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April 20, 2004

**FILED**

SEP 21 2004

**FILED**

APR 20 2004

Missouri Public  
Service Commission

Missouri Public  
Service Commission

Secretary  
Public Service Commission  
P.O. Box 360  
Jefferson City, Missouri 65102

Re: Application of Chariton Valley Telephone Corporation for Approval of a Traffic Termination Agreement under the Telecommunications Act of 1996

Dear Secretary:

Enclosed for filing please find the original and eight copies of the Application of Chariton Valley Telephone Corporation for Approval of a Traffic Termination Agreement under the Telecommunications Act of 1996.

Thank you for seeing this filed. If you should have any questions or concerns, please do not hesitate to contact me.

Sincerely,

*Bryan D. Lade*  
Bryan D. Lade

BDL:lw

Encl.

CC: Public Service Commission  
Office of Public Counsel  
Bill Biere  
Lisa Creighton Hendricks

SWB Exhibit No. 304  
Case No(s) TC-2002-57  
Date 9-8-04 Rptr JK

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Trenton, Missouri 64683  
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**FILED**

**BEFORE THE PUBLIC SERVICE COMMISSION  
STATE OF MISSOURI**

**APR 20 2004**

**Missouri Public  
Service Commission**

Application of Chariton Valley Telephone Corporation )  
for Approval of a Traffic Termination Agreement ) Case No. \_\_\_\_\_  
under the Telecommunications Act of 1996 )

**APPLICATION OF CHARITON VALLEY TELEPHONE CORPORATION FOR  
APPROVAL OF A TRAFFIC TERMINATION AGREEMENT UNDER THE  
TELECOMMUNICATIONS ACT OF 1996**

COMES NOW Chariton Valley Telephone Corporation ("Chariton Valley")  
and hereby files its Application for Approval of a Traffic Termination Agreement  
between Chariton Valley and Sprint Spectrum, L.P. d/b/a Sprint PCS ("Sprint  
PCS") under the Telecommunications Act of 1996 ("the Act"). In support of this  
application, Chariton Valley states to the Commission as follows:

**I. AGREEMENT REACHED**

Chariton Valley is a local exchange carrier operating in Missouri. Chariton  
Valley is a Missouri corporation in good standing with the Missouri Secretary of  
State. In Case No. IO-2004-0467, Chariton Valley filed a Certificate of Good  
Standing from the Missouri Secretary of State which Chariton Valley requests be  
incorporated by reference in this case. Chariton Valley is not aware of any  
pending action or final unsatisfied judgments or decisions against it from any  
state or federal agency or court which involve customer services or rates.  
Chariton Valley's annual report and assessment fees are not overdue. This  
information is still current and correct, as evidenced by the notarized affidavit of  
Mr. William Biere.

Sprint PCS is a commercial mobile radio service carrier operating in Missouri.

On April 13, 2004, after good faith negotiations, Chariton Valley and Sprint PCS executed a Traffic Termination Agreement ("Agreement") for the state of Missouri pursuant to the terms of the Act (see Agreement, Attachment I).

Pursuant to the Act, Chariton Valley hereby submits this Agreement for approval by the Commission. The Agreement complies fully with Section 252(e) of the Act because the Agreement is consistent with the public interest, convenience, and necessity and does not discriminate against any telecommunications carrier.

The Agreement consists of 19 pages. There are no outstanding issues between Chariton Valley and Sprint PCS that need the assistance of mediation or arbitration.

## **II. REQUEST FOR APPROVAL**

Chariton Valley seeks the Commission's approval of the Agreement, consistent with the provisions of the Act and Missouri Law. Chariton Valley represents that the implementation of this negotiated and executed agreement complies fully with both Missouri Law and section 252(e) of the Act, because the agreement is consistent with the public interest, convenience and necessity and does not discriminate against any telecommunications carrier. Chariton Valley respectfully requests that the Commission grant expeditious approval of this agreement, without change, suspension or delay in its implementation. This is a bilateral agreement, reached as a result of negotiations and compromise

between the parties. Correspondence, orders, and decisions in this matter should be addressed to:

William Biere  
Chariton Valley Telephone Corp.  
109 Butler  
Macon, MO 63552

Craig S. Johnson/Bryan D. Lade  
Andereck, Evans, Milne, Peace &  
Johnson, L.L.C.  
P.O. Box 1438  
Jefferson City, MO 65102-1438  
[cjohnson@aempb.com](mailto:cjohnson@aempb.com)  
[blade@aempb.com](mailto:blade@aempb.com)

### **III. COMMISSION AUTHORITY**

Under the Federal Telecommunications Act of 1996 ("the Act"), the Commission has the authority to grant the relief requested by Chariton Valley. Specifically, section 252 (a) of the act provides:

#### **(a) Agreements Arrived at Through Negotiations**

(1) **Voluntary Negotiations** - upon receiving a request for interconnection, services, or network elements pursuant to section 251, an incumbent local exchange carrier may negotiate and enter into a binding agreement with requesting telecommunications carrier or carriers without regard to the standards set forth in subsections (b) and (c) of section 251. The agreement shall include a detailed schedule of itemized charges for interconnection in each service or network element included in the agreement. The agreement, including any interconnection agreement negotiated before the date of enactment of the Telecommunications Act of 1996, shall be submitted to the state commission under subsection (e) of this section.

### **IV. STANDARD OF REVIEW**

Under Section 252 of the Act, the Commission has the authority to approve this negotiated agreement. The Commission may only reject an agreement, if the agreement is discriminatory to a nonparty or is inconsistent with

the public interest, convenience, and necessity. Section 252(e)(2) of the act provides as follows:

**Grounds for Rejection** – The State Commission may only reject –


- (A) an agreement (or any portion thereof) adopted by negotiation under section (a) if it finds that –
  - (i) the agreement (or portion thereof) discriminates against a telecommunications carrier, not a party to the agreement; or
  - (ii) the implementation of such agreement or portion is not consistent with the public interest, convenience, and necessity;

The affidavit of Mr. William Biere, Manager of Chariton Valley Telephone Corporation, establishes that the agreement satisfies the standards (see Affidavit, Attachment II).

**V. CONCLUSION**

WHEREFORE, Chariton Valley respectfully requests the Commission to issue an order that: (1) approves expeditiously the traffic termination agreement between Chariton Valley and Sprint PCS, and (2) grant such other relief as is reasonable in circumstances.

ANDERECK, EVANS, MILNE, PEACE  
& JOHNSON, L.L.C.

By   
Craig S. Johnson MO Bar No. 28179  
Lisa Cole Chase MO Bar No. 51502  
Bryan D. Lade MO Bar No. 55232  
The Col. Darwin Marmaduke House  
700 East Capitol  
P.O. Box 1438  
Jefferson City, MO 65102-1438

Telephone: (573) 634-3422  
Fax: (573) 634-7822  
ATTORNEYS FOR CHARITON  
VALLEY TELEPHONE CORP.

**CERTIFICATE OF SERVICE**

The undersigned does hereby certify that a true and accurate copy of the foregoing was hand delivered or mailed, via U.S. Mail, postage prepaid, this 20<sup>th</sup> day of April, 2004, to the following parties to:

General Counsel  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102

Michael F. Dandino  
Office of the Public Counsel  
P.O. Box 7800  
Jefferson City, MO 65102

Paul Reed  
Manager - Wholesale & Interconnection Mgmt.  
MS: KSOPHN0212-2A422  
6450 Sprint Parkway  
Overland Park, KS 66251

Lisa Creighton Hendricks  
Senior Attorney  
MS: KSOPHN0212-2A253  
6450 Sprint Parkway  
Overland Park, KS 66251

  
Attorney for Chariton Valley Telephone Corp.

**VERIFICATION**

I, William Biere, Manager of Chariton Valley Telephone Corporation,  
hereby verify and affirm that I have read the foregoing *APPLICATION OF  
CHARITON VALLEY TELEPHONE CORPORATION FOR APPROVAL OF A  
TRAFFIC TERMINATION AGREEMENT UNDER THE  
TELECOMMUNICATIONS ACT OF 1996* and that the statements contained  
therein are true and correct to the best of my information and belief.

  
\_\_\_\_\_  
William Biere

STATE OF MISSOURI    )  
                              )  
COUNTY OF *Call*    )

Subscribed and sworn to me, a Notary Public, on this 19 day of April,  
2004.

  
\_\_\_\_\_  
Notary Public

**ORNA MICKELIS**  
Notary Public - Notary Seal  
My commission expires \_\_\_\_\_  
STATE OF MISSOURI  
County of Callaway  
**My Commission Expires: April 16, 2007**

STATE OF MISSOURI     )  
                                      )  
COUNTY OF MACON     )

**AFFIDAVIT OF WILLIAM BIERE**

Before me, the Undersigned Authority, on this 19<sup>th</sup> day of April, 2004, personally appeared William Biere, Manager of Chariton Valley Telephone Corporation, who, upon being by me duly sworn on oath deposed and said the following:

1. My name is William Biere. I am over the age of twenty-one, of sound mind and competent to testify to the matters stated herein. I am the Manager of Chariton Valley Telephone Corporation ("Chariton Valley") and have personal knowledge of the agreement between Chariton Valley and Sprint PCS. I have reviewed the agreement on behalf of Chariton Valley and have personal knowledge of the provisions. The parties negotiated diligently under the Telecommunication Act of 1996, culminating in an executed agreement (the "Agreement") by Chariton Valley and Sprint PCS.
2. The Agreement is the result of negotiation and compromise.
3. There are no outstanding issues between the parties and that need the assistance of mediation or arbitration if this Agreement is approved.
4. Approval of this Agreement is consistent with the public interest, convenience, and necessity, as it will allow the exchange of traffic between Chariton Valley and Sprint PCS.



5. This Agreement does not discriminate against any telecommunication carrier. The terms of the agreement are available to any similarly situated provider in negotiating a similar agreement.
6. Chariton Valley is a Missouri corporation in good standing with the Missouri Secretary of State.
7. Chariton Valley is not aware of any pending action for final unsatisfied judgments or decisions against it from any stat or federal agency or court which involve customer service or rates.
8. Chariton Valley's annual report and assessment fees are not overdue.

Further Affiant sayeth naught.

  
William Biere  
Manager, Chariton Valley Telephone Corp.

Sworn and Subscribed to before me this 19 day of April, 2004, to certify which witness my hand and seal of office.

ORNA MICKELIS  
Notary Public - Notary Seal  
STATE OF MISSOURI  
County of Callaway  
My Commission Expires: April 16, 2007

  
Notary Public

FILED

APR 29 2004

TRAFFIC TERMINATION AGREEMENT

Missouri Public  
Service Commission

This Agreement for the termination of traffic between Chariton Valley Telephone Corporation, an Incumbent Local Exchange Carrier (ILEC) certificated to provide local exchange services in the State of Missouri, and Sprint Spectrum, L.P. d/b/a Sprint PCS, on behalf of its affiliates licensed by the FCC to provide commercial mobile radio service with its headquarters at 6200 Sprint Pkwy., Overland Park, KS 66251 (collectively, "Sprint PCS"), effective upon the 5th day of February, 2004 ("Effective Date"). This Agreement has been executed pursuant to Section 251(b)(5) of the Telecommunications Act of 1996. (ILEC and Sprint PCS are also sometimes referred to herein as "Party" or, collectively, "Parties.")

ILEC is a local exchange carrier operating in Missouri. Sprint PCS is a commercial mobile radio service carrier operating in Missouri. Sprint PCS terminates traffic originated by its end user customers and terminating to ILEC through the facilities of another local exchange carrier in Missouri. ILEC may in the future elect to terminate traffic originated by its end user customers and terminating to Sprint PCS through the facilities of another local exchange carrier in Missouri. Sprint PCS and ILEC recognize their responsibilities to compensate the other pursuant to Section 4 of this Agreement for termination of the traffic originated by and under the responsibility of each Party, and which terminates to the other Party through the facilities of another local exchange carrier in Missouri.

In consideration of the mutual covenants contained in this Agreement, the Parties agree as follows:

## SECTION 1 - SCOPE OF AGREEMENT

1.1 This Agreement shall cover traffic originated by, and under the responsibility of, one of the Parties and terminated to the other Party without the direct interconnection of the Parties' networks, and which terminates to the other Party through the facilities of another local exchange carrier in Missouri. "Traffic originated by and under the responsibility of," a Party means traffic that is originated by a Party pursuant to that Party's rate schedules, tariffs, or contract with the end-user customer. This Agreement does not cover traffic for which the originating party has contracted with an Interexchange Carrier ("IXC") to assume responsibility for terminating the traffic, or traffic originated by an IXC pursuant to the IXC's rate schedules, tariffs, end-users contracts, or presubscription rules. This Agreement shall cover both Local and Non-local Traffic as those terms are defined in Section 2 of this Agreement. This Agreement shall not apply to traffic or calls completed by either Party in compliance with any obligation to port numbers of the former customers of one Party when that customer takes service from the other Party.

## SECTION 2 - DEFINITIONS

Certain terms used in this Agreement shall have the meanings as defined below. Other terms used but not defined herein will have the meanings ascribed to them in the Act or in the Rules and Regulations of the FCC or the Missouri Public Service Commission. The Parties acknowledge that other terms appear in this Agreement that are not defined or ascribed as stated above. The Parties 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.

2.1 "Act" - the Communications Act of 1934, as amended by the Telecommunications Act of 1996, and as further amended from time to time and as interpreted in the duly authorized rules

and regulations and Orders of the Federal Communication Commission or a state regulatory commission.

2.2 "CMRS" - Commercial Mobile Radio Service, as defined in the Act.

2.3 "Commission" - Missouri Public Service Commission.

2.4 "CTUSR" - Cellular Transiting Usage Summary Report, provided by Southwestern Bell Telephone Company, tracks the minutes of Transiting Traffic for calls originating from CMRS providers and terminating to LECs.

2.5 "FCC" - Federal Communications Commission.

2.6 "LEC" - local exchange carrier, includes any provider of local exchange telecommunications service that holds a certificate of public convenience and necessity or certificate of service authority from the Missouri Public Service Commission.

2.7 "Local Traffic" - Local Traffic under this Agreement is traffic between ILEC and Sprint PCS that, at the beginning of the call, originates and terminates within the same Major Trading Area. For ILEC, the origination or termination point of a call shall be the end office switch that serves, respectively, the calling or called party at the beginning of the call. For Sprint PCS, the origination or termination point of a call shall be the cell site/base station that serves, respectively, the calling or called party at the beginning of the call.

2.8 "MTA" - Major Trading Area as defined in 47 C.F.R. 24 of the FCC Rules and Regulations.

2.9 "Non-local Traffic" - Non-local Traffic under this Agreement is traffic between ILEC and Sprint PCS that is not Local Traffic. Non-local Traffic may be either interstate or intrastate traffic, depending on the locations where the call originates and terminates.

### SECTION 3 - TRAFFIC EXCHANGE

3.1 Each Party shall be responsible for provisioning its traffic, if any, exchanged under this Agreement. Each Party shall be responsible for establishing appropriate contractual or tariff relationships with the third-party LEC(s), if any, that Party selects for transiting traffic to the other Party. Each Party shall be responsible for providing the trunks from its network to the point of interconnection with the network(s) of any such third-party LEC(s), and for paying such third-party LEC(s) for the costs of transiting calls that the Party originates.

### SECTION 4 - COMPENSATION

4.1 Compensation for traffic originated by, and under the responsibility of, a Party and terminated to the other Party's network shall be based upon the specific type and jurisdiction of the call as follows:

4.1.1 Local Traffic - Local Traffic calls as defined in Section 2 of this Agreement shall be compensated based on the local termination rate established in Appendix 1.

4.1.2 Non-local Intrastate Traffic - Non-local Traffic (as defined in Section 2 of this Agreement) originated by Sprint PCS and terminating to ILEC within the same State will be compensated based upon the rate for termination of non-local intrastate traffic identified in Appendix 1. Compensation for Non-local Intrastate Traffic originated by, and under the responsibility of, ILEC and terminating to Sprint PCS, if any, shall be based on the rate for termination of non-local intrastate traffic identified in Appendix 1.

4.1.3 Non-local Interstate Traffic - Non-local Traffic (as defined in Section 2 of this Agreement) originated by Sprint PCS and terminating to ILEC within different States will be compensated based upon the rate for termination of non-local interstate traffic identified in

Appendix 1. Compensation for Non-local Interstate Traffic originated by, and under the responsibility of, ILEC and terminating to Sprint PCS, if any, shall be based on the rate for termination of non-local interstate traffic identified in Appendix 1.

4.2 Factors - For the purposes of this Agreement, the Parties agree to use the percentages referenced in Appendix 2 as a fair estimate of the proportions of the total amount of traffic originated by Sprint PCS that is assignable to each of the three different jurisdictions identified in Section 4.1 above. This percentage shall remain in effect until amended as provided in Section 5.2 below.

#### SECTION 5 - RECORD EXCHANGES AND BILLING

5.1 CTUSRs currently report volumes of traffic originated by Sprint PCS and terminating to ILEC. The Parties will work cooperatively to provide or exchange billing records in industry standard formats containing available detail, if any, about call jurisdictions, for calls they originate that terminate on the other Party's network, and which are subject to this Agreement. The Party terminating traffic under this Agreement (*i.e.*, the "Billing Party") shall issue bills based on the best information then available including, but not limited to, records of terminating traffic created by the Party at its end office or tandem switch. Records should be provided at an individual call detail record, if possible, with sufficient information to identify the specific date and time of the call, the call duration, and the originating and terminating numbers or locations. Neither Party shall be obligated as a result of this Agreement to develop or create new billing formats or records to satisfy any duty or obligation hereunder, or to pay for the services of transiting ILECs or other entities for billing format or record creation to satisfy any duty or

obligation hereunder. Until more detailed records are reasonably available, CTUSRs will be considered a sufficient billing record.

5.2 If either Party provides to the other a valid traffic study, or a valid study of interMTA traffic by access jurisdiction, the Parties shall use such traffic study or reexamination to negotiate in good faith a mutually acceptable revised local traffic factor, or interMTA or access jurisdiction percentage.

For purposes of this Agreement, a "valid interMTA traffic study" may be based upon, but not necessarily limited to, calling and called party information (*e.g.*, originating and terminating NPA NXX, minutes of use, available detail, if any, identifying location of Sprint PCS calling or called customer, or available detail, if any, identifying the location of the cell tower serving Sprint PCS calling or called customers, *etc.*) which, for at least three consecutive billing periods, indicates an amount of interMTA traffic that is at least five percentage points greater or lesser than the interMTA percentage amount to which the Parties previously agreed. Either Party initiating an interMTA traffic study for the purpose of proposing changes to this Agreement will provide the other Party not less than thirty (30) days' notice of intent to conduct the study, and the opportunity for the other Party to participate in the establishment, conduct, and results of the study. The Parties agree to cooperate in good faith to amend this Agreement to reflect this revised interMTA percentage, and such revised percentage will be effective upon amendment of this Agreement, including any state commission approval, if required. Such studies or reexaminations shall be conducted no more frequently than once annually.

For purposes of this Agreement, a "valid study of interMTA traffic by access jurisdiction" may be based upon, but not necessarily limited to, calling and called party

information (e.g, originating and terminating NPA NXX, minutes of use, available detail, if any, identifying location of Sprint PCS calling or called customer, or available detail, if any, identifying the location of the cell tower serving Sprint PCS calling or called customers, etc.) which, for at least three consecutive billing periods, indicates an amount of interMTA traffic by access jurisdiction that is at least five percentage points greater or lesser than the interMTA access jurisdiction percentage amount to which the Parties previously agreed. Either Party initiating an interMTA traffic study by access jurisdiction for the purpose of proposing changes to this Agreement will provide the other Party not less than thirty (30) days' notice of intent to conduct the study, and the opportunity for the other Party to participate in the establishment, conduct, and results of the study. The Parties agree to cooperate in good faith to amend this Agreement to reflect this revised traffic by access jurisdiction percentage, and such revised percentage will be effective upon amendment of this Agreement, including any state commission approval, if required. Such studies or reexaminations shall be conducted no more frequently than once annually.

5.3 The originating Party shall pay the Billing Party for all charges properly listed on the bill. Such payments are to be received within thirty (30) days from the effective date of the billing statement. The originating Party shall pay a late charge on any undisputed charges that are not paid within the thirty (30) day period. The rate of the late charge shall be the lesser of 1% per month or the maximum amount allowed by law. Normally, neither Party shall bill the other Party for traffic that is more than ninety days old. However, in those cases where billing cannot be performed within that time frame because of record unavailability, inaccuracies, corrections,



*etc.*, billing can be rendered or corrected for periods beyond ninety days. In no case, however, will billing be made for traffic that is more than one year old.

5.4 At the same time that the Parties execute this Agreement, they are entering into a confidential agreement to settle all claims related to traffic exchanged between the Parties prior to the effective date of this Agreement. Each Party represents that this settlement agreement completely and finally resolves all such past claims.

#### SECTION 6 - AUDIT PROVISIONS

6.1 As used herein, "Audit" shall mean a comprehensive review of services performed under this Agreement. Either Party (the "Requesting Party") may perform one (1) Audit per 12-month period commencing with the Effective Date.

6.2 Upon thirty (30) days written notice by the Requesting Party to the other "Audited Party", the Requesting Party shall have the right, through its authorized representative(s), to perform an Audit, during normal business hours, of any records, accounts and processes which contain information bearing upon the services provided, and performance standards agreed to, under this Agreement. Within the above-described 30-day period, the Parties shall reasonably agree upon the scope of the Audit, the documents and processes to be reviewed, and the time, place and manner in which the Audit shall be performed. The Audited Party agrees to provide Audit support, including reasonable access to and use of the Audited Party's facilities (e.g., conference rooms, telephones, copying machines).

6.3 Each party shall bear the cost of its own expenses in connection with the conduct of the Audit. The reasonable cost of special data extraction required by the Requesting Party to conduct the Audit will be paid for by the Requesting Party. For purposes of this Section 6.3,

"Special Data Extraction" shall mean the creation of an output record or information report (from existing data files) that is not created in the normal course of business by the Audited Party. If any program is developed to the Requesting Party's specifications and at the Requesting Party's expense, the Requesting Party shall specify at the time of request whether the program is to be retained by the Audited Party for reuse during any subsequent Audit.

6.4 Adjustments, credits or payments shall be made, and any correction action shall commence, within thirty (30) days from the Requesting Party's receipt of the final audit report to compensate for any errors or omissions which are disclosed by such Audit and are agreed to by the Parties. One and one-half (1 1/2) percent or the highest interest rate allowable by law for commercial transactions, whichever is lower, shall be assessed and shall be computed on any adjustments, credits or payments if the audit establishes an overpayment or underpayment of greater than two percent (2%) of the actual amount due by compounding monthly from the time of the error or omission to the day of payment or credit.

6.5 Neither the right to Audit, nor the right to receive an adjustment, shall be affected by any statement to the contrary appearing on checks or otherwise, unless such statement expressly waiving such right appears in writing, is signed by the authorized representative of the Party having such right and is delivered to the other Party in a manner provided by this Agreement.

6.6 This Section 6 shall survive expiration or termination of this Agreement for a period of two (2) years after expiration or termination of this Agreement.

#### SECTION 7 - DISPUTE RESOLUTION

7.1 The Parties agree to resolve disputes arising out of this Agreement with a minimum amount of time and expense. Accordingly, the Parties agree to use the following dispute

resolution procedure as a sole remedy with respect to any controversy or claim arising out of or relating to this Agreement, except for an action seeking to compel compliance with the confidentiality provision of Section 8 or this dispute resolution process (venue and jurisdiction for which would be in Kansas City, Missouri).

7.2 At the written request of a Party commencing the dispute resolution process described herein, each Party will appoint a representative to meet and negotiate in good faith for a period of sixty (60) days (unless it becomes clear that a voluntary resolution is unlikely) after the request to resolve any dispute arising under this Agreement. The Parties intend that these negotiations be conducted by nonlawyer business representatives, but nothing prevents either Party from also involving an attorney in the process. The location, format, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon mutual agreement of the representatives, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussion and correspondence among the representatives for purposes of these negotiations shall be treated as settlement discussions and confidential information developed for purposes of settlement, exempt from discovery and production, which shall not be admissible in the Commission proceeding or arbitration described below or in any lawsuit without concurrence of both Parties.

7.3 If the negotiations do not resolve the dispute within sixty (60) days (or sooner if the parties agree that a voluntary resolution will not occur) after the initial written request, the dispute may be brought in any lawful forum for resolution unless the Parties mutually agree to submit the dispute to binding arbitration by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association or such other rules to which the

Parties may agree. If the Parties mutually agree to submit the dispute to binding arbitration, the arbitration hearing shall be commenced within forty-five (45) days after the agreement for arbitration and shall be held in Kansas City, Missouri, or any other location to which the Parties mutually agree. The arbitrator shall control the scheduling so as to process the matter expeditiously. The Parties may submit written briefs. The arbitrator shall rule on the dispute by issuing a written opinion within thirty (30) days after the close of hearing. The times specified in this section may be extended upon mutual agreement of the Parties or by the arbitrator upon a showing of good cause. The decision of the arbitrator shall be final and binding upon the Parties, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. Each party shall bear its own costs and attorneys' fees of the arbitration procedures set forth in this Section and shall equally split the fees and costs of the arbitration and the arbitrator.

7.4 In addition to the foregoing Dispute Resolution process, if any portion of an amount due to 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 in dispute ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. The Non-Paying Party shall pay when due all undisputed amounts to the Billing Party. The balance of the Disputed Amount shall thereafter be paid, with late charges as provided in Section 5.3, if appropriate, upon final determination of such dispute. Late charges assessed on those amounts that were unpaid but disputed after thirty (30) days from the receipt of

the invoice, shall be credited to the non-paying Party for any disputed amounts which were ultimately found to be not due and payable.

7.5 No cause of action, regardless of form, arising out of the subject matter of this Agreement may be brought by either Party more than two years after the cause of action has accrued. The Parties waive the right to invoke any different limitation on the bringing of actions provided under state or federal law unless such waiver is otherwise barred by law.

#### SECTION 8 - CONFIDENTIAL INFORMATION

8.1 The Parties recognize that they or their authorized representatives may come into possession of confidential and/or proprietary data about each other's business as a result of this Agreement. Each Party agrees to treat all such data as strictly confidential and to use such data only for the purpose of performance under this Agreement. Each Party agrees not to disclose data about the other Party's business, unless such disclosure is required by lawful subpoena or order, to any person without first securing the written consent of the other party. If a Party is obligated to produce, divulge, or otherwise disclose the other Party's confidential information as the result of an order or subpoena issued by a court or other tribunal of competent jurisdiction, then the Party to which such demand is being made shall notify the other Party as soon as possible of the existence of such demand, and shall provide all necessary and appropriate assistance as the Party whose information is sought to be disclosed may reasonably request in order to preserve the confidential nature of the information sought.

#### SECTION 9 - LIABILITY AND INDEMNIFICATION

9.1 Neither Party assumes any liability for any act or omission of the other Party in the furnishing of its services to its subscribers solely by virtue of entering into the Agreement. To

the extent not prohibited by law or inconsistent with the other terms of this Agreement, each Party shall indemnify the other Party and hold it harmless against any loss, costs, claims, injury or liability relating to any third-party claim arising out of any act or omission of the indemnifying Party in connection with the indemnifying Party's performance under this Agreement. Furthermore, the Parties agree to arrange their own interconnection arrangements with other telecommunications carriers, and each Party shall be responsible for any and all of its own payments thereunder. Neither Party shall be financially or otherwise responsible for the rates, terms, conditions, or charges between the other Party and another telecommunications carrier.

9.2 NEITHER PARTY MAKES ANY WARRANTIES, EXPRESS OR IMPLIED, FOR ANY HARDWARE, SOFTWARE, GOODS, OR SERVICES PROVIDED UNDER THIS AGREEMENT. ALL WARRANTIES, INCLUDING THOSE OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY DISCLAIMED AND WAIVED.

9.3 In any event, each Party's liability for all claims arising under this Agreement, or under the provision of the service provided under this Agreement, shall be limited to the amount of the charges billed to the Party making a claim for the month during which the claim arose.

#### SECTION 10 - TERM OF AGREEMENT

10.1 This Agreement shall commence on the Effective Date, and shall terminate two years after the Effective Date. This Agreement shall renew automatically for successive one-year terms, commencing on the termination date of the initial term or latest renewal term. The automatic renewal shall take effect without notice to either Party, except that either Party may

elect (1) not to renew by giving the other Party at least thirty (30) days written notice of the desire not to renew; or (2) to negotiate a subsequent agreement by giving the other Party at least thirty (30) days written notice of the desire to commence negotiations. If a Party elects to negotiate a subsequent agreement and a subsequent agreement has not been consummated prior to the termination date of the current Agreement, the current Agreement shall continue to be in effect until it is replaced by a new Agreement, or one hundred eighty (180) days beyond the termination date of the current Agreement, whichever is less.

#### SECTION 11 - INDEPENDENT CONTRACTORS

11.1 The Parties to this Agreement are independent contractors. Neither Party is an agent, representative, or partner of the other Party. Neither Party shall have the right, power, or authority to enter into any agreement for or on behalf of, or incur any obligation or liability of, or to otherwise bind the other Party. This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties or to impose any partnership obligation or liability upon either Party.

#### SECTION 12 - THIRD PARTY BENEFICIARIES

12.1 This Agreement is not intended to benefit any person or entity not a Party to it and no third Party beneficiaries are created by this Agreement.

#### SECTION 13 - GOVERNING LAW, FORUM AND VENUE

13.1 The construction, validity, and enforcement of this Agreement shall be governed by the laws and regulations of the State of Missouri, except when Federal law may be controlling, in which case Federal law will govern.

## SECTION 14 - ENTIRE AGREEMENT

14.1 This Agreement, including all Parts and Attachments and subordinate documents attached hereto or referenced herein, all of which are hereby incorporated by reference, constitute the entire matter thereof, and supersede all prior oral or written agreements, representations, statements, negotiations, understandings, proposals, and undertakings with respect to the subject matter thereof.

## SECTION 15 - NOTICE

15.1 Notices shall be sent via certified, registered, or overnight mail. Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent, in the case of Sprint PCS to:

Paul Reed  
Manager – Wholesale and Interconnection Mgmt.  
KSOPHN0212-2A422  
6450 Sprint Pkwy  
Overland Park, KS 66251

With a copy to:

Lisa Creighton Hendricks  
Senior Attorney  
KSOPHN0212-2A253  
6450 Sprint Pkwy  
Overland Park, KS 66251

In the case of ILEC:

General Manager  
Chariton Valley Telephone Corporation  
109 Butler  
Macon, Missouri 63552

with a copy to:

Craig S. Johnson



Andereck Evans Milne Peace & Johnson, LLC  
P.O. Box 1438  
Jefferson City, Missouri 65102

or to such other location as the receiving Party may direct in writing.

#### SECTION 16 - FORCE MAJEURE

16.1 The Parties shall comply with applicable orders, rules, or regulations of the FCC and the Commission and with applicable Federal and State law during the terms of this Agreement.

Notwithstanding anything to the contrary contained herein, a Party shall not be liable nor deemed to be in default for any delay or failure of performance under this Agreement resulting from acts of God, civil or military authority, acts of the public enemy, war, hurricanes, tornadoes, storms, fires, explosions, earthquakes, floods, government regulation, strikes, lockouts, or other work interruptions by employees or agents not within the control of the non-performing Party.

#### SECTION 17 - TAXES

17.1 The Party collecting revenues shall be responsible for collecting, reporting, and remitting all taxes associated therewith, provided that the tax liability shall remain with the Party upon whom it is originally imposed.

#### SECTION 18 - ASSIGNMENT

18.1 Neither Party may assign this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed, provided, however, a Party may assign this Agreement or any portion thereof, without consent, to any entity that, on the effective date of this Agreement, controls, was controlled by or under the common control with the assigning Party. Any such assignment shall not, in any way, affect or limit the rights and/or obligations of the Parties under the terms of this Agreement.

## SECTION 19 - TERMINATION OF SERVICE TO EITHER PARTY

19.1 Failure of either Party to pay undisputed charges shall be grounds for termination of this Agreement. If either Party fails to pay when due any undisputed charges billed to them under this Agreement ("Undisputed Unpaid Charges"), and any portion of such charges remain unpaid more than thirty (30) days after the due date of such Undisputed Unpaid Charges, the Billing Party will notify the billed Party in writing that in order to avoid having service disconnected, the billed Party must remit all Undisputed Unpaid Charges to the Billing Party within thirty (30) days after receipt of said notice (the "Termination Notice"). Disputes hereunder will be resolved in accordance with the Dispute Resolution Procedures set out in Section 7 of this Agreement.

19.2 Either Party may discontinue service to the other Party upon failure to pay Undisputed Unpaid Charges as provided in Section 19.1, and will have no liability to the non-paying Party in the event of such disconnection. To the extent necessary, either party may request the assistance of a third-party LEC in order to effectuate disconnection.

19.3 After disconnect procedures have begun, the Billing Party will not accept service orders from the non-paying Party until all Undisputed Unpaid Charges are paid in full, in immediately available funds. The Billing Party will have the right to require a deposit equal to one month's charges (based on the highest previous month of service from the Billing Party) prior to resuming service to the non-paying Party after disconnection for nonpayment.

## SECTION 20 - MISCELLANEOUS

20.1 This Agreement is not an interconnection agreement under 47 U.S.C. 251(c), but rather a reciprocal compensation agreement under 47 U.S.C. 251(b)(5). The Parties acknowledge that

ILEC may be entitled to a rural exemption as provided by 47 U.S.C.251(f), and ILEC does not waive such exemption by entering into this Agreement.

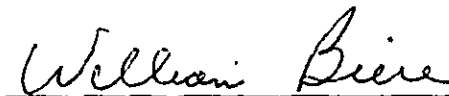
20.2 In the event that any effective legislative, regulatory, judicial, or other legal action affects any material terms of this Agreement, or the ability of the Parties to perform any material terms of this Agreement, either Party may, on thirty (30) days' written notice, require that such items be renegotiated, and the Parties shall renegotiate in good faith such mutually acceptable new terms as may be required. In the event that such new terms are not renegotiated within ninety (90) days after such notice, either Party may terminate this Agreement or the dispute may be referred to the Dispute Resolution procedure set forth in Section 7 of this agreement.

This Agreement is executed this 13<sup>th</sup> day of April, 2004.

Signatures:



Sprint PCS  
Paul Reed  
Manager - Wholesale and Interconnection Mgmt.  
6450 Sprint Pkwy  
Overland Park, KS 66251



Chariton Valley Telephone Corporation  
109 Butler  
Macon, Missouri 63552

## **APPENDIX 1**

Pursuant to Section 4.1:

Rates for termination of Local Traffic via an indirect interconnection:

Local Termination Rate                      \$0.035 per minute

Rates for termination of Non-Local Interstate Traffic shall be taken from ILEC's access tariff for interstate intraLATA traffic:

Rates for termination of Non-Local Intrastate Traffic shall be taken from ILEC's access tariff for intrastate intraLATA traffic:

## **APPENDIX 2**

Pursuant to Section 4.2:

80.0% of traffic shall be deemed to be Local

20.0% of traffic shall be deemed to be InterMTA

Of the InterMTA traffic:

20% shall be deemed to be Interstate

80% shall be deemed to be Intrastate