

NYNEX
185 Franklin Street, Room 1403
Boston, MA 02110-1585
Tel 617 743 2323
Fax 617 737 0648
617 743 9829

Victor D. Del Vecchio
Counsel

DE 97-068
TL ✓
NYNEX

April 11, 1997

Mr. Thomas B. Getz
Executive Director and Secretary
New Hampshire Public Utilities Commission
8 Old Suncook Road
Concord, NH 03301



Re: Interconnection Agreement between United States
Cellular Corporation and NYNEX

Dear Mr. Getz:

In accordance with Order No. 22,236 dated July 12, 1996, United States Cellular Corporation and New England Telephone and Telegraph Company (NYNEX) hereby file an interconnection agreement between them dated February 1, 1997, and jointly petition the Commission for approval of that agreement pursuant to Section 252(e) of the Telecommunications Act of 1996 (the Act), 47 U.S.C. § 252(e). Also enclosed is a summary of the agreement in support of the parties' request for approval. Should the Commission subsequently request the submission of prefiled testimony, the parties will timely comply with such request.

United States Cellular Corporation has been granted authority by the Federal Communications Commission (FCC) to provide commercial mobile radio service (CMRS) in New Hampshire. The FCC has determined that CMRS providers are entitled to interconnection and reciprocal compensation arrangements under Section 251(c)(2) of the Act.¹ The enclosed interconnection agreement has been negotiated by the parties pursuant to Sections 251(c) and 252(a) of the Act.

Under the Act, a state commission may reject a negotiated interconnection agreement such as this one only if the commission finds that the agreement (or any portion thereof) discriminates against a telecommunications carrier not a party to the agreement, or that the agreement's implementation would not be consistent with the public interest, convenience and necessity. 47 U.S.C. § 252(e)(2)(A). The parties respectfully submit that their agreement meets this statutory standard and therefore request that the Commission approve it. Section 252(e)(4) of the Act provides that if a state commission

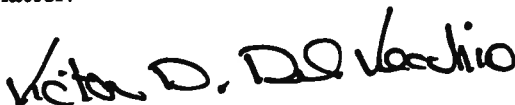
¹ *First Report and Order* of the FCC in CC Docket No. 96-98 (August 8, 1996) at ¶¶ 1007- 1015.

does not act to approve or reject a negotiated interconnection agreement within 90 days after its submission, it shall be deemed approved.

The attorney representing United States Cellular Corporation is Ms. Mary Davis. Ms. Davis's address and telephone number are:

Ms. Mary Davis
8410 West Bryn Mawr Avenue
Suite 700
Chicago, Illinois 60631
773-864-3136

Thank you for your attention to this matter.


Victor D. Del Vecchio

cc: Ms. Mary Davis

Summary of Interconnection Agreement under Sections 251 and 252 of the Telecommunications Act of 1996

This interconnection agreement under Section 251(c)(2) of the Telecommunications Act of 1996 ("Agreement") by and between United States Cellular Corporation, ("US Cellular") and New England Telephone and Telegraph Company d/b/a NYNEX ("NYNEX" or "NET") sets forth the terms under which US Cellular and NYNEX will connect their respective networks, as well as the services and other arrangements that NYNEX will provide to US Cellular.

The Agreement was executed on February 1st, 1997, subject to approval by the Commission. The following is an executive summary of the Agreement which serves to highlight and discuss the major provisions of the Agreement.

EXECUTIVE SUMMARY

Section 1.0 - Definitions

This section contains twenty three definitions, all of which are standard in the industry.

Section 2.0 - Interpretation and Construction

Section 3.0 - Scope

Section 3.0 limits the parties' agreement to the specific interconnection arrangements described in the Agreement. Neither party is required to provide interconnection arrangements not specified in the Agreement.

Section 4.0 - Description of Arrangements

Both parties will interconnect their respective networks based upon a Type 2A (FG 2A) interconnection service as specified in NYNEX's intrastate access tariff (New Hampshire PUC No. 79) and a Type 1 (Flexpath) interconnection service as specified in NYNEX's intrastate exchange tariff (New Hampshire PUC No. 77).¹

On an interim basis until such time as NYNEX offers FG 2A interconnection for the following call types, US Cellular must utilize Type 1 interconnection service to reach local operator service, Directory Assistance, and service access codes. Type 1 is specified in NYNEX's intrastate exchange tariff (New Hampshire PUC No. 77) as Flexpath Service.

In accordance with the PUC No. 79 Tariff, FG 2A may have access to a Feature Group D Trunk group or groups at access tandem switches designated by NYNEX where interLATA Feature Group D (FG D) switching is provided.

¹ The Agreement inadvertently refers to NH PUC No. 75 and No. 78 instead of NH PUC No. 77 and No. 79, respectively. The correct, intended references are those set forth in this summary.

Section 5.0 - Compensation Arrangements

The parties agree to jointly determine a methodology independent of this Agreement to identify Local Traffic. Based on this methodology, US Cellular shall provide NYNEX with a Percent Local Usage (PLU) factor on a quarterly basis. This initial PLU factor will be used for the first three months after the effective date of this Agreement, and may be used beyond the first three months if both parties agree. US Cellular will also provide NYNEX with a Percent Interstate Usage (PIU) factor on a quarterly basis. The PLU factor is applied to total minutes of use (excluding IXC Traffic) to obtain the split of Local and non-Local minutes of use. Then, the PIU will be applied to the Non-Local minutes of use for application and billing of interstate and intrastate access charges, as appropriate. NYNEX shall not charge US Cellular for LEC originated traffic delivered to US Cellular pursuant to the Act except for discretionary reverse billing options, such as FG 2A, Calling Plan 2. The parties agree to the following schedule of rates and charges. All rates reflected below are per minute of use (MOU).

	Reciprocal	Call A	Call B
Type 1	\$.0080	\$.0080	\$.0080
	Reciprocal	Per MOU -All	
Type 2A	\$.0150	\$.0150	

US Cellular will pay non-recurring charges to establish required Type 1 and FG 2A interconnection facilities.

5.3 Reciprocal Compensation

NYNEX will pay US Cellular for Local calls originated by NYNEX Customers which terminate to a wireless service provided by US Cellular. US Cellular will pay NYNEX for calls originated by US Cellular customers which terminate on the NYNEX network. The reciprocal compensation rate for Type 1 will be \$.0080 per MOU. The reciprocal compensation rate for Type 2A will be \$.0150 per MOU. Until such time as either Party can record the minutes of use originated on NYNEX's network and terminated on US Cellular's Network via Type 1 interconnection (Land to Mobile Type 1 Minutes of Use), both parties agree that the "Land to Mobile Type 1 Minutes of Use" will be estimated based on the ratio of Type 2 Land to Mobile Minutes of Use per Type 2 Telephone number in a given month.

US Cellular agrees to pay all non-recurring and service establishment charges associated with trunks required for future US Cellular growth as required under the terms of Section 8 and at rates and charges described in New Hampshire PUC No. 77 for Type 1 and No. 79 for Type 2.

Each party will bill the other for terminating intraLATA Non-Local traffic at the appropriate intrastate access tariff rate in effect at the time. Both parties agree that the percentage of traffic to be considered Non-Local will be the same in both directions.

6.0 - Notice of Changes

If a party makes a change in its network which it believes will materially affect the inter-operability of its network with the other party, the party making the change shall provide at least ninety (90) days advance written notice of such changes to the other party.

7.0 - Number Resources Assignments

NYNEX shall continue to assign to US Cellular NXX codes in accordance with national guidelines as established in the Act and at no cost to US Cellular.

8.0 - General Responsibilities of Parties

The parties will exchange technical descriptions and forecasts of traffic requirements, each party will maintain facilities within its own network, will not interfere with the other party's systems, will cooperate with the other to minimize fraud, and will utilize an electronic order entry system developed by NYNEX and installed at US Cellular premises for placing orders, among other provisions generally allocating duties and obligations to the parties.

9.0 - Term and termination

The initial term of this Agreement shall be one year which shall commence on the effective date. At the end of the term (and each term thereafter), the Agreement shall automatically renew for one year periods, absent the receipt by one party of written notice from the other party at least sixty (60) days prior to the expiration of the term to the effect that such party intends to terminate this Agreement.

10.0 - Disclaimer of Representations and Warranties

Except as expressly provided under this Agreement, no party makes or receives any warranty, express or implied, with respect to the services, functions and products it provides under or contemplated by this Agreement and the parties disclaim the implied warranties of merchantability or of fitness for a particular purpose.

11.0 Cancellation Charges

Except as provided in the Agreement or applicable tariff, no cancellation charges apply.

12.0 - Non Severability

The services, arrangements, interconnection, terms and conditions of this Agreement were mutually negotiated by the parties as a total arrangement and are intended to be non-severable.

13.0 - Indemnification

The parties agree to mutual indemnification provisions.

14.0 - Limitation of Liability

The parties agree to mutual limitations upon their liability to each other.

15.0 Regulatory Approval

The parties agree to mutually support regulatory approval of the Agreement without modification, but also to negotiate in good faith to modify the Agreement (or any portion thereof) should the Commission or the FCC reject the Agreement.

16.0 - Pending Judicial Appeals and Regulatory Reconsideration

Appeals of the FCC's First Report and Order in CC Docket No. 96-98 are pending in the Eighth Circuit Court of Appeals. In addition, Petitions for Reconsideration of the First Report and Order have been filed with the FCC. The Parties are free to negotiate amendments to this Agreement based on the outcome of decisions of the Court of Appeals, FCC or the Commission if they so desire. This Agreement is subject to change, modification, or cancellation as may be required by a regulatory authority or court in the exercise of its lawful jurisdiction.

17.0 Miscellaneous

This provision contains standard language on corporate authority, disclaimer of joint venture or agency relationship, Force Majeure, confidentiality, governing law, taxes, assignability, waiver of rights, billing disputes, notices, publicity and use of trademarks among other standard provisions found in commercial contracts.

18.0 - Tandem Transit Service ("Transit Service")

To permit the parties to complete the negotiation and execution of an interconnection Agreement at this time, the parties agree that NYNEX will, at a future date, propose arrangements for transit service

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

Dated As Of February 1, 1997

by and between

NYNEX

and

UNITED STATES CELLULAR CORPORATION

FOR NEW HAMPSHIRE

U.S. CELLULAR

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

For New Hampshire

This Interconnection Agreement under Section 251(c)(2) of the Telecommunications Act of 1996 ("Agreement"), is effective as of the 1st day of February, 1997 (the "Effective Date"), by and between United States Cellular Corporation, (U.S. CELLULAR), with offices at 8410 West Bryn Mawr, Chicago, ILL 60631 and New England Telephone and Telegraph Company d/b/a NYNEX (NYNEX or NET), a New York corporation with offices at 125 High Street, Boston, Massachusetts 02110.

WHEREAS, the Parties want to interconnect their networks at existing and future Type 1 and Type 2A points of interconnection to permit origination and termination of calls by customers of NYNEX and U.S. CELLULAR on each other's network.

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

NOW, THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, U.S. CELLULAR and NYNEX hereby agree as follows:

1.0 DEFINITIONS

As used in this Agreement, the following terms shall have the meanings specified below in this Section 1.0.

1.1 "Act" means the Communications Act of 1934, as amended by the Telecommunications Act of 1996, and as from time to time interpreted in the duly authorized rules and regulations of the FCC or the Commission within its state of jurisdiction.

1.2 "Affiliate" is As Defined in the Act.

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

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

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

(a) "End Office Switches" which are used to terminate Customer stations for the purpose of interconnection to each other and to trunks; and

(b) "Tandem Office Switches" which are used to connect and switch trunk circuits between and among other Central Office Switches.

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

1.6 "Commercial Mobile Radio Service" ("CMRS") is As Defined in the Act.

1.7 "Commission" means the New Hampshire Public Utilities Commission.

1.8 "FCC" means the Federal Communications Commission.

1.9 "Interconnection" is As Described in the Act and refers to the connection of a network, equipment, or facilities, of one carrier with the network, equipment, or facilities of another carrier.

1.10 "Interexchange Carrier (IXC) Traffic" is defined as traffic which originates on U.S. CELLULAR's network, transits NYNEX's network and subsequently is passed to Interexchange carriers. IXC Traffic, for the purposes of this Agreement, is not considered Local or Non-Local.

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

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

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

1.14 "Local Traffic" is defined as traffic that is originated by a customer of one Party on that Party's network and terminates to a customer of the other Party on the other Party's network within the same MTA. Local Traffic originated by U.S. CELLULAR will be handed off to NYNEX in the LATA for which the call is destined. Local Traffic originated by NYNEX will be handed off to U.S. CELLULAR in the LATA in which the call is originated.

1.15 "Local Exchange Carrier" or "LEC" is As Defined in the Act.

1.16 "Major Trading Area (MTA)" is defined in 47 C.F.R. paragraph 24.102.

1.17 "Non-Local Traffic" is defined as traffic that is originated by a customer of one Party on that Party's network and terminates to a customer on the other Party on the other Party's network in a different MTA. Non-Local Traffic originated by U.S. CELLULAR will be handed off to NYNEX in the LATA in which the call is terminated. Non-Local Traffic originated by NYNEX will be handed off to U.S. CELLULAR in the LATA in which the call is originated.

1.18 "NXX" means the three-digit code which appears as the first three digits of a seven digit telephone number.

1.19 "Party" means either NYNEX or U.S. CELLULAR and "Parties" means NYNEX and U.S. CELLULAR.

1.20 "Reciprocal Compensation" is As Described in the Act.

1.21 "Telecommunications" is As Defined in the Act.

1.22 "Telecommunications Act" means the Telecommunications Act of 1934 as amended by the 1996 Act and any rules and regulations promulgated thereunder.

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

2.0 INTERPRETATION AND CONSTRUCTION

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

3.0 SCOPE

This Agreement is intended to describe and enable specific Interconnection and arrangements between the Parties. This Agreement does not obligate either Party to provide arrangements not specifically provided for herein. NYNEX and U.S. CELLULAR agree that this Agreement, if performed by NYNEX, is satisfactory to them as an agreement under the Act for the term of this agreement with respect to those obligations addressed hereunder. U.S. CELLULAR represents that it is a CMRS provider.

4.0 SERVICE AGREEMENT

4.1 Description Of Arrangements

This Agreement provides for the provision and maintenance of the following interconnection arrangements between the networks of U.S. CELLULAR and NYNEX:

4.1.1 Description. Both parties will interconnect their respective networks based upon a Type 2A [Feature Group 2A (FG2A)] interconnection service as specified in NYNEX's intrastate access tariff (New Hampshire PUC No. 78) and a Type 1 (Flexpath) interconnection service as specified in NYNEX's intrastate exchange tariff (New Hampshire PUC No. 75).

FG2A interconnection arrangements provide trunk side connections to NYNEX access tandems. Under a FG2A arrangement the wireless carrier's, Mobile Telephone Switching Office (MTSO) functions like a Central Office Switch and the FG2A interconnection facility acts like an interoffice trunk. FG2A interconnection may be used to access valid NXX codes within the LATA. FG2A is normally provisioned with a dedicated NXX code (10,000 numbers) and is provisioned through a digital interface. FG2A is a two way service for originating and terminating traffic between the Parties respective networks. U.S. CELLULAR

On an interim basis until such time as NYNEX offers FG2A Interconnection for the following call types, U.S. CELLULAR must utilize Type 1 interconnection service to reach local operator service(0- & 0+), Directory Assistance, N11 codes (411,911,etc.), and Service Access Codes (800, 900, etc.). Type 1 is specified in NYNEX's intrastate exchange tariff (New Hampshire PUC No. 75) as Flexpath Service. Type 1 is provided from suitably equipped electronic end offices and consists of a analog or digital facility arranged for two way service operation and an associated end office connection which switches messages to and from the facility. A group of seven digit numbers assigned by NYNEX are associated with the end office providing the service. Type 1 is normally provisioned with a blocks of either 100 or 1000 numbers and is provisioned through a digital interface. As soon as feasible U.S. CELLULAR will use best efforts to reconfigure its network to utilize Signaling System Seven (SS7) facilities to reach local operator services (0- & 0+), Directory Assistance, N11 codes (411,911,etc.) , and Service Access codes (800, 900, etc.).

4.1.2 In accordance with the PUC No. 78 Tariff, FG2A may have access to a Feature Group D trunk group or groups at access tandem switches designated by NYNEX where interLATA Feature Group D (FGD) switching is provided. U.S. CELLULAR has previously instructed NYNEX to transport all traffic originated by U.S. CELLULAR that is destined for an interexchange carrier to AT&T Corp. and its subsidiaries (AT&T). NYNEX agrees to transport all such traffic originated by U.S. CELLULAR to AT&T or, if specified in advance in writing by U.S. CELLULAR to NYNEX, to any other FGD provider. All charges for interLATA transport are billed to the FGD customer in accordance with the appropriate access tariff.

4.1.3 FG2A, and Type 1 interconnection services are provided as trunk side switching through the use of end office switch trunk equipment with Multifrequency (MF) and/or Signaling System Seven (SS7) Address signaling in both the originating and terminating directions.

5.0 COMPENSATION ARRANGEMENTS

5.1 Description. For purposes of this Agreement, the term "Traffic" shall refer to all Local and Non-Local Traffic. The Parties agree to jointly determine a methodology, independent of this agreement, to identify Local Traffic. Based on this methodology, U.S. CELLULAR shall provide NYNEX with a Percent Local Usage (PLU) factor on a quarterly basis. This initial PLU factor will be used for the first three (3) months after the effective date of this Agreement, and may be used beyond the first three (3) months if both Parties agree. U.S. CELLULAR will also provide NYNEX with a Percent Interstate Usage (PIU) factor on quarterly basis. The factors will be applied as follows:

First, the PLU factor is applied to total minutes of use (excluding IXC Traffic) to obtain the split of Local and Non-Local minutes of use. Then the PIU will be applied to the Non-Local minutes of use for application and billing of Interstate and intrastate access charges, as appropriate.

5.2 NYNEX shall not charge U.S. CELLULAR for LEC originated traffic delivered to U.S. CELLULAR pursuant to the Act except for discretionary reverse billing options, such as FG2A, Calling Plan 2, which U.S. CELLULAR may request in lieu of NYNEX charging its end users for the origination of calls to U.S. CELLULAR's end users. Even in cases of reverse billing, NYNEX will pay U.S. CELLULAR the corresponding reciprocal compensation charge which is due U.S. CELLULAR for the termination of such LEC-originated call. Nothing herein shall be construed to limit the ability of either party to terminate traffic with one another via terminating access arrangements other than FG2A.

5.2.1 The Parties agree to the following schedule of rates and charges. All rates reflected below are per Minute of Use (MOU).

Type One	<u>Reciprocal</u> \$0.0080	<u>Call A**</u> \$0.0080	<u>Call B**</u> \$0.0080
Type 2A	<u>Reciprocal</u> \$0.0150	<u>Per MOU - All</u> \$0.0150	

U.S. CELLULAR will pay nonrecurring charges to establish required Type 1 and FG2A interconnection facilities.

5.3 Reciprocal Compensation. Reciprocal Compensation only applies to the transport and termination of Local Traffic which originates on NYNEX's network for termination on U.S. CELLULAR's network. NYNEX will not compensate for calls that do not

originate on NYNEX's network, i.e., calls originating on the network of an interexchange carrier (IXC), independent telephone company, competing local exchange carrier, or another cellular or wireless carrier. NYNEX will pay U.S. CELLULAR for Local calls originated by NYNEX customers which terminate to a wireless service provided by U.S. CELLULAR. U.S. CELLULAR will pay NYNEX for calls originated by U.S. CELLULAR customers which terminate on the NYNEX network. The Reciprocal Compensation rate for Type 1 will be \$0.0080 per MOU. The Reciprocal Compensation rate for Type 2A will be \$0.0150 per MOU. Until such time as either Party can record the minutes of use originated on NYNEX's network and terminated on U.S. CELLULAR's network via Type 1 interconnection (Land to Mobile Type 1 Minutes of Use), both Parties agree that the Land to Mobile Type 1 Minutes of Use will be estimated based on the ratio of Type 2 Land to Mobile Minutes of Use per Type 2 telephone number in a given month. For example:

Actual Type 2 Land to Mobile Minutes of Use	520,000
Number of Type 2 Telephone Numbers	50,000
Ratio (Minutes/Numbers)	10.4:1
Number of Type 1 Telephone Numbers	3,200
Estimated Type 1 Land to Mobile Minutes of Use (10.4 * 3,200=33280)	33,280

5.4 U.S. CELLULAR agrees to pay all nonrecurring and service establishment charges associated with trunks required for future U.S. CELLULAR growth as required under the terms of Section 8 and at rates and charges described in New Hampshire PUC No. 75 for Type 1 and No. 78 for Type 2. NYNEX shall determine the engineering blocking criteria and required trunking to serve U.S. CELLULAR's traffic requirements. Additions in excess of the NYNEX recommended trunking level will be charged to U.S. CELLULAR on both a recurring and nonrecurring basis and at full monthly charges pursuant to the New Hampshire PUC Tariffs for such facilities. The FG2A arrangements shall be engineered to be objective P.01 grade of service.

5.5 Each Party will bill the other for terminating intra-LATA Non-Local Traffic at the appropriate intrastate access tariff rate in effect at the time. Both Parties agree that the percentage of traffic to be considered Non-Local will be the same in both directions.

5.6 Where U.S. CELLULAR Interconnects with NYNEX by purchasing facilities from NYNEX and these facilities are used for two-way traffic, the applicable recurring charges (if any) for such facilities to U.S. CELLULAR will be reduced by a percentage equal to the percentage of traffic on such facilities which originates on NYNEX's network and terminates on U.S. CELLULAR's network. The Parties agree to review the percentage rate every six months.

6.0 NOTICE OF CHANGES

If a Party makes a change in its network which it believes will materially affect the inter-operability of its network with the other Party, the Party making the change shall provide at least ninety (90) days advance written notice of such change to the other Party.

7.0 NUMBER RESOURCES ASSIGNMENTS

NYNEX shall continue to assign to U.S. CELLULAR NXX codes in accordance with national guidelines as established in the Act and at no cost to U.S. CELLULAR.

8.0 GENERAL RESPONSIBILITIES OF THE PARTIES

8.1 The Parties shall exchange technical descriptions and forecasts of their interconnection and traffic requirements in sufficient detail necessary to establish the interconnections required to assure traffic completion.

8.2 Thirty (30) days after the Effective Date and each quarter during the term of this Agreement, U.S. CELLULAR shall provide NYNEX with a rolling, six (6) calendar month, non-binding forecast of its traffic and volume requirements for the services provided under this Agreement in the form and in such detail as agreed by the Parties. The Parties agree that each forecast provided under this Section shall be deemed "Proprietary Information".

8.3 Each Party is individually responsible to provide facilities within its network which are necessary for routing, transporting, measuring, and billing traffic from the other Party's network and for delivering such traffic to the other Party's network in the standard format compatible with NYNEX's network as defined in Bellcore T.R. 145 and to terminate the traffic it receives in that standard format to the proper address on its network. Such facility shall be designed based upon the description and forecasts provided under Sections 8 above. The Parties are each solely responsible for participation in and compliance with national network plans, including The National Network Security Plan and The Emergency Preparedness Plan.

8.4 Neither Party shall use any service related to or using any of the Services provided in this Agreement in any manner that materially interferes with other persons in the use of their service, prevents other persons from using their service, or otherwise materially impairs the quality of service to other carriers or to either Party's Customers, and either Party may discontinue or refuse service if the other Party violates this provision. Upon such violation, either Party shall provide the other Party notice, if practicable, at the earliest practicable time.

8.5 Each Party is solely responsible for the services it provides to its Customers and to other Telecommunications Carriers, except as otherwise provided in Sections 13 and 14 of this Agreement.

8.6 The Parties shall work cooperatively to minimize fraud associated with third-number billed calls, calling card calls, and any other services related to this Agreement.

8.7 Each Party is responsible for administering NXX codes assigned to it.

8.8 Each Party is responsible for obtaining Local Exchange Routing Guide ("LERG") listings of CLLI codes assigned to its switches.

8.9 Each Party shall use the LERG published by Bellcore or its successor for obtaining routing information and shall provide all required information to Bellcore for maintaining the LERG in a timely manner.

8.10 NYNEX and U.S. CELLULAR shall program and update their respective Central Office Switches and End Office switches and network systems to recognize and route traffic to NXX codes assigned to U.S. CELLULAR. Except as mutually agreed or as otherwise expressly defined in this Agreement, neither Party shall impose any fees or charges on the other Party for such activities.

8.11 At all times during the term of this Agreement each Party shall keep and maintain in force at each Party's expense all insurance required by law (e.g., workers' compensation insurance) as well as general liability insurance for personal injury or death to any one person, property damage resulting from any one incident, automobile liability with coverage for bodily injury for property damage. Upon request from the other Party, each Party shall provide to the other Party evidence of such insurance (which may be provided through a program of self insurance).

8.12 Within ten days of the date on which a fully tested, electronic order entry system developed by NYNEX which is suitable for efficient electronic delivery of orders by U.S. CELLULAR to NYNEX has been completely installed on U.S. CELLULAR'S premises, all orders placed by U.S. CELLULAR with NYNEX shall be electronically transmitted in a format and sufficient detail to be accommodated by NYNEX's electronic order entry systems. Orders not placed electronically after that date may be subject to a service charge of \$100 per order, except for those orders not electronically placed because of problems at NYNEX in receiving the order or because of a power outage or other circumstances outside of U.S. CELLULAR'S control.

9.0 TERM AND TERMINATION

9.1 The initial term of this Agreement shall be one year (the "Term") which shall commence on the Effective Date. At the end of the Term (and each Term thereafter) the Agreement shall automatically renew for one year periods, absent the receipt by one Party of written notice from the other Party at least sixty (60) days prior to the expiration of the Term to the effect that such Party intends to terminate this Agreement (with or without cause).

9.2 Payment of all amounts owed under this Agreement and handling of disputed amounts will be governed by the New Hampshire PUC Tariffs including but not limited to all remedies for non-payment, without prejudice to any other remedies available at law or equity.

9.3 Upon termination or expiration of this Agreement in accordance with this Section each Party shall comply immediately with the following obligations:

(a) each Party shall promptly pay all undisputed amounts (including any late payment charges) owed under this Agreement;

(b) each Party's indemnification obligations shall survive termination or expiration of this Agreement.

9.4 Except as provided herein, no remedy set forth in this Agreement is intended to be exclusive and each and every remedy shall be cumulative and in addition to any other rights or remedies now or hereafter existing under applicable law or otherwise.

10.0 DISCLAIMER OF REPRESENTATIONS AND WARRANTIES

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

11.0 CANCELLATION CHARGES

Except as provided herein, or as otherwise provided in any applicable tariff or contract referenced herein, no cancellation charges shall apply.

12.0 NON-SEVERABILITY

The services, arrangements, interconnection, terms and conditions of this Agreement were mutually negotiated by the Parties as a total arrangement and are intended to be non-severable.

Each Party shall comply with all applicable federal, state, and local laws, rules, and regulations applicable to its performance under this Agreement.

13.0 INDEMNIFICATION

13.1 Each party (the 'Indemnifying Party') shall indemnify and hold harmless the other party ('Indemnified Party') from and against loss, cost, claim liability, damage, and expense (including reasonable attorney's fees) to third parties for:

(1) damage to tangible personal property or for personal injury proximately caused by the negligence or willful misconduct of the Indemnifying Party, its employees, agents or contractors;
and

(2) claims for libel, slander, infringement of copyright arising from the material transmitted over the Indemnified Party's facilities arising from the Indemnifying Party's own communications or the communications of such Indemnifying Party's customers;
and

(3) claims for infringement of patents arising from combining the Indemnified Party's facilities or services with, or the using of the Indemnified Party's services or facilities in connection with, facilities of the Indemnifying Party.

13.2 The Indemnified Party will notify the Indemnifying Party promptly in writing of any claims, lawsuits, or demands by third parties for which the Indemnified Party alleges that the Indemnifying Party is responsible under this Section, and, if requested by the Indemnifying Party, will tender the defense of such claim, lawsuit or demand. The Indemnifying Party will defend the tendered action at its sole cost and expense and may only settle such action with the written consent of the Indemnified Party, which consent shall not be unreasonably withheld:

(1) In the event the Indemnifying Party does not promptly assume or diligently pursue the defense of the tendered action, then the Indemnified Party may proceed to defend or settle said action and the Indemnifying Party shall hold harmless the Indemnified Party from any loss, cost liability, damage and expense.

(2) If the Indemnified Party elects to decline such indemnification, then it may, at its own expense, assume defense and settlement of the claim, lawsuit or demand.

(3) The parties will cooperate in every reasonable manner with the defense or settlement of any claim, demand, or lawsuit.

14.0 LIMITATION OF LIABILITY

14.1 No liability shall attach to either Party, its parents, subsidiaries, affiliates, agents, servants or employees for damages arising from errors, mistakes, omissions, interruptions, or delays in the course of establishing, furnishing, rearranging, moving, terminating, changing, or providing or failing to provide services or facilities (including the obtaining or furnishing of Information with respect thereof or with respect to users of the services or facilities) in the absence of gross negligence or willful misconduct.

14.2 Except as otherwise provided in Section 13.0, no Party shall be liable to the other Party for any Loss, defect or equipment failure caused by the conduct of the other Party, the other Party's agents, servants, contractors or others acting in aid or concert with the other Party, except for gross negligence or willful misconduct.

14.3 In no event shall either Party have any liability whatsoever to the other Party for any indirect, special, consequential, incidental or punitive damages, including but not limited to loss of anticipated profits or revenue or other economic loss in connection with or arising from anything said, omitted or done hereunder (collectively, "Consequential Damages"), even if the other Party has been advised of the possibility of such damages.

15.0 REGULATORY APPROVAL

The Parties understand and agree that this Agreement will be filed with the Commission and may thereafter be filed with the FCC. NYNEX and U.S. CELLULAR agree that this Agreement, if performed by NYNEX, is satisfactory to them as an agreement under the Act for the term of this agreement with respect to those obligations addressed hereunder. Each Party covenants and agrees to fully support approval of this Agreement by the Commission or the FCC under Section 252(e) of the Act without modification. The Parties, however, reserve the right to seek regulatory relief and otherwise seek redress from each other regarding performance and implementation of this Agreement. In the event the Commission or FCC rejects this Agreement in whole or in part, the Parties agree to meet and negotiate in good faith to arrive at a mutually acceptable modification of the rejected portion(s).

16.0 PENDING JUDICIAL APPEALS AND REGULATORY RECONSIDERATION

Appeals of the FCC's First Report and Order in CC Docket No. 96-98 are pending in the Eighth United States Circuit Court of Appeals. In addition, Petitions for Reconsideration of the First Report and Order have been filed with the FCC. The Parties are free to negotiate amendments to this Agreement based on the outcome of decisions of the Court of Appeals, FCC or the Commission if they so desire. This agreement is subject to change, modification, or cancellation as may be required by a regulatory authority or court in the exercise of its lawful jurisdiction.

17.0 MISCELLANEOUS

17.1 Authorization.

17.1.1 NYNEX is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to necessary regulatory approval.

17.1.2 United States Cellular Corporation, is a corporation duly organized, validly existing and in good standing under the laws of the State of New Hampshire and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to necessary regulatory approval.

17.2 Independent Contractors. Neither this Agreement, nor any actions taken by NYNEX or U.S. CELLULAR in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between U.S. CELLULAR and NYNEX, or any relationship other than that of purchaser and seller of services

17.3 Force Majeure. Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control including, without limitation, acts of nature, acts of civil or military authority, government regulations, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, equipment failure, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, (collectively, a "Force Majeure Event").

If any force majeure condition occurs, the Party delayed or unable to perform shall give immediate written notice to the other Party and shall take all reasonable steps to correct the force majeure condition. During the pendency of the Force Majeure, the duties of the Parties under this Agreement affected by the Force Majeure condition shall be abated and shall resume without liability thereafter.

17.4 Confidentiality.

17.4.1 Any information such as specifications, drawings, sketches, business information, forecasts, models, samples, data, computer programs and other software and documentation of one Party (a Disclosing Party) that is furnished or made available or otherwise disclosed to the other Party or any of its employees, contractors, agents or Affiliates (its Representatives" and with a Party, a Receiving Party) pursuant to this Agreement (Proprietary Information) shall be deemed the property of the Disclosing Party. Proprietary Information, if written, shall be marked "Confidential" or "Proprietary" or by other similar notice, and, if oral or visual, shall be confirmed in writing as confidential by the Disclosing Party to the Receiving Party within ten (10) days after disclosure. Unless Proprietary Information was previously known by the Receiving Party free of any obligation to keep it confidential, or has been or is subsequently made public by an act not attributable to the Receiving Party, or is explicitly agreed in writing not to be regarded as confidential, it (i) shall be held in confidence by each Receiving Party; (ii) shall be disclosed to only those persons who have a need for it in connection with the provision of services required to fulfill this Agreement and shall be used only for such purposes; and (iii) may be used for other purposes only upon such terms and conditions as may be mutually agreed to in advance of use in writing by the Parties. Notwithstanding the foregoing sentence, a Receiving Party shall be entitled to disclose or provide Proprietary Information as required by any governmental authority or applicable law only in accordance with Section 17.4.2.

17.4.2 If any Receiving Party is required by any governmental authority or by applicable law to disclose any Proprietary Information, then such Receiving Party shall provide the Disclosing Party with written notice of such requirement as soon as possible and prior to such disclosure. The Disclosing Party may then either seek appropriate protective relief from all or part of such requirement; in any event if it fails to successfully do so within the time period by which the receiving Party must respond, it shall be deemed to have waived the Receiving Party's compliance with Section 17.4.1 with respect to all or part of such requirement. The Receiving Party shall use all commercially reasonable efforts to cooperate with the Disclosing Party in attempting to obtain any protective relief which such Disclosing Party chooses to obtain.

17.4.3 In the event of the expiration or termination of this Agreement for any reason whatsoever, each Party shall return to the other Party or destroy all Proprietary Information and other documents, work papers and other material (including all copies thereof) obtained from the other Party in connection with this Agreement and shall use all reasonable efforts, including instructing its employees and others who have had access to such information, to keep confidential and not to use any such information, unless such information is now, or is hereafter disclosed, through no act, omission or fault of such Party, in any manner making it available to the general public.

17.5 Governing Law. This Agreement shall be governed by the domestic laws of the state of New Hampshire, without reference to conflict of law provisions, and the Communication Act of 1934 as amended by the Telecommunications Act of 1996 and all FCC rules and Regulations thereunder.

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

17.7 Non-Assignment. Each Party covenants that, if it sells or otherwise transfers to a third party, it will require as a condition of such transfer that the transferee agree to be bound by this Agreement with respect to services provided over the transferred facilities. Except as provided in this paragraph, neither Party may assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third party without the prior written consent of the other Party which consent will not be unreasonably withheld; provided that either Party may assign this Agreement to a corporate

Affiliate or an entity under its common control or an entity acquiring all or substantially all of its assets or equity by providing prior written notice to the other Party of such assignment or transfer. Any attempted assignment or transfer that is not hereunder is void ab initio. Without limiting the generality of the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties' respective successors and assigns.

17.8 Non-Waiver. 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.

17.9 Disputed Amounts.

17.9.1 If any portion of an amount due to a Party (the Billing Party) under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the Non-Paying Party) shall within thirty (30) days of its receipt of the invoice containing such disputed amount give written notice to the Billing Party of the amounts it disputes (Disputed Amounts) and include in such notice the specific details and reasons for disputing each item. The Non-Paying Party shall pay when due (i) all undisputed amounts to the Billing Party and (ii) all Disputed Amounts into an interest bearing escrow account with a third party escrow agent mutually agreed upon by the Parties.

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

17.10 Notices. Notices given by one Party to the other Party under this Agreement shall be in writing and shall be (i) delivered personally, (ii) delivered by express delivery service, (iii) mailed, certified mail or first class U.S. mail postage prepaid, return receipt requested or (iv) delivered by telecopy to the following addresses of the Parties:

To:
US Cellular
8410 West Bryn Mawr Suite 700
Chicago, ILL 60631-3486
Attn: Director of Network Planning
Facsimile: (773) 399-4123

To:
NYNEX:
1095 Avenue of Americas 40th Floor
New York NY 10036
Attn: Vice President - Wholesale Markets
Facsimile: (212) 597-2585

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

17.11 Publicity and Use of Trademarks or Service Marks. Neither Party nor its subcontractors or agents shall use the other Party's trademarks, service marks, logos or

other proprietary trade dress in any advertising, press releases, publicity matters or other promotional materials without such Party's prior written consent.

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

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

17.14 No License. No license under patents, copyrights or any other intellectual property right (other than the limited license to use consistent with the terms, conditions and restrictions of this Agreement) is granted by either Party or shall be implied or arise by estoppel with respect to any transactions contemplated under this Agreement.

17.15 Entire Agreement and amendment. This Agreement, including any Schedules and Exhibits attached hereto, and, tariffs and other documents or instruments referred to herein are hereby incorporated into this Agreement by reference constitutes the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written. If there is any conflict between the terms and conditions of the Agreement, the attached schedules and the attached Exhibits, with any tariff or other document or instruments referred to herein, then the Agreement, Schedules and Exhibits shall control. 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. This Agreement may only be modified by a writing signed by an officer of each Party.

18.0 Tandem Transit Service ("Transit Service")

"Transit Service" means the delivery by NYNEX of certain traffic originated by U.S. CELLULAR for delivery to another Local Exchange Carrier (LEC), Competitive Local Exchange Carrier (CLEC) or wireless carrier within the LATA in which the call is delivered by U.S. CELLULAR to NYNEX for completion to a customer of that carrier. NYNEX incurs costs associated with the provision of transit service. The parties agree that arrangements

for the identification of and compensation for transit service are not addressed in this Agreement. To permit the parties to complete the negotiation and execution of an Interconnection Agreement at this time, the parties agree that NYNEX will, at a future date, propose arrangements for transit service. Until the parties are able to negotiate and agree to appropriate arrangements and compensation, the provision of transit service will be governed by Paragraph 5.3, "Reciprocal Compensation."

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of this 1st day of February, 1997.

U.S. CELLULAR

By: _____

Printed: JAMES NORMAN

Title: DIRECTOR - NETWORK PLANNING / PURCHASING

NYNEX

By: _____

Printed: Jacob J. Goldberg

Title: Vice President - Wholesale Markets