications to its network, which will materially impact the other Party's service. Each Party will be solely responsible, at its own expense, for the overall design of its telecommunications services and for any redesigning or rearrangement of its telecommunications services which may be required as a consequence of this Agreement, including, without limitation, changes in facilities, operations or procedures, minimum network protection criteria, or operating or maintenance characteristics of facilities. These provisions shall not in any way affect the application of special construction charges of the Telephone Company, for the construction of new facilities, where such charges would otherwise be applicable in provisioning the new or additional service.

#### 4.0 Transmission and Routing of Traffic

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

#### 4.1 Wireless to Wireline Traffic – Directly Interconnected

- 4.1.1 The CMRS Provider shall be responsible for the delivery of Traffic from its network to the appropriate Point of Interconnection on the Telephone Company's network, as set forth in Appendix B, for the Transport and Termination of such Traffic by the Telephone Company to one of its End Users.
- 4.1.2 If the CMRS Provider chooses to use the Telephone Company's services or facilities, not otherwise covered under this Agreement, appropriate tariff or pricing catalog rates, or rates established under separate agreement will apply.

#### 4.2 Wireline to Wireless Traffic – Directly Interconnected

- 4.2.1 The Telephone Company with which CMRS Provider has directly connected shall be responsible for the delivery of Traffic from its End Users in the "Local Calling Area" (as described in Appendix B) connected to its network to the appropriate Point of Interconnection (within the exchange boundary of the End Office providing Type 1 and/or Type 2B Interconnection) on the CMRS Provider's network for the Transport and Termination of such Traffic by the CMRS Provider to its End User.

4.2.2 Telephone Company agrees that its landline customers will dial CMRS Provider's NPA-NXXs on a local basis, so long as the CMRS Provider's NPA-NXX has been assigned by the North American Numbering Plan Administrator (NANPA) to an End Office rate center in which a POI is physically located, and provided such local access is consistent with the capabilities and use of the direct interconnection established as described in Exhibit 1 to this Agreement. When the Parties are directly connected, Telephone Company agrees to deliver all such locally-dialed Traffic to CMRS Provider at that Point of Interconnection with the CMRS Provider.

4.3 Wireless to Wireline - Indirectly Connected via a Third Party Provider.

As an alternative to routing traffic covered by this Agreement through a Point of Interconnection, the CMRS Provider may choose to deliver Traffic from its network to the Telephone Company via a Third Party Provider and thus be Indirectly Connected with the Telephone Company for the delivery of Traffic originated on the CMRS Provider's network by the CMRS Provider's End Users.

5.0 Transport and Termination Compensation

5.1 Rates - The CMRS Provider and the Telephone Company shall reciprocally and symmetrically compensate one another for Local Traffic terminated on either Party's network. The rates at which the Parties shall compensate each other for the Transport and Termination of Traffic are set forth in Appendix A hereto. **Each Party shall bill the other Party for Local Traffic actually terminated to its network by the other Party at the rates provided in Section 5.1.2.**

5.1.1 Telephone Company's access charges apply to the Termination of InterMTA Traffic in accordance with Section 2.1 above.

5.1.2 The rates applicable to Local Traffic are set forth in Appendix A.

5.1.3 The Transport and Termination Services provided hereunder are intended for wireless to wireline or wireline to wireless, but not wireline to wireline communications. Such services will not be used to terminate other types of traffic on Telephone Company's network (such as wireline originated traffic) and services used in violation hereof shall constitute a breach of this Agreement. In addition to any other remedies available, the Party whose services have been improperly used shall be entitled to recover the appropriate charges for such traffic for the entire period of misuse.

5.2 De Minimus Traffic - In the event the Traffic terminated on the Telephone Company's network is de minimus such that the total minutes for compensation is less than 3,000 minutes of use for a three month period (or 1,000 minutes of use for a one month period if the Telephone Company bills monthly), the Parties agree that the Telephone Company shall not render a billing. It is agreed that the only compensation for that de minimus Traffic will be in the form of the reciprocal Transport and Termination services provided

by the other Party, i.e., Traffic will be exchanged on a bill and keep basis, and no billing will be issued by the Telephone Company.

5.3 Conversation Time - For purposes of billing compensation, billed minutes will be based upon Conversation Time. Conversation Time will be determined (a) from actual usage recordings by the Parties or (b) records of terminating Traffic provided by the Third Party Provider.

#### 6.0 Transmission and Routing of Other Types of Traffic

The Parties agree that this Agreement does not provide for the exchange of 911/E911 traffic and that if such service is requested by the CMRS Provider that the Parties will negotiate a separate agreement for such traffic.

Other ancillary traffic including wireless traffic destined for ancillary services including, but not limited to, directory assistance, operator call termination (busy line interrupt and verify), 800/888, LIDB, and information services requiring special billing will be exchanged and charged in accordance with the appropriate tariffs, local or switched access.

#### 7.0 Responsibilities of the Parties:

##### 7.1 Verification Reviews

7.1.1 The Parties will be responsible for the accuracy and quality of the data as submitted to the other Party. Upon reasonable written notice, either Party or its authorized representative shall have the right to conduct a review and verification of the other Party's data to give assurances of compliance with the provisions of this Agreement. The review will consist of an examination and verification of data involving records, systems, procedures and other information related to the services performed by the Party as related to settlement charges or payments made in connection with this Agreement. Each Party, whether or not in connection with an on-site verification review, shall maintain reasonable records for a minimum of twelve (12) months and provide the other Party with reasonable access to such information as is necessary to determine amounts receivable or payable under this Agreement.

7.1.2 Either Party's right to access information for verification review purposes is limited to data not in excess of twelve (12) months in age. Once specific data has been reviewed and verified, it is unavailable for future reviews. Any items not reconciled at the end of a review will, however, be subject to a follow-up review effort. Any retroactive adjustments required subsequent to previously reviewed and verified data will also be subject to follow-up review. Information of the Party involved with a verification review shall be subject to the confidentiality provisions of this Agreement.

7.1.3 The Party requesting a verification review shall fully bear its costs associated with conducting a review. The Party being reviewed will provide access to required

information, as outlined in this section, at no charge to the reviewing Party. Should the reviewing Party request information or assistance beyond that reasonably required to conduct such a review, the Party being reviewed may, at its option, decline to comply with such request or may bill actual costs incurred in complying subsequent to the concurrence of the reviewing Party.

## 7.2 Billing

- 7.2.1 For directly connected arrangements between the Parties, the Telephone Company shall issue its bill to CMRS Provider based on actual usage recordings. The CMRS Provider also shall issue its bill to the Telephone Company based on actual usage recordings. For arrangements involving a Third Party Provider, the Telephone Company shall issue its bill based on the best information reasonably available including, but not limited to, records of terminating Traffic created by the Telephone Company.
- 7.2.2 When a Third Party Provider indirectly connected arrangement is used by the CMRS Provider to deliver Traffic to the Telephone Company, the Telephone Company may use its terminating records or usage reports and/or records (such as category 11-01-0-1 records) generated by a Third Party Provider whose network is used to indirectly connect the Traffic as the basis for billing the CMRS Provider.
- 7.2.3 For terminating intrastate or interstate InterMTA Traffic, CMRS provider shall pay Telephone Company's intrastate or interstate switched network access service rate elements on a per minute of use basis, which rate elements are set out in Telephone Company's Intrastate Access Services Tariff or Telephone Company's Interstate Access Services Tariff as those tariffs may be amended from time to time during the term of this Agreement. The InterMTA use factor to be applied to total minutes of use delivered by the CMRS Provider shall be \_\_\_% of which \_\_\_% of the InterMTA use factor shall be classified as intrastate exchange access and \_\_\_% of the InterMTA use factor shall be classified as interstate exchange access.
- 7.2.4 The Parties shall pay each other for all charges in accordance with the rates set forth in Appendix A of this Agreement. Such payments are to be received within 30 days from the receipt of the billing statement. Undisputed charges, not paid within the 30 days from the receipt of the billing statement may be subject to a late charge at the rate of 1.5% per month or the maximum amount allowed by law. The Party collecting revenues shall be responsible for reporting and remitting all applicable taxes associated therewith.
- 7.2.5 Each Party will bear its own billing and collection expenses. In the event the CMRS Provider fails to send calling party number and/or other industry standard call record fields sufficient to identify CMRS Provider as the originating carrier for each Third Party Provider transit call terminated to the Telephone Company, CMRS Provider will reimburse the Telephone Company for any Third Party

Provider Call Detail Record (CDR) charges associated with those CMRS Provider usage records.

CMRS Provider agrees to pursue a joint process (negotiation, complaint, etc.) against Qwest with the intent of requiring Qwest to either transmit appropriate call data as part of their transit function or provide summary monthly terminating Traffic reports to the Telephone Company which show the originating carrier and which would be workable for billing purposes.

- 7.2.6 If either Party disputes a billing statement issued by the other Party, the disputing Party shall notify the billing Party in writing regarding the nature and the basis of the dispute within thirty (30) days of the receipt of the statement. The Parties shall diligently work toward resolution of all billing issues.

### 7.3 Network Maintenance and Management for Direct Interconnection

The Parties will work cooperatively to install and maintain reliable network facilities. The Parties will exchange appropriate information to achieve this desired reliability, subject to the confidentiality provisions herein.

- 7.3.1 Party shall provide a 24-hour contact number for network Traffic management issues to the other's surveillance management center. A fax number must also be provided to facilitate notifications for planned mass calling events.
- 7.3.2 Neither Party will use any service provided under this Agreement in a manner that impairs the quality of service to other carriers or to either Party's subscribers. Either Party will provide the other Party notice of said impairment at the earliest practicable time.
- 7.3.3 Use of the CMRS Providers' facilities, or that of a third party in conjunction with any of the Telephone Company's facilities, shall not materially interfere with or impair service over any facilities of the Telephone Company, its affiliated companies or its connecting and concurring carriers involved in its services, cause damage to their plant, impair the privacy of any communications carrier over their facilities or create hazards to the employees of any of them or the public. Upon reasonable written notice and opportunity to cure, the Party whose facilities are being used may discontinue or refuse service to the other Party if the Party using the facilities violates this provision; provided, that such termination of service will be limited to the facilities being used that is subject of the violation.
- 7.3.4 Maintenance of Service Charge - When one Party reports trouble to the other Party for clearance and no trouble is found in the second Party's network, the reporting Party shall be responsible for payment of a Maintenance of Service Charge for the period of time when the second Party's personnel are dispatched. In the event of an intermittent service problem that is eventually found to be in the second Party's network, the reporting Party shall receive a credit for any Maintenance of Service Charges applied in conjunction with this service problem.

If a Party reports trouble to the other Party for clearance and the other Party's personnel are not allowed access to the reporting Party's premises, the Maintenance of Service Charge will apply for the time that the non-reporting Party's personnel are dispatched; provided that the Party's have arranged a specific time for the service visit.

- 7.4 Access to Numbering Resources – For Type 1 connections, the Telephone Company will provide the CMRS Provider access to numbering resources in the same fashion as they are provided to other Telecommunications Carriers.
- 7.5 The Parties agree that local and EAS dialing available to CMRS Provider NXXs will be as specified in Appendix B, provided that CMRS Provider utilizes existing EAS routing arrangements. Telephone Company agrees to provide Notice, according to Section 12.13, for any additions or deletions of rate centers associated with local calling area or EAS. Accordingly, the Parties agree that the information contained in Appendix B pertaining to "Local Calling Areas", subsequent to such Notice, may be revised during the term of this Agreement.
- 8.0 Liability and Indemnification
- 8.1 Except as otherwise expressly provided herein or in specific appendices, each Party shall be responsible only for the Interconnection, functions, products and services which are provided by that Party, its authorized agents, subcontractors, or others retained by such Party, and neither Party shall bear any responsibility for the Interconnection, functions, products and services provided by the other Party, its agents, subcontractors, or others retained by such Party.
- 8.2 Each Party shall be indemnified and held harmless by the other Party against claims, losses, suits, demands, damages, costs, expenses, including reasonable attorney's fees ("Claims"), asserted, suffered, or made by third parties arising from (i) any act or omission of the indemnifying Party in connection with its performance or non-performance under this Agreement; (ii) actual or alleged infringement by the indemnifying Party of any patent, trademark, copyright, service mark, trade name, trade secret or intellectual property right (now known or later developed), and (iii) provision of the indemnifying Party's services or equipment, including but not limited to Claims arising from the provision of the indemnifying Party's services to its End Users (e.g., Claims for interruption of service, quality of service or billing disputes). Each Party shall also be indemnified and held harmless by the other Party against Claims of persons for services furnished by the indemnifying Party or by any of its subcontractors, under worker's compensation laws or similar statutes.
- 8.3 A Party (the "Indemnifying Party") shall defend, indemnify and hold harmless the other Party ("Indemnified Party") against any claim or loss arising from the Indemnifying Party's use of Interconnection, functions, products and services provided under this Agreement involving:



- 8.3.1 any Claim for libel, slander, invasion of privacy, or infringement of Intellectual Property rights arising from the Indemnifying Party's or its customer's use.
- 8.3.2 any Claims, demands or suits that asserts any claim for libel, slander, infringement or invasion of privacy or confidentiality of any person or persons caused or claimed to be caused, directly or indirectly, by the other Party's employees and equipment associated with the provision of any service herein. The foregoing includes any Claims or Losses arising from disclosure of any customer-specific information associated with either the originating or terminating numbers used to provision Interconnection, functions, products or services provided hereunder and all other Claims arising out of any act or omission of the customer in the course of using any Interconnection, functions, products or services provided pursuant to this Agreement.
- 8.3.3 any and all penalties imposed on either Party because of the Indemnifying Party's failure to comply with the Communications Assistance to Law Enforcement Act of 1994 (CALEA).
- 8.4 Neither Party makes any warranty, express or implied, concerning either such Party's (or any third party's) rights with respect to intellectual property (including without limitation, patent, copyright and trade secret rights) or contract rights associated with either Party's right to interconnect. Nothing in this Section will be deemed to supersede or replace any other agreements, if any, between the Parties with respect to either Party's intellectual property or contract rights.
- 8.5 Each Party ("Indemnifying Party") shall reimburse the other Party ("Indemnified Party") for damages to the Indemnified Party's equipment, Interconnection trunks and other property utilized to provide Interconnection hereunder caused by the negligence or willful act of the Indemnifying Party, its agents, subcontractors or customer or resulting from the Indemnifying Party's improper use of the Indemnified Party's equipment, Interconnection trunks or other property, or due to malfunction of any functions, products, services or equipment of the Indemnifying Party or of any other party that have been provided to the Indemnifying Party. Upon reimbursement for damages, the Indemnified Party will cooperate with the Indemnifying Party in prosecuting a claim against the person causing such damage. The Indemnifying Party shall be subrogated to the right of recovery by the Indemnified Party for the damages to the extent of such payment.
- 8.6 Indemnification Procedures
- 8.6.1 Whenever a claim shall arise for indemnification, the relevant Indemnified Party, as appropriate, shall promptly notify the Indemnifying Party and request in writing the Indemnifying Party to defend the same. Failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability that the Indemnifying Party might have, except to the extent that such failure prejudices the Indemnifying Party's ability to defend such claim.

- 8.6.2 The Indemnifying Party shall have the right to defend against such liability or assertion, in which event the Indemnifying Party shall give written notice to the Indemnified Party of acceptance of the defense of such claim and the identity of counsel selected by the Indemnifying Party.
- 8.6.3 Until such time as Indemnifying Party provides written notice of acceptance of the defense of such claim, the Indemnified Party shall defend such claim, at the expense of the Indemnifying Party, subject to any right of the Indemnifying Party to seek reimbursement for the costs of such defense in the event that it is determined that Indemnifying Party had no obligation to indemnify the Indemnified Party for such claim.
- 8.6.4 Upon accepting the defense, the Indemnifying Party shall have exclusive right to control and conduct the defense and settlement of any such Claims, subject to consultation with the Indemnified Party. So long as the Indemnifying Party is controlling and conducting the defense, the Indemnifying Party shall not be liable for any settlement by the Indemnified Party unless such Indemnifying Party has approved such settlement in advance and agrees to be bound by the agreement incorporating such settlement.
- 8.6.5 At any time, an Indemnified Party shall have the right to refuse a compromise or settlement, and, at such refusing Party's cost, to take over such defense; provided that, in such event the Indemnifying Party shall not be responsible for, nor shall it be obligated to indemnify the refusing Party against, any cost or liability in excess of such refused compromise or settlement.
- 8.6.6 With respect to any defense accepted by the Indemnifying Party, the Indemnified Party will be entitled to participate with the Indemnifying Party in such defense if the claim requests equitable relief or other relief that could affect the rights of the Indemnified Party, and shall also be entitled to employ separate counsel for such defense at such Indemnified Party's expense.
- 8.6.7 If the Indemnifying Party does not accept the defense of any indemnified claim as provided above, the Indemnified Party shall have the right to employ counsel for such defense at the expense of the Indemnifying Party.
- 8.6.8 In the event of a failure to assume the defense, the Indemnified Party may negotiate a settlement, which shall be presented to the Indemnifying Party. If the Indemnifying Party refuses to agree to the presented settlement, the Indemnifying Party may take over the defense. If the Indemnifying Party refuses to agree to the presented settlement and refuses to take over the defense, the Indemnifying Party shall be liable for any reasonable cash settlement not involving any admission of liability by the Indemnifying Party, though such settlement may have been made by the Indemnified Party without approval of the Indemnifying Party, it being the Parties' intent that no settlement involving a non-monetary concession by the Indemnifying Party, including an admission of liability by such Party, shall take effect without the written approval of the Indemnifying Party.

8.6.9 Each Party agrees to cooperate and to cause its employees and agents to cooperate with the other Party in the defense of any such claim and the relevant records of each Party shall be available to the other Party with respect to any such defense, subject to the restrictions and limitations set forth in Section 9.

8.7 Apportionment of Fault. Except for losses alleged or claimed by a customer of either Party and except as otherwise provided in specific appendices, in the case of any loss alleged or claimed by a third party arising out of the negligence or willful misconduct of both Parties, each Party shall bear, and its obligation under this Section shall be limited to, that portion of the resulting expense caused by its own negligence or willful misconduct or that of its agents, servants, contractors, or others acting in aid or concert with it.

8.7.1 The Parties are not liable for any act or omission of Third Party Providers.

8.7.2 Failure of either Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right or privilege

8.8 No Consequential Damages

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

8.9 Releases

In resolution of the Parties rights, and in further consideration of this Agreement, each Party releases, acquits and discharges the other Party of and from any claim, debt, demand, liability, action or cause of action arising from or relating to the payment of money for the Transport and Termination of Traffic prior to the Effective Date of this Agreement.

## 9.0 Confidentiality and Proprietary Information

- 9.1 For the purposes of this Agreement, Confidential Information (“Confidential Information”) means confidential or proprietary technical or business information given by one Party (the “Discloser”) to the other (the “Recipient”). All information which is disclosed by one Party to the other in connection with this Agreement, during negotiations and the term of this Agreement will not be deemed Confidential Information to the Discloser and subject to this Section 9, unless the confidentiality of the information is confirmed in writing by the Discloser prior to disclosure. The Recipient agrees (i) to use Confidential Information only for the purpose of performing under this Agreement, (ii) to hold it in confidence and disclose it to no one other than its employees having a need to know for the purpose of performing under this Agreement, and (iii) to safeguard it from unauthorized use or disclosure using at least the same degree of care with which the Recipient safeguards its own Confidential Information. If the Recipient wishes to disclose the Discloser's Confidential Information to a third-party agent or consultant, such disclosure must be agreed to in writing by the Discloser, and the agent or consultant must have executed a written agreement of nondisclosures and nonuse comparable in scope to the terms of this section.
- 9.2 The Recipient may make copies of Confidential Information only as reasonably necessary to perform its obligations under this Agreement. All such copies will be subject to the same restrictions and protections as the original and will bear the same copyright and proprietary rights notices as are contained on the original.
- 9.3 The Recipient agrees to return all Confidential Information in tangible form received from the Discloser, including any copies made by the Recipient, within thirty (30) days after a written request is delivered to the Recipient, or to destroy all such Confidential Information if directed to do so by Discloser except for Confidential Information that the Recipient reasonably requires to perform its obligations under this Agreement; the Recipient shall certify destruction by written letter to the Discloser. If either Party loses or makes an unauthorized disclosure of the Party's Confidential Information, it will notify such other Party immediately and use its best efforts to retrieve the lost or wrongfully disclosed information.
- 9.4 The Recipient shall have no obligation to safeguard Confidential Information: (i) which was in the possession of the Recipient free of restriction prior to its receipt from the Discloser; (ii) after it becomes publicly known or available through no breach of this Agreement by the Recipient; (iii) after it is rightfully acquired by the Recipient free of restrictions on its discloser; (iv) after it is independently developed by personnel of the Recipient to whom the Discloser's Confidential Information had not been previously disclosed. In addition, either Party will have the right to disclose Confidential Information to any mediator, arbitrator, state or federal regulatory body, or a court in the conduct of any mediation, arbitration or approval of this Agreement, as long as, in the absence of an applicable protective order, the Discloser has been previously notified by the Recipient in time sufficient for the Recipient to undertake all lawful measures to avoid disclosing such confidential information and for Discloser to have reasonable time

to seek or negotiate a protective order before or with any applicable mediator, arbitrator, state or regulatory body or a court.

- 9.5 The Parties recognize that an individual End User may simultaneously seek to become or be a customer of both Parties. Nothing in this Agreement is intended to limit the ability of either Party to use customer specific information lawfully obtained from End Users or sources other than the Discloser.
- 9.6 Each Party's obligations to safeguard Confidential Information disclosed prior to expiration or termination of this Agreement will survive such expiration or termination.
- 9.7 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 Confidential Information.
- 9.8 Each Party agrees that the Discloser may be irreparably injured by a disclosure in breach of this Agreement by the Recipient or its representatives and the Discloser will be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any breach or threatened breach of the confidentiality provisions of this Agreement. Such remedies will not be deemed to be the exclusive remedies for a breach of this Agreement, but will be in addition to all other remedies available at law or in equity.

#### ~~10.0~~ Finality of Disputes

No Claims shall be brought for disputes arising from this Agreement more than twenty-four (24) months from the date of occurrence which gives rise to the dispute, or beyond the applicable statute of limitations, whichever is shorter.

#### ~~11.0~~ Intervening Law

- 11.1 The terms and conditions of this Agreement shall be subject to any and all applicable laws, rules, regulations, orders or guidelines that subsequently may be prescribed by any federal or state government authority with jurisdiction. To the extent required or permitted by any such subsequently prescribed law, rule, regulation, order or guideline, the Parties agree to negotiate in good faith toward an agreement to modify, in writing, any affected term or condition of this Agreement to bring them into compliance with such law, rule, regulation, order or guideline. Upon failure to reach agreement to implement a change in laws, rules, regulations, orders or guidelines, either Party may seek arbitration before any regulatory authority with jurisdiction.
- 11.2 Each Party shall comply with all federal, state, and local laws, rules and regulations applicable to its performance under this Agreement.

#### 12.0 Miscellaneous Provisions

- 12.1 Effective Date – The effective date of this Agreement is January 1, 2006 (the "Effective Date"). The Parties shall implement the Agreement immediately, work cooperatively, and take all steps necessary and proper to expeditiously prosecute a joint application before the Commission seeking approval of this Agreement pursuant to the provisions of

47 U.S.C. '252. Each Party shall be responsible for its own costs and expenses incurred in obtaining approval of this Agreement from the Commission.

## 12.2 Term and Termination

12.2.1 This Agreement shall remain in effect for three (3) years after January 1, 2006. This Agreement shall continue in force and effect thereafter, on a month-to-month basis, until replaced by another agreement or terminated by either Party upon sixty (60) days written notice to the other.

12.2.2 Upon termination or expiration of this Agreement in accordance with the above Section:

- (a) Each Party shall continue to comply with its obligations set forth in Section 9.0 Confidentiality and Proprietary Information.
- (b) Each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement; and upon termination or expiration of this Agreement, each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement or place disputed amounts into an escrow account.
- (c) Each Party's indemnification obligations shall survive.

12.2.3 Either Party may terminate this Agreement in whole or in part in the event of a default by the other Party, provided however, that the non-defaulting Party notifies the defaulting Party in writing of the alleged default and that the defaulting Party does not cure the alleged default within thirty (30) days of receipt of written notice thereof.

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

12.4 Assignment - Neither Party may assign, subcontract, or otherwise transfer its rights or obligations under this Agreement except under such terms and conditions as are mutually acceptable to the other Party and with such Party's prior written consent, which consent shall not be unreasonably withheld, delayed, or conditioned; provided, that either Party may assign its rights and delegate its benefits, and delegate its duties and obligations under this Agreement without the consent of the other Party to a parent, one hundred (100) per cent owned affiliate or subsidiary of that Party for the continued provisioning of the telecommunications service under this Agreement.

12.5 Third Party Beneficiaries - This Agreement shall not provide any non-party with any remedy, claim, cause of action or other right.

12.6 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: 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 Party affected shall, upon giving prompt notice to the other Party, be excused from such performance on a day-to-day basis to the extent of such interference (and the other Party shall likewise be excused from performance of its obligations on a day-for-day basis to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use its reasonable commercial efforts to avoid or remove the cause of non-performance and both Parties shall proceed to perform with dispatch once the causes are removed or cease.

12.7 **DISCLAIMER OF WARRANTIES - THE PARTIES MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR INTENDED OR PARTICULAR PURPOSE WITH RESPECT TO SERVICES OR FACILITIES PROVIDED HEREUNDER. ADDITIONALLY, NEITHER PARTY ASSUMES ANY RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY THE OTHER PARTY WHEN THIS DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD PARTY.**

12.8 **Survival of Obligations - Any liabilities or obligations of a Party for acts or omissions prior to the cancellation or termination of this Agreement, any obligation of a Party under the provisions regarding indemnification, Confidential Information, limitations on liability, and any other provisions of this Agreement which, by their terms, are contemplated to survive (or to be performed after) termination of this Agreement, will survive cancellation or termination thereof.**

12.9 **Waiver - The failure of either Party to enforce or insist that the other Party comply with the terms or conditions of this Agreement, or the waiver by either Party in a particular instance of any of the terms or conditions of this Agreement, shall not be construed as a general waiver or relinquishment of the terms and conditions, but this Agreement shall be and remain at all times in full force and effect.**

12.10 **Patents, Trademarks and Trade Names**

12.10.1 **With respect to Claims of patent infringement made by third persons, the Parties shall defend, indemnify, protect and save harmless the other from and against all Claims arising out of the improper combining with or use by the indemnifying Party of any circuit, apparatus, system or method provided by that Party or its subscribers in connection with the Interconnection arrangements furnished under this Agreement.**

12.10.2 **No license under patents is granted by either Party to the other, or shall be implied or arise by estoppel with respect to any circuit, apparatus, system, or method used by either Party in connection with any Interconnection Arrangements or services furnished under this Agreement.**

12.10.3 Nothing in this Agreement will grant, suggest, or imply any authority for one Party to use the name, trademarks, service marks, or trade names of the other for any purpose whatsoever, absent prior written consent of the other Party.

#### 12.11 Relationship of the Parties

12.11.1 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.

12.11.2 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.

12.11.3 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.

12.11.4 Each Party is an independent contractor, and has and hereby retains the right to exercise full control of and supervision over its own performance of its obligations under this Agreement and retains full control over the employment, direction, compensation and discharge of its employees assisting in the performance of such obligations. Each Party and each Party's contractor(s) shall be solely responsible for all matters relating to payment of such employees, including the withholding or payment of all applicable federal, state and local income taxes, social security taxes and other payroll taxes with respect to its employees, as well as any taxes, contributions or other obligations imposed by applicable state unemployment or workers' compensation acts and all other regulations governing such matters. Each Party has sole authority and responsibility to hire, fire and otherwise control its employees.

12.11.5 Nothing contained herein shall constitute the Parties as joint venturers, partners, employees or agents of one another, and neither Party shall have the right or power to bind or obligate the other. Nothing herein will be construed as making either Party responsible or liable for the obligations and undertakings of the other Party. 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.

12.12 Services - Each Party is solely responsible for the services it provides to its End Users and to other Telecommunications Carriers.



12.13 Notices - Any notice to a Party required or permitted under this Agreement shall be in writing and shall be deemed to have been received on the date of service if served personally; on the date receipt is acknowledged in writing by the recipient if delivered by regular mail; or on the date stated on the receipt if delivered by certified or registered mail or by a courier service that obtains a written receipt. Notice may also be provided by facsimile, which shall be effective on the next Business Day following the date of transmission as reflected in the facsimile confirmation sheet. Any notice shall be delivered using one of the alternatives mentioned in this section and shall be directed to the applicable address indicated below or such address as the Party to be notified has designated by giving notice in compliance with this section.

For Western Wireless:      Regulatory Department  
   cc Engineering Department  
   3650 131<sup>st</sup> Avenue S.E.  
   Bellevue, Washington 98006  
   425-586-8700 (phone)  
   425-586-8118 (facsimile)

For Telephone Company:    Eastern Region Manager  
   525 East Fourth Street  
   P.O. Box 98  
   Deil Rapids, SD 57022  
   605-428-5421 (phone)  
   605-428-3132 (facsimile)

12.14 Expenses - Except as specifically set out in this Agreement, each Party will be solely responsible for its own expenses involved in all activities related to the subject of this Agreement.

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

12.16 Governing Law - For all Claims under this Agreement, that are based upon issues within the jurisdiction of the FCC or governed by federal law, the Parties agree that the remedies for such Claims shall be governed by the FCC and the Act. For all Claims under this Agreement that are based upon issues within the jurisdiction of the Commission or governed by state law, the Parties agree that the jurisdiction for all such Claims shall be with such Commission, and the remedy for such Claims shall be as provided for by such Commission. In all other respects, this Agreement shall be governed by the domestic laws of the State of South Dakota without reference to conflict of law provisions.

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

12.18 Complete Terms - This Agreement together with its appendices and exhibits constitutes the entire agreement regarding the exchange and compensation for Traffic between the

Parties and supersedes all prior discussions, representations or oral understandings reached between the Parties. Appendices and exhibits referred to herein are deemed attached hereto and incorporated by reference. Neither Party shall be bound by any amendment, modification or additional terms unless it is reduced to writing signed by an authorized representative of the Party sought to be bound.

12.19 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.

12.20 No provision of this Agreement shall be deemed amended or modified by either Party unless such an amendment or modification is in writing, dated, and signed by an authorized representative of both Parties.

12.21 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.

IN WITNESS WHEREOF, the Parties have executed this Agreement through their duly authorized representatives.

The Telephone Company

The CMRS Provider

BY: \_\_\_\_\_

BY: \_\_\_\_\_

(Signature)

(Signature)

NAME: \_\_\_\_\_

NAME: \_\_\_\_\_

(Printed)

(Printed)

TITLE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

**APPENDIX A**

1.0 WIRELESS TO WIRELINE INTERCONNECTION RATES PER MINUTE OF USE

TYPE 1	TYPE 2B
\$.____	\$.____

2.0 WIRELINE TO WIRELESS INTERCONNECTION RATES PER MINUTE OF USE

TYPE 1	TYPE 2B
\$.____	\$.____

3.0 RECIPROCAL COMPENSATION FOR TRANSPORT AND TERMINATION OF TRAFFIC EXCHANGED THROUGH AN INDIRECT INTERCONNECTION

\$.\_\_\_\_

#### 4.0 RECIPROCAL COMPENSATION CREDIT FORMULA

The reciprocal compensation credit will be calculated assuming a ratio of land originated to mobile originated traffic as set forth below. Divide the total number of monthly measured minutes of use terminated on Telephone Company's network by the Wireless to Wireline Factor. The total calculation will then be multiplied by the Wireline to Wireless Factor to arrive at the total Telephone Company minutes of use terminated on CMRS Provider's network per month. This monthly total will be multiplied by the Wireline to Wireless Interconnection rate set forth in Appendix A 2.0 to obtain the Reciprocal Compensation Credit for the month. For example, Telephone Company determines that 10,000 minutes of mobile originated Traffic has been delivered to it by the CMRS Provider in a given billing period: In Year 1 of the Agreement, the Parties will assume that 3,157 minutes of land originated calls were delivered by Telephone Company to CMRS Provider for Termination (10,000/.76 multiplied by .24).

The Reciprocal Compensation Credit Factors over the term of the Agreement shall be:

	Year 1	Year 2	Year 3
Wireless to Wireline	76%	75%	74%
Wireline to Wireless	24%	25%	26%

#### 4.0 FACILITY RATE

To the extent CMRS Provider requires facilities referenced in 3.1, such facilities will be made available and the price will be based upon the applicable provisions of Telephone Company's tariff, pricing catalog or as established under separate agreement.

#### 5.0 SHARED FACILITY FACTOR

The default Shared Facility Factor over the term of the Agreement shall be:

	Year 1	Year 2	Year 3
CMRS Provider	76%	75%	74%
Telephone Company	24%	25%	26%

**APPENDIX B**

**SIOUX VALLEY TELEPHONE COMPANY**

**EXISTING DIRECT INTERCONNECTION**

Connection Type	NPA	NXX	Range	Quantity	Rate Center	POI CLLI	Calling Scope
Type 1							
Type 2							

\* If meet point does not have a Point of Interconnection CLLI, then the telephone company switch CLLI was used.

\*\*Intercompany EAS which may be subject to a separate transiting agreement

**APPENDIX B**

**SIOUX VALLEY TELEPHONE COMPANY**

**Interconnection and Local Calling Data**

**FOR INFORMATIONAL PURPOSES ONLY**

<b>Exchange Name</b>	<b>NPA-NXX's</b>	<b>CLLI (1)</b>	<b>Tandem/ Intermediate Offices</b>	<b>LEC Local Calling Area</b>
Dell Rapids	605-428	DLRPSDXADS0		Sioux Falls**
Humbolt-Montrose	605-363	HMBLSDXADS1		
Plankinton	605-942	PLTNSDXADS1		
Colton	605-446	COTNSDXADS1		Sioux Falls**
Corsica	605-946	CRSCSDXARS1		New Holland**
Qwest Meet Point	Dell Rapids Plankinton	V6221 H4921 V6346 H5173		

(1) Switch or meet point location where Type 1 or Type 2B connection may be available

\*\*Intercompany EAS which may be subject to a separate transiting service agreement

**EXHIBIT B**

**Letter Agreement Extending Arbitration Date  
(Attached)**

March 29, 2006

Ron Williams  
ALLTEL Communications, Inc.  
3650 131<sup>st</sup> Avenue SE, Suite 400  
Bellevue, Washington 98006  
(425) 586 8360

Re: Interconnection negotiations between WWC License, L.L.C. and the Golden West Companies.

Dear Mr. Williams:

Pursuant to our previous discussions concerning the negotiations regarding interconnection agreements, this letter is to confirm the agreement by the Golden West Companies identified in the signature block below and WWC License, L.L.C. (the "Parties") that the period during which any of the Parties may petition the South Dakota Public Utilities Commission in connection with this matter for arbitration of any open issues will lapse on May 4, 2006 and will commence 25 days prior to that date.

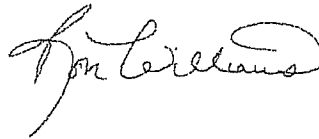
The Parties further agree not to challenge any term of this letter agreement in any proceeding before a State commission, the Federal Communications Commission, or any State or Federal court. In addition, the Parties agree that should any third party successfully challenge this letter agreement or should any State commission, the Federal Communications Commission or any State or Federal court rule that any other window of time except and the 25-day period concluding on May 4, 2006 is the time during which either party may file for arbitration of the unresolved issues, then this letter shall serve as a formal request by the Golden West Companies to commence a new set of interconnection negotiations commencing on today's date pursuant to Sections 251 and 252 of the 1996 Act.

If you have any questions or need additional information, please give me a call at (402) 441-4315. I would appreciate your confirming agreement to the terms of this letter by placing your signature at the bottom of two originals and returning them to my attention.

AGREED TO AND APPROVED BY:



Dan Davis  
TELEC Consulting Resources  
On behalf of the Golden West Companies  
Golden West Telecommunications Cooperative  
Vivian Telephone Company  
Kadoka Telephone Company  
Armour Independent Telephone Company  
Bridgewater-Canistota Independent Telephone Company  
Union Telephone Company  
Sioux Valley Telephone Company  
(Collectively the "Golden West Companies")



Ron Williams  
Vice President – Interconnection & Compliance  
Alltel Communications, Inc.  
On behalf of WWC License LLC



**EXHIBIT C**

**Bona Fide Request for Negotiations Letter  
(Attached)**



October 21, 2005

Mr. Dennis Law  
Sioux Valley Telephone Company  
P.O. Box 98, 525 East Fourth Street  
Dell Rapids, South Dakota 57022

Subject: Intent to Terminate Reciprocal Interconnection, Transport and Termination Agreement and Request for Negotiation of New Interconnection Agreement

Dear Mr. Law:

Alltel Corporation is requesting termination of the Reciprocal Interconnection, Transport and Termination Agreement made between Alltel/Western Wireless and Sioux Valley Telephone Company (Sioux Valley). Pursuant to Section 14.2.1 of that agreement, Alltel hereby notifies Sioux Valley of its intent to terminate the agreement effective December 31, 2005.

We also request that, pursuant to Section 252 of the Communications Act of 1934, as amended, 47 U.S.C. Section 252, Sioux Valley enter into negotiations with Alltel to establish a new interconnection agreement for the transport and termination of telecommunications traffic between our companies.

I can be reached by phone at 425-586-8633, by facsimile at 425-586-8118, or via email at [mike.k.wilson@alltel.com](mailto:mike.k.wilson@alltel.com).

Sincerely,

Mike Wilson  
Manager - External Affairs  
Alltel Corporation

cc: George Strandell