

CARRIER-TO-CARRIER AGREEMENT CHECKLIST

INSTRUCTIONS: Please complete all applicable parts of this form and submit it with related materials when filing a carrier-to-carrier agreement pursuant to 47 U.S.C. 252 and OAR 860-016-0000 et al. The Commission will utilize the information contained in this form to determine how to process the filing. **Unless you request otherwise in writing, the Commission will serve all documents related to the review of this agreement electronically to the e-mail addresses listed below.**

1. PARTIES *Competitive Carrier* *Incumbent Local Exchange Carrier*

Name of Party:

Contact for Processing Questions:

Name:

Telephone:

E-mail:

Contact for Legal Questions (if different):

Name:

Telephone:

E-mail:

Other Persons wanting E-mail service of documents (if any):

Name:

E-mail:

2. TYPE OF FILING NOTE: Parties making multiple requests (such as seeking to adopt a previously approved agreement and Commission approval of new negotiated amendments to that agreement) should submit a separate checklist for each requested action.

Adoption: Adopts existing carrier-to-carrier agreement approved by the Commission.

- Docket ARB
- Parties to prior agreement &

New Agreement: Seeks approval of new negotiated agreement.

Does adoption or agreement replace an existing agreement between the parties?

- NO
- YES, Docket ARB

Amendment: Amends an existing carrier-to-carrier agreement.

Docket ARB

LOCAL TRAFFIC EXCHANGE AGREEMENT

THIS LOCAL TRAFFIC EXCHANGE AGREEMENT (this "Agreement") is made by and between North-State Telephone Company ("North-State") and Charter Fiberlink OR-CCVII, LLC ("Charter") and shall be effective on the earlier of the date that the Commission, as defined below, approves the Agreement or the date that is ninety (90) days after the Agreement is filed with the Commission (the "Effective Date"). This Agreement may refer to either North-State or Charter or both as a "Party" or "Parties."

Witnesseth:

WHEREAS, North-State is an Incumbent Local Exchange Carrier providing local exchange service in its territory; and

WHEREAS, Charter is authorized by the Oregon Public Utility Commission to operate as a Competitive Local Exchange Carrier in the State of Oregon and provides local service to its End User customers in its territory; and

WHEREAS, this Agreement is entered into under subsections 251(a) and (b) of the Communications Act of 1934, as amended by the Telecommunications Act of 1996 (the "Act"); and

WHEREAS, North-State's position is that it is not required that this Agreement be filed with the Oregon Public Utility Commission, but Charter's position is that it will file the Agreement nonetheless;

NOW THEREFORE, in consideration of the mutual agreements contained herein, North-State and Charter agree as follows:

1. DEFINITIONS

1.1. **Affiliate** is defined as a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term "own" means to own an equity interest (or equivalent thereof) of more than thirty-five percent (35%).

1.2. **Commission** is defined as the Oregon Public Utility Commission.

1.3. **End User** means the ultimate user of a voice communications service provided by a Party to this Agreement.

1.4. **FCC** means the Federal Communications Commission.

1.5. **Incumbent Local Exchange Carrier ("ILEC")** is as defined in the Act.

1.6. **Interconnection** is the direct or indirect linking of networks for the exchange, transmission and routing of traffic.

1.7. **ISP-bound Traffic** is defined as calls to an information service provider or Internet Service Provider (ISP) that are dialed by using a local dialing pattern (seven (7) or ten (10) digits) by a calling party in one exchange to an Internet service provider's server or modem in another exchange in the same Local Calling Area as the originating exchange, as defined and specified in North-State's tariff. ISP-bound Traffic does not include Internet Protocol-enabled, real time, multi-directional voice calls.

1.8. **Local Access and Transport Area ("LATA")** is as defined in the Act.

1.9. **Local Calling Area** means one or more exchanges, as specified in North-State's tariff or as established by the Commission, within which any End User customer of North-State may, on a non-optional basis, make a call to any other such End User without incurring a toll charge. The fact that an End User may have a choice of rate plans does not make local calling to or within an exchange "optional" if all such rate plans include calling to or within such exchange. The availability of "flat rate" toll plans for one or more exchanges shall not be construed as expanding the Local Calling Area to include such exchanges.

1.10. **Local Service Area** means a contiguous geographic area within a LATA comprising one or more exchanges within which North-State provides local exchange services. A Local Service Area may include all or part of one or more Local Calling Areas.

1.11. **Local Traffic** is defined as any call that originates from an End User physically located in one exchange and terminates to an End User physically located in another exchange that is part of the same mandatory Local Calling Area as the originating End User's exchange, as defined and specified in North-State's tariff, including Extended Area Service ("EAS") routes. As clarification of this definition and for purposes of Reciprocal Compensation, Local Traffic will include Internet Protocol-enabled, real time, multi-directional voice calls only if they terminate to an End-User that is physically located in another exchange that is part of the same mandatory Local Calling Area, as the exchange in which the originating End User is physically located.

1.12. **Originating Party** means the Party who delivers Local Traffic and ISP-bound Traffic originating on its network to the other Party, for termination on the other Party's network.

1.13. **Terminating Party** means the Party to whom Local Traffic and ISP-bound Traffic is delivered by the other Party for termination on the first Party's network.

1.14. **Third Party Transit Traffic** is Local Traffic and ISP-bound Traffic and any other traffic that (i) originates on one Party's network and is switched and/or transported by the other Party and delivered to a third party's network, or (ii) originates on a third party's network and is switched and/or terminated by one Party and delivered to the other Party's network.

2. SCOPE OF AGREEMENT

2.1. This Agreement sets forth the terms and conditions under which North-State and Charter agree to exchange Local Traffic and ISP-bound Traffic between their respective networks in the Dufur exchange as it relates to North-State and the The Dalles exchange as it relates to Charter. If, during the term of this Agreement, Charter begins providing local service in another Local Calling Area to which North-State has EAS (but explicitly excluding intracompany EAS routes), the Parties

agree that this Agreement shall be deemed amended to include said Local Calling Area. This Agreement does not obligate either Party to provide arrangements not provided for herein. This Agreement is intended for the exchange of traffic between local exchange companies operating in contiguous exchanges. If, at some future date, Charter desires to provide service in North-State's Local Service Area, a separate agreement is required.

2.2. The Parties agree to exchange Local Traffic and ISP-bound Traffic through direct or indirect Interconnection as described herein.

3. TERM OF THE AGREEMENT

3.1. The initial term of this Agreement shall be three (3) years, beginning on the Effective Date.

3.2. At the end of the initial term and each renewal term this Agreement shall automatically renew for additional terms of one year unless either Party gives notice in writing to the other Party at least ninety (90) days prior to the end of the then-current term of its desire to terminate this Agreement and negotiate a new agreement to govern the exchange of Local Traffic and ISP-bound Traffic between the Parties' networks.

3.3. If either Party gives notice pursuant to Section 3.2 of its desire to terminate this Agreement and negotiate a new agreement, the Parties shall promptly commence to negotiate in good faith in an effort to reach a new agreement and shall continue to exchange Local Traffic and ISP-bound Traffic pursuant to the terms and conditions of this Agreement.

3.4. Either Party may terminate this Agreement in whole or in part in the event of a default by the other Party; *provided however*, that the non-defaulting Party notifies the defaulting party in writing of the alleged default and that the defaulting Party does not cure the alleged default within sixty (60) calendar days of receipt of written notice thereof. Following the non-defaulting Party's notice to the defaulting Party of its default, the non-defaulting Party shall not be required to process new service orders until the default is timely cured. Default means any one or more of the following:

- (a) A Party's insolvency or the initiation of bankruptcy or receivership proceedings by or against the Party; or
- (b) A Party's operating authority has been revoked by the Commission; or
- (c) A Party's refusal or failure in any material respect to perform its obligations under this Agreement, or the violation of any of the material terms or conditions of this Agreement.

3.5. Termination of this Agreement, or any part hereof, for any cause shall not release either Party from any liability which at the time of termination had already accrued to the other Party or which thereafter accrues in any respect to any act or omission occurring prior to the termination or from an obligation which is expressly stated in this Agreement to survive termination.

4. INDIRECT INTERCONNECTION.

4.1. Either Party may deliver Local Traffic and ISP-bound Traffic indirectly to the other for termination through Qwest's Portland tandem (CLLIPTLDOR13C9T). If Qwest attempts to assert a right to charge North-State for transiting traffic that terminates to Charter's network, the Parties agree that they will negotiate in good faith concerning amendments that North-State may propose to this Agreement as a result of the effort by Qwest to assess charges to North-State.

4.2. Unless otherwise agreed, the Parties shall exchange all Local Traffic and ISP-bound Traffic indirectly through one or more transiting carriers until the total volume of Local Traffic and ISP-bound Traffic being exchanged between the Parties' networks exceeds 240,000 minutes per month for three (3) consecutive months, at which time either Party may request the establishment of direct Interconnection; and, to the extent not resolved in this Agreement, the Parties agree to negotiate the terms for such direct Interconnection in good faith. Notwithstanding the foregoing, but subject to Section 4.1 if either Party is unable to arrange for or maintain transit service for its originated Local Traffic upon commercially reasonable terms before the volume of Local Traffic and ISP-bound Traffic being exchanged between the Parties' networks exceeds 240,000 minutes per month, that Party may unilaterally, and at its sole expense, utilize one-way trunk(s) for the delivery of its originated Local Traffic to the other Party.

4.3. After the Parties have established direct Interconnection between their networks, neither Party may continue to transmit its originated Local Traffic and ISP-bound Traffic indirectly except on an overflow basis.

4.4. Local Traffic and ISP-bound Traffic exchanged by the Parties indirectly through a transiting carrier shall be subject to the same reciprocal compensation, if any, as Local Traffic and ISP-bound Traffic exchanged through direct Interconnection. Nothing herein is intended to limit any ability of the Terminating Party to obtain compensation from a transiting carrier for Local Traffic and ISP-bound Traffic transmitted to the Terminating Party through such transiting carrier.

5. DIRECT INTERCONNECTION.

5.1. At such time as either Party requests direct Interconnection pursuant to Section 4.2 or as otherwise agreed, the Parties shall establish Direct Interconnection of their networks at a single Point of Interconnection ("POI") for the exchange of Local Traffic and ISP-bound Traffic between their networks except as provided in Sections 4.3 and 5.1.a. The Parties will establish trunks to exchange Local Traffic and ISP-bound Traffic and agree that all Local Traffic and ISP-bound Traffic exchanged between them over Direct Interconnections will be on trunks exclusively dedicated to Local Traffic and ISP-bound Traffic. The POI is the location where one Party's operational and financial responsibility begins, and the other Party's operational and financial responsibility ends. Each Party will be financially responsible for all facilities and traffic located on its side of the POI. Unless the Parties otherwise agree, the Parties will use two-way trunk groups to exchange Local Traffic and ISP-bound Traffic and they will mutually coordinate the provisioning and quantity of trunks.

a. The Parties may establish direct Interconnection at the POI to route traffic to/from an North-State tandem switch, which will provide connectivity permitting traffic exchange with all

North-State exchanges subtending that tandem switch. In the absence of an North-State tandem switch, the Parties shall establish separate trunk groups at the POI to route traffic to/from each additional North-State exchange where traffic exchange between the Parties is required. Multiple POIs shall be required where North-State does not have facilities between the POI and the switch serving such additional North-State exchanges where traffic exchange between the Parties is required.

5.2. The Parties shall endeavor to establish the location of the POI by mutual agreement. The POI must be located within North-State's Local Service Area, including at the exchange boundary. In selecting the POI, both Parties will act in good faith and select a point that is reasonably efficient for each Party.

5.3. Each Party has the obligation to install and maintain the appropriate trunks, trunk ports and associated facilities on its respective side of the POI and is responsible for bearing its costs for such trunks, trunk ports and associated facilities on its side of the POI.

5.4. A Party may provide its own facilities on its side of the POI, lease facilities from a third party, or obtain facilities from the other Party, if available, at tariffed rates.

5.5. A "Fiber Meet" is an interconnection arrangement whereby the Parties physically interconnect their networks via an optical fiber interface at a Fiber Meet POI. If either Party desires a Fiber Meet, the Parties agree to negotiate the terms of a Fiber Meet in good faith.

5.6. Signaling. The Parties will interconnect their networks using Signaling System 7 ("SS7") signaling as defined in applicable industry standards including ISDN user part ("ISUP") for trunk signaling and transaction capabilities application part ("TCAP") for common channel signaling based features in the interconnection of their networks. Signaling information shall be shared between the Parties based upon bill and keep compensation.

5.7. Signaling Parameters. North-State and Charter shall provide each other the proper signaling information (e.g., originating Calling Party Number ("CPN"), Jurisdiction Indication Parameter ("JIP") and destination called party number, etc.) to enable each Party to issue bills in a complete and timely fashion. All SS7 signaling parameters will be provided, where technically feasible, including CPN, JIP, Originating Line Information Parameter ("OLIP") on calls to 8XX telephone numbers, calling party category, charge number, etc. All privacy indicators will be honored. If either Party fails to provide CPN (valid originating information) or JIP on at least ninety percent (90%) of total traffic, then such unidentified traffic will, subject to audit, be treated as having the same jurisdictional ratio as the identified traffic. Each Party will provide to the other Party, upon request, information to demonstrate that Party's portion of no-CPN/no-JIP traffic does not include traffic other than Local Traffic and ISP-bound Traffic. The Parties will coordinate and exchange data as necessary to determine the cause of the CPN or JIP failure and to assist in its correction.

5.8. Facility Additions. Where additional facilities are required, such equipment shall be obtained, engineered, and installed on the same basis and with the same intervals as any similar addition of facilities for the provisioning Party's own internal needs.

5.9. Neither Party will deliver IntraLATA or interLATA toll switched access traffic, untranslated traffic to service codes (e.g., 800, 888), N11 Traffic, or (unless otherwise agreed) Third Party Transit Traffic to the other Party pursuant to this Agreement.

6. NETWORK MANAGEMENT.

6.1. General. The Parties will work cooperatively with each other to install and maintain effective and reliable interconnected networks, including but not limited to, the exchange of toll-free maintenance contact numbers and escalation procedures. The Parties will provide public notice of network changes in accordance with applicable federal and state rules and regulations.

6.2. Dialing Parity. North-State and Charter shall provide local and toll dialing parity, as defined in FCC rules and regulations, with no unreasonable dialing delays. Dialing parity shall be provided for all originating traffic that requires dialing to route a call.

6.3. Programming. Each Party shall regularly program and update its own switches and network systems in a timely manner pursuant to the Telcordia Local Exchange Routing Guide guidelines to recognize and route traffic to the other Party's assigned NPA-NXX codes. Neither Party shall impose any fees or charges whatsoever on the other Party for such activities, nor shall either Party fail or refuse to promptly load the other Party's assigned NPA-NXX codes into its switch(es).

6.4. Grade of Service. Each Party shall provision its network to provide a designed blocking objective of P.01.

6.5. Protective Controls. Either Party may use protective network traffic management controls such as 7-digit and 10-digit code gaps on traffic toward each other's network, when required to protect the public switched network from congestion due to facility failures, switch congestion or failure, or focused overload. Charter and North-State will immediately notify each other of any protective control action planned or executed.

7. COMPENSATION FOR CALL TRANSPORT AND TERMINATION.

7.1. Local Traffic and ISP-bound Traffic. The Parties agree to a "bill and keep" reciprocal compensation plan under which neither Party shall be required to compensate the other for the transport and termination of Local Traffic and ISP-bound Traffic.

7.2. Non-Local Assignment of Numbers. The Parties agree that they shall not assign an NPA/NXX to a rate center and then assign one or more numbers from that NPA/NXX to an End User physically located outside of such rate center.

7.3. Neither Party shall represent switched access traffic or other non-Local Traffic as Local Traffic or ISP-bound Traffic for purposes of determining compensation for the call.

8. [INTENTIONALLY LEFT BLANK]

9. DISPUTE RESOLUTION.

9.1. The Parties desire to resolve disputes arising out of or relating to this Agreement without litigation to the extent reasonably possible. Accordingly, except for action seeking a temporary restraining order or an injunction related to the purposes of this Agreement, or to compel compliance with this dispute resolution process, the Parties agree to use the following dispute resolution procedures with respect to any controversy or claim arising out of or relating to this Agreement or its breach.

9.2. **Informal Resolution of Disputes.** At the written request of either Party, each Party will appoint a knowledgeable, responsible representative, empowered to resolve such dispute, to meet and negotiate in good faith to resolve any dispute arising out of or relating to this Agreement. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as confidential information developed for purposes of settlement, exempt from discovery, and shall not be admissible in any arbitration, lawsuit or regulatory proceeding without the concurrence of all Parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise discoverable, be discovered or if otherwise admissible, be admitted in evidence, in any arbitration, lawsuit or regulatory proceeding.

9.3. **Formal Dispute Resolution.** If negotiations fail to produce an agreeable resolution of any dispute within sixty (60) days of the date of the written request under Section 9.2, then either Party may proceed with any remedy available to it pursuant to law, equity or agency mechanisms; provided, that upon mutual agreement of the Parties such disputes may also be submitted to binding arbitration. Each Party shall bear its own costs arising from any formal dispute resolution process, except that the Parties shall equally split the fees of any mutually agreed upon arbitration procedure and the associated arbitrator.

9.4. **Continuity of Service.** During the pendency of any dispute resolution procedure the Parties shall continue providing services to each other and shall continue to perform their payment obligations.

9.5. **Failure to Reach Agreement.** Whenever this Agreement provides that the Parties shall agree or endeavor to agree upon a matter or shall perform as agreed, if the Parties are unable to reach agreement concerning such matter or the manner of such performance, either Party may pursue any right or remedy available to it at law, in equity, or before a regulatory agency concerning such matter or the manner of such performance.

10. LIABILITY.

10.1. **Indemnity.** Each Party (the "Indemnifying Party") shall indemnify and hold harmless the other Party ("Indemnified Party") from and against losses, costs, claims, liabilities, damages, and expenses (including reasonable attorney's fees) (collectively, "Damages") suffered or asserted by customers and other third parties arising out of or related to this Agreement for:

- a. damage to tangible personal property or personal injury proximately caused by the gross negligence or willful misconduct of the Indemnifying Party, its employees, agents or contractors;
- and

b. claims for libel, slander, or infringement of copyright arising from the material transmitted over the Indemnified Party's facilities arising from the Indemnifying Party's own communications (including its employees, agents and contractors) or the communications of such Indemnifying Party's customers.

Neither Party's indemnification obligations hereunder shall be applicable to any Damages to the extent caused by, arising out of or in connection with the gross negligence, intentional acts or omissions or willful misconduct of the Indemnified Party, including its employees, agents and contractors.

10.2. Procedure. The Indemnified Party will notify the Indemnifying Party promptly in writing of any claims, lawsuits, or demands by customers or other 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. 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 such Damages. In the event the Party otherwise entitled to indemnification from the other elects to decline such indemnification, then the Party making such an election may, at its own expense, assume defense and settlement of the claim, lawsuit or demand. The Parties will cooperate in every reasonable manner with the defense or settlement of any claim, demand, or lawsuit. Neither Party shall accept the terms of a settlement that involves or references the other Party in any matter without the other Party's written approval.

10.3. Limitation. EXCEPT TO THE EXTENT CAUSED BY ITS GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, NEITHER PARTY SHALL BE LIABLE TO THE OTHER OR ITS AFFILIATES OR CUSTOMERS FOR ANY SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE OR CONSEQUENTIAL COSTS, LIABILITIES, OR DAMAGES, INCLUDING ECONOMIC LOSS OR LOST BUSINESS OR PROFITS, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY), WHETHER FORESEEN OR FORESEEABLE, ALL CLAIMS FOR WHICH ARE HEREBY SPECIFICALLY WAIVED.

10.4. Disclaimer of Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, NEITHER PARTY MAKES, AND EACH PARTY HEREBY SPECIFICALLY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, REGARDING ANY MATTER SUBJECT TO THIS AGREEMENT, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR IMPLIED WARRANTIES ARISING FROM COURSE OF DEALING OR COURSE OF PERFORMANCE.

10.5. The limitation of liability in Section 10.3 shall not apply to:

a. provable damages arising from the gross negligence or willful misconduct of either Party or its Affiliates or

b. provable damages arising from either Party's breach of the confidentiality provisions of Section 13.4 or the indemnification provisions of Section 10.1. Nothing herein shall restrict either Party's right to injunctive relief.

11. NOTICES.

11.1. 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; or (iii) mailed, certified mail, return receipt requested to the following addresses of the Parties:

To Charter:

Charter Communications, Inc.
Attn: Legal Department – Telephone
12405 Powerscourt Drive
St Louis, Missouri 63131

To North-State:

North-State Telephone Company
PO Box 609
Mt. Vernon, OR 97865

with a copy to:

Charter Communications, Inc.
Attn: Corporate Telephone – Carrier
Relations
12405 Powerscourt Drive
St Louis, Missouri 63131

with a copy to (which copy alone shall not constitute notice):

Richard A. Finnigan
2112 Black Lake Blvd. S.W.
Olympia, Washington 98512

and

Charles A. Hudak, Esq.
Friend, Hudak & Harris, LLP
Three Ravinia Drive, Suite 1450
Atlanta, Georgia 30346

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 certified U.S. mail.

11.2. In order to facilitate trouble reporting and to coordinate the repair of transport facilities, trunks, and other inter-network connection arrangements provided by the Parties under this Agreement, each Party has established contact(s) available 24 hours per day, seven days per week, at telephone numbers to be provided by the Parties. Each Party shall call the other at these respective telephone numbers to report trouble with connection facilities, trunks, and other inter-network connection arrangements, to inquire as to the status of trouble ticket numbers in progress, and to escalate trouble resolution.

24 Hour Network Management Contacts:

For Charter:

NOC Phone: 866-248-7662
NOC Fax: 314-965-9491
Email: DLCorpNSOCTechs@chartercom.com

For North-State:

Phone: 541-932-4900
Fax: 541-932-4498 (Business Hours Only)
Email: otc@ortelco.net (Business Hours Only)

Before either Party reports a trouble condition, it must first use reasonable efforts to isolate the trouble to the other Party's facilities, service, and arrangements. Each Party will advise the other of any critical issues associated with the inoperative facilities, service, and arrangements and any need for expedited clearance of trouble. In cases where a Party has isolated the trouble to the other Party's network and has indicated the essential or critical need for restoration of the facilities, services or arrangements, the other Party shall use its best efforts to expedite the clearance of trouble.

12. REGULATORY APPROVAL.

12.1. 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.

12.2. Nothing in this Agreement precludes either Party from taking any position in any forum relating to any issue, including matters specifically related to the subject matter of this Agreement. The Parties reach this Agreement without waiving or prejudicing any position they have taken previously, or may take in the future, in any judicial, legislative, regulatory or other public forum addressing any matters, including matters specifically related to, or other types of arrangements prescribed in, this Agreement.

13. MISCELLANEOUS.

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

13.2. Independent Contractors. Neither this Agreement, nor any actions taken by either Party in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between the Parties, or any relationship other than that of provider and receiver of services. Neither this Agreement, nor any actions taken by either Party in compliance with this Agreement, shall create a contractual, agency, or any other type of relationship or third party liability between either Parties' End Users or others.

13.3. 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 and without its fault or negligence 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 or any other circumstances beyond the reasonable control and without the fault or negligence of the Party affected (collectively,

a “Force Majeure Event”). If any Force Majeure Event occurs, the Party delayed or unable to perform shall give prompt notice to the other Party and shall take all reasonable steps to correct the Force Majeure Event. During the pendency of the Force Majeure Event, the duties of the Parties under this Agreement affected by the Force Majeure Event (other than obligations to pay money for services or facilities already rendered) shall be abated and shall resume without liability thereafter.

13.4. Confidentiality. The Parties shall protect the confidentiality of each other’s proprietary information and use such information only for the purpose of performing their obligations under this Agreement and shall protect the confidentiality of all customer proprietary network information as required by 47 U.S.C. § 222, and all applicable state statutes and regulations. The Parties agree that all information concerning each Party’s network, traffic and customers that has not been made public by such Party (and disclosure to the other Party shall not be considered making information public) and all information expressly designated by a Party as proprietary information is either: (i) the proprietary information of such Party pursuant to 47 U.S.C. § 222(a) and (b), and all traffic and customer information other than subscriber list information is customer proprietary network information as defined in 47 U.S.C. § 222(h)(1); or (ii) is otherwise confidential and proprietary information of the disclosing Party. The Parties shall comply with all valid regulations of the FCC promulgated pursuant to 47 U.S.C. § 222, in addition to all applicable state statutes and regulations.

13.5. Governing Law. The domestic laws of the State of Oregon without reference to conflict of law provisions shall govern this Agreement. This Agreement shall be construed in accordance with all applicable federal and state laws and regulations.

13.6. Change of Law. The terms and conditions of this Agreement shall be subject to any and all applicable laws, rules, regulations or guidelines that subsequently may be adopted by any federal, state, or local government authority. Any modifications to this Agreement occasioned by such change shall be effected through good faith negotiations.

13.7. Assignment. This Agreement shall be binding upon the Parties and shall continue to be binding upon all such entities regardless of any subsequent change in their ownership. Each Party covenants that, if it sells or otherwise transfers to a third party any facilities used in the performance of this Agreement, it will require as a condition of such transfer that the transferee assume this Agreement and the obligations of such Party hereunder 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 or conditioned; provided that either Party may assign this Agreement to a corporate Affiliate 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 permitted 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.

13.8. Audit and Review. Upon reasonable written notice, each Party or its authorized representative shall have the right to conduct annual reviews of and make copies of the relevant data (including without limitations billing records) possessed by the other Party to give assurance of compliance with the provisions of this Agreement. Each Party’s right to access information for

review purposes is limited to data not in excess of twelve (12) months in age and the Party requesting a review shall fully cooperate with the Party being reviewed and shall bear its own costs associated with conducting such review. The Party being reviewed will fully cooperate with the reviewing Party and provide access to necessary and applicable information at no charge to the reviewing Party during normal business hours.

13.9. 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.

13.10. Publicity and Use of 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.

13.11. No Third Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein expressed or implied shall create or be construed to create any third-party beneficiary rights hereunder.

13.12. 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.

13.13. Technology Upgrades. Nothing in this Agreement shall limit either Party's ability to upgrade its network through the incorporation of new equipment, new software or otherwise, provided that the Party initiating the upgrade shall provide the other Party written notice at least ninety (90) days prior to the incorporation of any such upgrade in its network which will materially impact the other Party's service. Each Party shall be solely responsible for the cost and effort of accommodating such changes in its own network.

13.14. Entire Agreement. This Agreement, together with all schedules, exhibits, and addenda hereto, constitutes the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior and contemporaneous understandings, proposals and other communications, oral or written. Neither Party shall be bound by any 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 not be amended, modified, or supplemented except by written instrument signed by both Parties.

13.15. Severability. In the event that any one or more of the provisions contained herein, is, for any reason, held to be unenforceable in any respect under law or regulation, the remainder of this Agreement will not be affected thereby and will continue in full force and effect.

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

13.17. Authority. The Parties each represent and warrant that the undersigned representative of each Party is fully authorized to execute this Agreement and so bind that Party to the terms herein.

13.18. Preservation of Rural Exemption. North-State asserts that it is a rural telephone company as defined in the Act and holds an exemption from certain obligations under 47 U.S.C. §251(f). Nothing in this Agreement shall be construed as waiving, removing or modifying, in whole or in part, said exemption.

IN WITNESS WHEREOF, the Parties have caused this LOCAL TRAFFIC EXCHANGE AGREEMENT to be executed on their behalf by their duly authorized representatives on the dates set forth below.

North-State:

North-State Telephone Company

By: 

Name: DeeDee Kluser

Title: Manager

Date: 7/1/08

Charter:

Charter Fiberlink OR-CCVII, LLC

By: 

Name: Ted Schremp

Title: Senior Vice President – Product Management and Strategy

Date: 6-20-08