

Qwest
1600 7th Avenue, Room 3206
Seattle, Washington 98191
(206) 398-2504
Facsimile (206) 343-4040

Maura E. Peterson
Paralegal
Regulatory Law

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2008 FEB 22 AM 2:03
IDAHO PUBLIC
UTILITIES COMMISSION



Via Overnight delivery

February 21, 2008

Jean Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
P.O. Box 83720
Boise, Idaho 83720-0074

Re: Case No. QWE-T-04-12
Application for Approval of Amendment to the Interconnection Agreement
1-800-Reconex, Inc. dba USTel

Dear Ms. Jewell:

Enclosed for filing with this Commission on behalf of Qwest Corporation is an original and three (3) copies of the Application for Approval of Amendment to the Interconnection Agreement. Qwest respectfully requests that this matter be placed on the Commission Decision Meeting Agenda for expedited approval.

Please contact me if you have any questions concerning the enclosed. Thank you for your assistance in this matter.

Sincerely,


Maura E. Peterson

mep
Enclosure
cc: Service list

Adam L. Sherr (WSBA# 25291)
Qwest
1600 7th Ave, Room 3206
Seattle, WA 98191
Telephone: (206) 398-2504
Facsimile: (206) 343-4040
Adam.sherr@qwest.com

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION	
APPLICATION OF QWEST CORPORATION FOR APPROVAL OF AN INTERCONNECTION AGREEMENT PURSUANT TO 47 U.S.C. §252(e)	CASE NO.: QWE-T-04-12 APPLICATION FOR APPROVAL OF AMENDMENT TO THE INTERCONNECTION AGREEMENT

Qwest Corporation (“Qwest”) hereby files this Application for Approval of Amendment to the Interconnection Agreement (“Amendment”), which was approved by the Idaho Public Utilities Commission on June 22, 2004 (the “Agreement”). The Amendment with 1-800-Reconex Inc. dba USTel (“1-800-Reconex”) is submitted herewith.

This Amendment was reached through voluntary negotiations without resort to mediation or arbitration and is submitted for approval pursuant to Section 252(e) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996 (the “Act”).

Section 252(e)(2) of the Act directs that a state Commission may reject an amendment reached through voluntary negotiations only if the Commission finds that: the amendment (or portion(s) thereof) discriminates against a telecommunications carrier not a party to this agreement; or the implementation of such an amendment (or portion) is not consistent with the public interest, convenience and necessity.


Qwest respectfully submits this Amendment provides no basis for either of these findings, and, therefore requests that the Commission approve this Amendment expeditiously. This Amendment is consistent with the public interest as identified in the pro-competitive policies of the State of Idaho, the Commission, the United States Congress, and the Federal Communications Commission. Expeditious approval of this Amendment will enable 1-800-Reconex to

interconnect with Qwest facilities and to provide customers with increased choices among local telecommunications services.

Qwest further requests that the Commission approve this Amendment without a hearing. Because this Amendment was reached through voluntary negotiations, it does not raise issues requiring a hearing and does not concern other parties not a party to the negotiations. Expeditious approval would further the public interest.

Respectfully submitted this 21st day of February, 2008.

Qwest Corporation



Adam L. Sherr
Attorney for Qwest

CERTIFICATE OF SERVICE

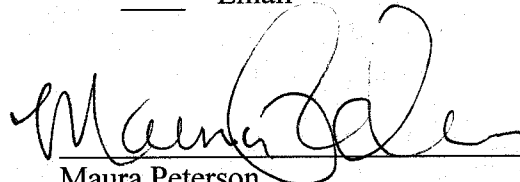
I hereby certify that on this 21st day of February 2008, I served the foregoing **APPLICATION FOR APPROVAL OF AMENDMENT TO THE INTERCONNECTION AGREEMENT** upon all parties of record in this matter as follows:

Jean Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
P.O. Box 83720
Boise, Idaho 83720-0074
jjewell@puc.state.id.us

- Hand Delivery
- U. S. Mail
- Overnight Delivery
- Facsimile
- Email

William Braun
Vice-President and General Counsel
1-800-Reconex, Inc. dba USTel
2500 Industrial Avenue
Hubbard, Oregon 97032

- Hand Delivery
- U. S. Mail
- Overnight Delivery
- Facsimile
- Em
- Hand Delivery
- U. S. Mail
- Overnight Delivery
- Facsimile
- Email



Maura Peterson
Paralegal, Qwest Corporation

QWEST LOCAL SERVICES PLATFORM™ AGREEMENT

This Qwest Local Services Platform™ ("QLSP™") Agreement, together with the Attachments and Rate Sheets, incorporated herein by reference, ("Agreement") is between **Qwest Corporation ("Qwest")**, a Colorado corporation, and **1-800-Reconex, Inc. dba USTel ("CLEC")**, (each identified for purposes of this Agreement in the signature blocks below, and referred to separately as a "Party" or collectively as the "Parties"). The undersigned Parties have read and agree to the terms and conditions set forth in the Agreement.

Qwest Corporation:

By: [Signature]
 Name: Larry Christensen
 Title: Director - Wholesale Markets
 Date: 1/25/08

1-800-Reconex, Inc. dba USTel:

By: [Signature]
 Name: William E. Braun
 Title: Vice-President & General Counsel
 Date: January 17, 2008

NOTICE INFORMATION: All written notices required under the Agreement shall be sent to the following:

Qwest Corporation
 Director - Interconnection Agreements
 1801 California Street, 24th Floor
 Denver, CO 80202
 Phone: 303-965-3029
 Fax: 303-965-3527
 Email: intagree@qwest.com

With copy to:
 Qwest Law Department
 Associate General Counsel, Interconnection
 1801 California Street, 10th Floor
 Denver, CO 80202
 Phone: 303-383-6553
 Email: Legal.Interconnection@qwest.com

CLEC:
 William Braun
 Vice-President and General Counsel
1-800-Reconex, Inc. dba USTel
 2500 Industrial Avenue
 Hubbard, Oregon 97032
 503-982-5573
Bill.Braun@RECONEX.com

APPLICABLE STATES:

Qwest agrees to offer and CLEC intends to purchase Service in the states indicated below by CLEC's signatory initialing (or an "X") on the applicable blanks. **Note: If CLEC chooses to indicate Washington, CLEC must select only one (1) of the Washington Service offerings. CLEC may not change its Washington selection after the Agreement is executed.**

- Arizona
- Colorado
- Idaho
- Iowa
- Minnesota
- Montana
- Nebraska
- New Mexico
- North Dakota
- Oregon

- South Dakota
- Utah
- Washington 7.0** (with Commercial Performance Measures and Reporting, Performance Targets and Service Credits, as described in Section 7.0 of Attachment 2 to this Agreement); **or**
- Washington 8.0** (with Service Performance Measures and Reporting and Performance Assurance Plan (PID/PAP) for Washington only, as described in Section 8.0 of Attachment 2 to this Agreement).
- Wyoming

January 7, 2008/msd/1-800-Reconex dba USTel/Qwest QLSP™ MSA - (v4.0 - 11-16-07)
 (AZ=CDS-080107-0001); (~~CO=CDS-080107-0002~~); (IA=CDS-080107-0003); (ID=CDS-080107-0004); (~~MN=CDS-080107-0005~~);
 (MT=CDS-080107-0006); (ND=CDS-080107-0007); (NE=CDS-080107-0008); (NM=CDS-080107-0009); (OR=CDS-080107-0010);
 (SD=CDS-080107-0011); (UT=CDS-080107-0012); (WA=CDS-080107-0013); (WY=CDS-080107-0014)

WEC 1/25/08

WHEREAS, CLEC desires to purchase from Qwest certain combinations of Network Elements, ancillary functions, and additional features, including without limitation, the local Loop, Port, switching, and Shared Transport.

Now, therefore, in consideration of the terms and conditions contained herein, CLEC and Qwest mutually agree as follows:

1. **Definitions.** Capitalized terms used herein are defined in Attachment 1.

2. **Effective Date.** This Agreement is effective upon the latest execution date by the Parties ("Effective Date").

2.1 CLEC's Qwest Platform Plus™ Master Services Agreement, if any, is terminated immediately upon execution of this Agreement, and Qwest will provide CLEC local platform services only pursuant to the terms and conditions of this Agreement. The effective billing date for QLSP services will be the latest date of execution by the Parties.

3. **Term.** The term of this Agreement begins on the Effective Date and continues through January 3, 2011. In the event that at the expiration of the Agreement CLEC has any remaining Customers served under this Agreement, Qwest may immediately convert CLEC to an equivalent alternative service at market-based wholesale rates.

4. **Scope of Agreement; Service Provisioning; Controlling Documents; Change of Law; Eligibility for Services under this Agreement; Non-Applicability of Change Management Process.**

4.1 The Services ("Services") described in this Agreement will only be provided in Qwest's incumbent LEC service territory in the states of Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington and Wyoming.

4.2 In the event of a conflict in any term of any documents that govern the provision of Services hereunder, the following order of precedence will apply in descending order of control: an Attachment, Rate Sheet, this Agreement, and any Order Form. The Parties agree that the Services offered and purchased under this Agreement are subject to compliance with all Applicable Laws and regulations; and obtaining any domestic or foreign approvals and authorizations required or advisable.

4.3 The provisions in this Agreement are intended to be in compliance with and based on the existing state of the law, rules, regulations and interpretations thereof, including but not limited to Federal rules, regulations, and laws, as of the Effective Date ("Existing Rules"). Nothing in this Agreement shall be deemed an admission by Qwest or CLEC concerning the interpretation or effect of the Existing Rules or an admission by Qwest or CLEC that the Existing Rules should not be changed, vacated, dismissed, stayed or modified. Nothing in this Agreement shall preclude or estop Qwest or CLEC from taking any position in any forum concerning the proper interpretation or effect of the Existing Rules or concerning whether the Existing Rules should be changed, vacated, dismissed, stayed or modified.

4.4 If a change in law, rule, or regulation materially impairs a Party's ability to perform or obtain a benefit under this Agreement, both Parties agree to negotiate in good faith such changes as may be necessary to address such material impairment.

4.5 To receive services under this Agreement, CLEC must be a certified CLEC under applicable state rules. CLEC may not purchase or utilize Services covered under this Agreement for its own administrative use or for the use by an Affiliate.

4.6 Except as otherwise provided in this Agreement, the Parties agree that Services provided under this Agreement are not subject to January 7, 2008/msd/1-800-Reconex dba USTel/Qwest QLSP™ MSA – (v4.0 - 11-16-07) (AZ=CDS-080107-0001); (IA=CDS-080107-0003); (ID=CDS-080107-0004); (MT=CDS-080107-0006); (ND=CDS-080107-0007); (NE=CDS-080107-0008); (NM=CDS-080107-0009); (OR=CDS-080107-0010); (SD=CDS-080107-0011); (UT=CDS-080107-0012); (WA=CDS-080107-0013); (WY=CDS-080107-0014)

the Qwest Wholesale Change Management Process ("CMP"), Qwest's Performance Indicators ("PID"), Performance Assurance Plan ("PAP"), or any other wholesale service quality standards, or liquidated damages and remedies. Except as otherwise provided, CLEC hereby waives any rights it may have under the PID, PAP and all other wholesale service quality standards to liquidated damages, and remedies with respect to Services provided pursuant to this Agreement. CLEC proposed changes to Service attributes and process enhancements will be communicated through the standard account interfaces. Change requests common to shared systems and processes subject to CMP will continue to be addressed via the CMP procedures.

5. **CLEC Information.** CLEC agrees to work with Qwest in good faith to complete promptly or update, as applicable, Qwest's "New Customer Questionnaire" to the extent that CLEC has not already done so, and CLEC shall hold Qwest harmless for any damages to or claims from CLEC caused by CLEC's failure to complete or update the questionnaire.

6. **Financial Terms.**

6.1 The description of the Service and applicable rates are set forth in the Attachments and Rate Sheets. The Parties agree that the referenced rates are just and reasonable.

6.2 **Taxes, Fees, and other Governmental Impositions.**

All charges for Services provided herein are exclusive of any federal, state, or local sales, use, excise, gross receipts, transaction or similar taxes, fees or surcharges ("Tax" or "Taxes"). Taxes resulting from the performance of this Agreement shall be borne by the Party upon which the obligation for payment is imposed under Applicable Law, even if the obligation to collect and remit such Taxes is placed upon the other Party. However, where the selling Party is specifically permitted by an Applicable Law to collect such Taxes from the purchasing Party, such Taxes shall be borne by the Party purchasing the services. Each Party is responsible for any tax on its corporate existence, status or income. Taxes shall be billed as a separate item on the invoice in accordance with Applicable Law. The Party Billing such Taxes shall, at the written request of the Party billed, provide the billed Party with detailed information regarding billed Taxes, including the applicable Tax jurisdiction, rate, and base upon which the Tax is applied. If either Party (the Contesting Party) contests the application of any Tax collected by the other Party (the Collecting Party), the Collecting Party shall reasonably cooperate in good faith with the Contesting Party's challenge, provided that the Contesting Party pays any reasonable costs incurred by the Collecting Party. The Contesting Party is entitled to the benefit of any refund or recovery resulting from the contest, provided that the Contesting Party has paid the Tax contested. If the purchasing Party provides the selling Party with a resale or other exemption certificate, the selling Party shall exempt the purchasing Party if the purchasing Party accepts the certificate in good faith. If a Party becomes aware that any Tax is incorrectly or erroneously collected by that Party from the other Party or paid by the other Party to that Party, that Party shall refund the incorrectly or erroneously collected Tax or paid Tax to the other Party.

6.3 Each Party shall be solely responsible for all taxes on its own business, the measure of which is its own net income or net worth and shall be responsible for any related tax filings, payment, protest, audit and litigation. Each Party shall be solely responsible for the Billing, collection and proper remittance of all applicable Taxes relating to its own services provided to its own Customers.

7. Intellectual Property.

7.1 Except for a license to use any facilities or equipment (including software) solely for the purposes of this Agreement or to receive Service solely as provided in this Agreement or as specifically required by the then-applicable federal rules and regulations relating to Services provided under this Agreement, nothing contained within this Agreement shall be construed as the grant of a license, either express or implied, with respect to any patent, copyright, trade name, trademark, service mark, trade secret, or other proprietary interest or intellectual property, now or hereafter owned, controlled or licensable by either Party. Neither Party may use any patent, copyright, trade name, trademark, service mark, trade secret, nor other proprietary interest or intellectual property, now or hereafter owned, controlled or licensable by either Party without execution of a separate written agreement between the Parties.

7.2 Subject to the general Indemnity provisions of this Agreement, each Party (an Indemnifying Party) shall indemnify and hold the other Party (an Indemnified Party) harmless from and against any loss, cost, expense or liability arising out of a claim that the services provided by the Indemnifying Party provided or used pursuant to the terms of this Agreement misappropriate or otherwise violate the intellectual property rights of any third party. The obligation for indemnification recited in this paragraph shall not extend to infringement which results from:

A. any combination of the facilities or services of the Indemnifying Party with facilities or services of any other Person (including the Indemnified Party but excluding the Indemnifying Party and any of its Affiliates), which combination is not made by or at the direction of the Indemnifying Party or is not reasonably necessary to CLEC's use of the Services offered by Qwest under this Agreement; or

B. any modification made to the facilities or services of the Indemnifying Party by, on behalf of, or at the request of the Indemnified Party and not required by the Indemnifying Party.

7.3 In the event of any claim, the Indemnifying Party may, at its sole option obtain the right for the Indemnified Party to continue to use the facility or service; or replace or modify the facility or service to make such facility or service non-infringing.

7.4 If the Indemnifying Party is not reasonably able to obtain the right for continued use or to replace or modify the facility or service as provided above and either the facility or service is held to be infringing by a court of competent jurisdiction; or the Indemnifying Party reasonably believes that the facility or service will be held to infringe, the Indemnifying Party will notify the Indemnified Party and the Parties will negotiate in good faith regarding reasonable modifications to this Agreement necessary to mitigate damage or comply with an injunction which may result from such infringement; or allow cessation of further infringement.

7.5 The Indemnifying Party may request that the Indemnified Party take steps to mitigate damages resulting from the infringement or alleged infringement including, but not limited to, accepting modifications to the facilities or services, and such request shall not be unreasonably denied.

7.6 To the extent required under applicable federal and state law, Qwest shall use commercially reasonable efforts to obtain, from its vendors who have licensed intellectual property rights to Qwest in

connection with Services provided hereunder, licenses under such intellectual property rights as necessary for CLEC to use such Services as contemplated hereunder and at least in the same manner used by Qwest for the Services provided hereunder. Qwest shall notify CLEC immediately in the event that Qwest believes it has used its commercially reasonable efforts to obtain such rights, but has been unsuccessful in obtaining such rights. Nothing in this subsection shall be construed in any way to condition, limit, or alter a Party's indemnification obligations under Section 7.2, preceding.

7.7. Neither Party shall without the express written permission of the other Party, state or imply that it is connected, or in any way affiliated with the other or its Affiliates; it is part of a joint business association or any similar arrangement with the other or its Affiliates; the other Party and its Affiliates are in any way sponsoring, endorsing or certifying it and its goods and services; or with respect to its marketing, advertising or promotional activities or materials, the services are in any way associated with or originated from the other Party or any of its Affiliates.

7.8 Nothing in this Section prevents either Party from truthfully describing the Services it uses to provide service to its End User Customers, provided it does not represent the Services as originating from the other Party or its Affiliates or otherwise attempt to sell its End User Customers using the name of the other Party or its Affiliates.

7.9 Because a breach of the material provisions of this Section 7 may cause irreparable harm for which monetary damages may be inadequate, in addition to other available remedies, the non-breaching Party may seek injunctive relief.

8. Financial Responsibility, Payment and Security.

8.1 Payment Obligation. Amounts payable under this Agreement are due and payable within thirty (30) Days after the date of invoice ("Payment Due Date"). If the Payment Due Date falls on a Sunday or on a holiday which is observed on a Monday, the payment date will be the first non holiday day following such Sunday or holiday. If such a payment date falls on a Saturday or on a holiday which is observed on Tuesday, Wednesday, Thursday or Friday, the payment date shall be the last non holiday day preceding such Saturday or holiday. For invoices distributed electronically, the date of the invoice date is the same as if the invoice were billed on paper, not the date the electronic delivery occurs. If CLEC fails to make payment on or before the Payment Due Date, Qwest may invoke all available rights and remedies.

8.2 Cessation of Order Processing. Qwest may discontinue processing orders for Services for the failure of CLEC to make full payment for Services, less any good faith disputed amount as provided for in this Agreement, within thirty (30) Days following the Payment Due Date provided that Qwest has first notified CLEC in writing at least ten (10) business days prior to discontinuing the processing of orders for Services. If Qwest does not refuse to accept additional orders for Services on the date specified in the ten (10) business days notice, and CLEC's non-compliance continues, nothing contained herein shall preclude Qwest's right to refuse to accept additional orders for Services from CLEC without further notice. For order processing to resume, CLEC will be required to make full payment of all past-due charges for Services not disputed in good faith under this Agreement, and Qwest may require a deposit (or recalculate the deposit) pursuant to Section 8.5. In addition to other remedies that may be available at law or equity, Qwest reserves the right to seek equitable relief including injunctive relief and specific performance.

8.3 Disconnection. Qwest may disconnect any Services provided under this Agreement for failure by CLEC to make full payment for such Services, less any good faith disputed amount as

January 7, 2008/msd/1-800-Reconex dba USTel/Qwest QLSP™ MSA – (v4.0 - 11-16-07)

(AZ=CDS-080107-0001); (IA=CDS-080107-0003); (ID=CDS-080107-0004); (MT=CDS-080107-0006); (ND=CDS-080107-0007); (NE=CDS-080107-0008); (NM=CDS-080107-0009); (OR=CDS-080107-0010); (SD=CDS-080107-0011); (UT=CDS-080107-0012); (WA=CDS-080107-0013); (WY=CDS-080107-0014)

provided for in this Agreement, within sixty (60) Days following the Payment Due Date provided that Qwest has first notified CLEC in writing at least ten (10) business days prior to disconnecting Services. CLEC will pay the applicable charge set forth in the Rate Sheet required to reconnect Services for each End User Customer disconnected pursuant to this paragraph. In case of such disconnection, all applicable undisputed charges, including termination charges, will become due. If Qwest does not disconnect CLEC's Service on the date specified in the ten (10) business days notice, and CLEC's noncompliance continues, nothing contained herein shall preclude Qwest's right to disconnect any or all Services. For reconnection of the Service to occur, CLEC will be required to make full payment of all past and current undisputed charges under this Agreement for Services and Qwest may require a deposit (or recalculate the deposit) pursuant to Section 8.5. In addition to other remedies that may be available at law or equity, each Party reserves the right to seek equitable relief, including injunctive relief and specific performance. Notwithstanding the foregoing, Qwest will not effect a disconnection pursuant to this section in such manner that CLEC may not reasonably comply with Applicable Law concerning End User Customer disconnection and notification, provided that, the foregoing is subject to CLEC's reasonable diligence in effecting such compliance.

8.4 Billing Disputes. Should CLEC dispute, in good faith, and withhold payment on any portion of the charges under this Agreement, CLEC will notify Qwest in writing within fifteen (15) Days following the Payment Due Date identifying the amount, reason and rationale of such dispute. At a minimum, CLEC will pay all undisputed amounts due to Qwest. Both CLEC and Qwest agree to expedite the investigation of any disputed amounts, promptly provide reasonably requested documentation regarding the amount disputed, and work in good faith in an effort to resolve and settle the dispute through informal means prior to invoking any other rights or remedies.

A. If CLEC disputes charges and does not pay such charges by the Payment Due Date, such charges may be subject to late payment charges. If the disputed charges have been withheld and the dispute is resolved in favor of Qwest, CLEC will pay the disputed amount and applicable late payment charges no later than the next Bill Date following the resolution. CLEC may not continue to withhold the disputed amount following the initial resolution while pursuing further dispute resolution. If the disputed charges have been withheld and the dispute is resolved in favor of CLEC, Qwest will credit CLEC's bill for the amount of the disputed charges and any late payment charges that have been assessed no later than the second Bill Date after the resolution of the dispute.

B. If CLEC pays the disputed charges and the dispute is resolved in favor of Qwest, no further action is required. If CLEC pays the charges disputed at the time of payment or at any time thereafter, and the dispute is resolved in favor of the CLEC, Qwest will adjust the Billing, usually within two Billing cycles after the resolution of the dispute, as follows: Qwest will credit the CLEC's bill for the disputed amount and any associated interest; or if the disputed amount is greater than the bill to be credited, pay the remaining amount to CLEC.

C. The interest calculated on the disputed amounts will be the same rate as late payment charges. In no event, however, will any late payment charges be assessed on any previously assessed late payment charges.

D. If CLEC fails to dispute a rate or charge within 60 Days following the invoice date on which the rate or charge appeared, adjustment will be made on a going-forward basis only, beginning with the date of the dispute.

8.5 Security Deposits. In the event of a material adverse change in CLEC's financial condition subsequent to the Effective Date of the Agreement, Qwest may request a security deposit. A "material adverse change in financial condition" means CLEC is a new CLEC with no established credit history, or is a CLEC that has not established satisfactory credit with Qwest, or the Party is repeatedly delinquent in making its payments, or is being reconnected after a disconnection of Service or discontinuance of the processing of orders by Qwest due to a previous failure to pay undisputed charges in a timely manner. Qwest may require a deposit to be held as security for the payment of charges before the orders from CLEC will be provisioned and completed or before reconnection of Service. "Repeatedly Delinquent" means any payment of a material amount of total monthly Billing under the Agreement received after the Payment Due Date, three (3) or more times during the last twelve (12) month period. The initial deposit may not exceed the estimated total monthly charges for a two (2) month period based upon recent Billing. The deposit may be an irrevocable bank letter of credit, a letter of credit with terms and conditions acceptable to Qwest, or some other form of mutually acceptable security such as a cash deposit. The deposit may be adjusted by CLEC's actual monthly average charges, payment history under this Agreement, or other relevant factors, but in no event will the security deposit exceed five million dollars (\$5,000,000.00). Required deposits are due and payable within thirty (30) Days after demand and non-payment is subject to 8.2 and 8.3 of this Section.

8.6 Interest on Deposits. Any interest earned on cash deposits will be credited to CLEC in the amount actually earned or at the rate set forth in Section 8.7 below, whichever is lower, except as otherwise required by law, provided that, for elimination of doubt, the Parties agree that such deposits are not subject to state laws or regulations relating to consumer or End User Customer cash deposits. Cash deposits and accrued interest, if applicable, will be credited to CLEC's account or refunded, as appropriate, upon the earlier of the expiration of the term of the Agreement or the establishment of satisfactory credit with Qwest, which will generally be one full year of timely payments of undisputed amounts in full by CLEC. Upon a material change in financial standing, CLEC may request, and Qwest will consider, a recalculation of the deposit. The fact that a deposit has been made does not relieve CLEC from any requirements of this Agreement.

8.7 Late Payment Charge. If any portion of the payment is received by Qwest after the Payment Due Date, or if any portion of the payment is received by Qwest in funds that are not immediately available, then a late payment charge will be due to Qwest. The late payment charge is the portion of the payment not received by the Payment Due Date multiplied by a late factor. The late factor is the lesser of the highest interest rate (in decimal value) which may be levied by law for commercial transactions, compounded daily for the number of Days from the Payment Due Date to and including the date that the CLEC actually makes the payment to Qwest; or 0.000407 per Day, compounded daily for the number of Days from the Payment Due Date to and including the date that the CLEC actually makes the payment to Qwest.

9. Conversions. If CLEC is obtaining services from Qwest under an arrangement or agreement that includes the application of termination liability assessment (TLA) or minimum period charges, and if CLEC wishes to convert such services to a Service under this Agreement, the conversion of such services will not be delayed due to the applicability of TLA or minimum period charges. The applicability of such charges is governed by the terms of the original agreement, Tariff or arrangement. Nothing herein will be construed as expanding the rights otherwise granted by this Agreement or by law to elect to make such conversions.

10. Customer Contacts. CLEC, or CLEC's authorized agent,

are the single point of contact for its End User Customers' service needs, including without limitation, sales, service design, order taking, Provisioning, change orders, training, maintenance, trouble reports, repair, post-sale servicing, Billing, collection and inquiry. CLEC will inform its End User Customers that they are End User Customers of CLEC. CLEC's End User Customers contacting Qwest will be instructed to contact CLEC, and Qwest's End User Customers contacting CLEC will be instructed to contact Qwest. In responding to calls, neither Party will make disparaging remarks about each other. To the extent the correct provider can be determined, misdirected calls received by either Party will be referred to the proper provider of Local Exchange Service; however, nothing in this Agreement shall be deemed to prohibit Qwest or CLEC from discussing its products and services with CLEC's or Qwest's End User Customers who call the other Party.

10.1 In the event Qwest terminates Service to CLEC for any reason, CLEC will provide any and all necessary notice to its End User Customers of the termination. In no case will Qwest be responsible for providing such notice to CLEC's End User Customers.

11. **Default and Breach.** If either Party defaults in the payment of any amount due hereunder, or if either Party violates any other material provision of this Agreement and such default or violation continues for thirty (30) Days after written notice thereof, the other Party may terminate this Agreement and seek relief in accordance with the Dispute Resolution provision, or any remedy under this Agreement.

12. **Limitation of Liability.**

12.1 CLEC's exclusive remedies for claims under this Agreement are limited to CLEC's proven direct damages unless CLEC's damages are otherwise limited by this Agreement to outage credits or other service credits, in which case Qwest's total liability will not exceed the aggregate amount of any applicable credits due.

12.2 Except for indemnification and payment obligations under this Agreement, neither Party shall be liable to the other for indirect, incidental, consequential, exemplary, punitive, or special damages, including, without limitation, damages for lost profits, lost revenues, lost savings suffered by the other Party regardless of the form of action, whether in contract, warranty, strict liability, tort, including, without limitation, negligence of any kind and regardless of whether the Parties know the possibility that such damages could result.

12.3 Nothing contained in this Section shall limit either Party's liability to the other for willful misconduct, provided that, a Party's liability to the other Party pursuant to the foregoing exclusion, other than direct damages, will be limited to a total cap equal to one hundred per cent (100%) of the annualized run rate of total amounts charged by Qwest to CLEC under the Agreement.

13. **Indemnity.**

13.1 The Parties agree that unless otherwise specifically set forth in this Agreement the following constitute the sole indemnification obligations between and among the Parties:

A. Each Party (the Indemnifying Party) agrees to release, indemnify, defend and hold harmless the other Party and each of its officers, directors, employees and agents (each an Indemnitee) from and against and in respect of any loss, debt, liability, damage, obligation, claim, demand, judgment or settlement of any nature or kind, known or unknown, liquidated or unliquidated including, but not limited to, reasonable costs and expenses (including attorneys' fees), whether suffered, made, instituted, or asserted by any Person or entity, for invasion of privacy, bodily

injury or death of any Person or Persons, or for loss, damage to, or destruction of tangible property, whether or not owned by others, resulting from the Indemnifying Party's breach of or failure to perform under this Agreement, regardless of the form of action, whether in contract, warranty, strict liability, or tort including (without limitation) negligence of any kind.

B. In the case of claims or loss alleged or incurred by an End User Customer of either Party arising out of or in connection with Services provided to the End User Customer by the Party, the Party whose End User Customer alleged or incurred such claims or loss (the Indemnifying Party) shall defend and indemnify the other Party and each of its officers, directors, employees and agents (collectively the Indemnified Party) against any and all such claims or loss by the Indemnifying Party's End User Customers regardless of whether the underlying Service was provided or was provisioned by the Indemnified Party, unless the loss was caused by the gross negligence or willful misconduct of the Indemnified Party. The obligation to indemnify with respect to claims of the Indemnifying Party's End User Customers shall not extend to any claims for physical bodily injury or death of any Person or persons, or for loss, damage to, or destruction of tangible property, whether or not owned by others, alleged to have resulted directly from the negligence or intentional conduct of the employees, contractors, agents, or other representatives of the Indemnified Party.

13.2 The indemnification provided herein is conditioned upon:

A. The Indemnified Party will promptly notify the Indemnifying Party of any action taken against the Indemnified Party relating to the indemnification. Failure to so notify the Indemnifying Party will 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.

B. If the Indemnifying Party wishes to defend against such action, it will give written notice to the Indemnified Party of acceptance of the defense of such action. In such event, the Indemnifying Party has sole authority to defend any such action, including the selection of legal counsel, and the Indemnified Party may engage separate legal counsel only at its sole cost and expense. In the event that the Indemnifying Party does not accept the defense of the action, the Indemnified Party has the right to employ counsel for such defense at the expense of the Indemnifying Party. Each Party agrees to cooperate with the other Party in the defense of any such action and the relevant records of each Party will be available to the other Party with respect to any such defense.

C. In no event will the Indemnifying Party settle or consent to any judgment for relief other than monetary damages pertaining to any such action without the prior written consent of the Indemnified Party. In the event the Indemnified Party withholds consent the Indemnified Party may, at its cost, 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 relevant Indemnified Party against, any cost or liability in excess of such refused compromise or settlement.

14. **Limited Warranties.**

14.1 Each Party will provide suitably qualified personnel to perform this Agreement and all Services hereunder in a good and workmanlike manner and in material conformance with all Applicable Laws and regulations.

14.2 EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, QWEST SPECIFICALLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY SERVICE PROVIDED HEREUNDER. QWEST SPECIFICALLY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES; INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR TITLE OR NON-INFRINGEMENT OF THIRD PARTY RIGHTS.

15. **Relationship.** Except to the limited extent expressly provided in this Agreement neither Party has the authority to bind the other by contract or otherwise or make any representations or guarantees on behalf of the other or otherwise act on the other's behalf; and the relationship arising from this Agreement does not constitute an agency, joint venture, partnership, employee relationship, or franchise.

16. **Assignment.**

16.1 CLEC may not assign this Agreement or any rights or obligations hereunder without the prior written consent of Qwest, which consent will not be unreasonably withheld. Notwithstanding the foregoing and subject to the prior credit review, submission of appropriate legal documentation (including, but not limited, to any appropriate Secretary of State or other filings or documents specified by Qwest and approval by Qwest of CLEC's proposed assignee, CLEC may assign this Agreement without prior written consent of Qwest to any Affiliate, successor through merger, or acquirer of substantially all of its assets; and Qwest may assign this Agreement without prior written consent to any Affiliate, successor through merger, or acquirer of substantially all of its business assets; provided that in all cases the assignee of CLEC or Qwest, as applicable, acknowledge in writing its assumption of the obligations of the assignor hereunder. Any attempted assignment in violation hereof is of no force or effect and is void. Without limiting the generality of the foregoing, this Agreement will be binding the Parties' respective successors and assigns.

16.2 In the event that Qwest transfers to any unaffiliated party exchanges including End User Customers that CLEC serves in whole or in part through Services provided by Qwest under this Agreement, Qwest will ensure that the transferee serve as a successor to and fully perform all of Qwest's responsibilities and obligations under this Agreement for a period of ninety (90) Days from the effective date of such transfer or until such later time as the FCC may direct pursuant to the FCC's then applicable statutory authority to impose such responsibilities either as a condition of the transfer or under such other state statutory authority as may give it such power. In the event of such a proposed transfer, Qwest will use best efforts to facilitate discussions between CLEC and the transferee with respect to transferee's assumption of Qwest's obligations after the above-stated transition period pursuant to the terms of this Agreement.

17. **Reporting Requirements.** If reporting obligations or requirements are imposed upon either Party by any third party or regulatory agency in connection with either this Agreement or the Services, including use of the Services by CLEC or its End Users, the other Party agrees to assist that Party in complying with such obligations and requirements, as reasonably required by that Party.

18. **Survival.** The expiration or termination of this Agreement does not relieve either Party of those obligations that by their nature are intended to survive.

19. **Confidentiality/ Nondisclosure.**

19.1 Neither Party will, without the prior written consent of the other Party issue any public announcement regarding, or make any

other disclosure of the terms of, this Agreement; or disclose or use (except as expressly permitted by, or required to achieve the purposes of, this Agreement) the Confidential Information of the other Party. Consent may only be given on behalf of a Party by its Legal Department. However, a Party may disclose Confidential Information if required to do so by a governmental agency, by operation of law, or if necessary in any proceeding to establish rights or obligations under this Agreement, provided that the disclosing Party gives the non-disclosing Party reasonable prior written notice. Notwithstanding the foregoing, if reporting or filing obligations or requirements are imposed upon Qwest by any third party or regulatory agency in connection with this Agreement, CLEC agrees to assist Qwest in complying with such obligations and requirements, as reasonably required by Qwest and to hold Qwest harmless for any failure by CLEC in this regard. Qwest's compliance with any regulatory filing obligation will not constitute a violation of this section.

19.2 All Confidential Information will remain the property of the disclosing Party. A Party who receives Confidential Information via an oral communication may request written confirmation that the material is Confidential Information. A Party who delivers Confidential Information via an oral communication may request written confirmation that the Party receiving the information understands that the material is Confidential Information. Each Party has the right to correct an inadvertent failure to identify information as Confidential Information by giving written notification within thirty (30) Days after the information is disclosed. The receiving Party will from that time forward, treat such information as Confidential Information.

19.3 Upon request by the disclosing Party, the receiving Party will return all tangible copies of Confidential Information, whether written, graphic or otherwise, except that the receiving Party may retain one copy for archival purposes.

19.4 Each Party will keep all of the other Party's Confidential Information confidential and will disclose it on a need to know basis only. Each Party will use the other Party's Confidential Information only in connection with this Agreement and in accordance with Applicable Law. Neither Party will use the other Party's Confidential Information for any other purpose except upon such terms and conditions as may be agreed upon between the Parties in writing. If either Party loses, or makes an unauthorized disclosure of, the other Party's Confidential Information, it will notify such other Party immediately and use reasonable efforts to retrieve the information.

19.5 **Effective Date of this Section.** Notwithstanding any other provision of this Agreement, the Confidential Information provisions of this Agreement apply to all information furnished by either Party to the other in furtherance of the purpose of this Agreement, even if furnished before the Effective Date.

19.6 Each Party agrees that the disclosing Party could be irreparably injured by a breach of the confidentiality obligations of this Agreement by the receiving Party or its representatives and that the disclosing Party is entitled to seek equitable relief, including injunctive relief and specific performance in the event of any breach of the confidentiality provisions of this Agreement. Such remedies are not the exclusive remedies for a breach of the confidentiality provisions of this Agreement, but are in addition to all other remedies available at law or in equity.

19.7 Nothing herein should be construed as limiting either Party's rights with respect to its own Confidential Information or its obligations with respect to the other Party's Confidential Information under Section 222 of the Act.

20. **Waiver.** Except as otherwise provided herein, neither Party's failure to enforce any right or remedy available to it under this

