

AMENDMENT NO. 2
to the
INTERCONNECTION AGREEMENT
between
VERIZON NORTHWEST INC.
and
AT&T WIRELESS SERVICES, INC.
FOR OREGON

This Amendment No. 2 (this "Amendment") is effective June 14, 2001 ("Amendment Effective Date") by and between Verizon Northwest Inc., f/k/a GTE Northwest Incorporated ("Verizon"), and AT&T Wireless Services, Inc. ("AWS"). (Verizon and AWS may hereinafter be referred to, each individually, as a "Party," and, collectively, as the "Parties").

WITNESSETH:

WHEREAS, Verizon and AWS are Parties to an Interconnection Agreement under Sections 251 and 252 of the Communications Act of 1934 (the "Act") for Oregon, which was effective October 14, 1999 (the "Agreement"); and

WHEREAS, on April 18, 2001, in the Order on Remand and Report and Order, *In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP-Bound Traffic*, FCC 01-131, CC Docket Nos. 96-98 and 99-68 ("Order"), the Federal Communications Commission affirmed its prior determination that Internet traffic is not subject to reciprocal compensation under Section 251(b)(5) of the Act, but exercised its authority under Section 201 of the Act to establish a transitional plan for intercarrier compensation for Internet traffic; and

WHEREAS, in accordance with the Order, Verizon has elected to offer an optional reciprocal compensation rate plan for traffic subject to Section 251(b)(5) of the Act, under which such traffic exchanged between Verizon and a local exchange carrier or CMRS provider in a given state will be subject to compensation at the same rate applicable to intercarrier compensation for Internet traffic in that state under the terms of the Order; and

WHEREAS, AWS has elected to amend the Agreement to accept the optional reciprocal compensation rate plan for traffic subject to Section 251(b)(5) of the Act being offered by Verizon;

NOW, THEREFORE, in consideration of the promises and mutual agreements set forth herein, the Parties agree to amend the Agreement as follows:

1. Amendment to Agreement. Effective as of the Amendment Effective Date, the Agreement is amended as follows:

1.1 Notwithstanding any other provision of the Agreement, the following provisions shall apply to and be a part of the Agreement:

1.1.1 Reciprocal Compensation Rates:

1.1.1.1 Appendix A of the Agreement is amended by deleting from the section "Local Transport and Termination Rates" Paragraph A, "Transport and Termination Rate," and replacing Paragraph A with the following:

"A. Local Traffic Transport and Termination Rate

June 14, 2001 through December 13, 2001 -- \$0.0015 per minute of use;

December 14, 2001 through June 13, 2003 -- \$0.0010 per minute of use; and

June 14, 2003 and thereafter -- \$0.0007 per minute of use."

1.1.1.2 The rates provided for in Section 1.1.1.1 above shall apply to the Parties in an equal and symmetrical manner.

1.1.1.3 The reciprocal compensation rates billed by AWS to Verizon shall not exceed the reciprocal compensation rates billed by Verizon to AWS.

1.1.1.4 The rates provided for in Section 1.1.1.1 above shall apply until such time as they are replaced prospectively by new rates as may be approved or allowed into effect from time to time by the Commission pursuant to FCC orders and FCC regulations, or by the FCC, subject to a stay or other order issued by any court of competent

jurisdiction.

- 1.1.2 Reciprocal compensation shall not apply to traffic that is not subject to reciprocal compensation under Section 251(b)(5) of the Act.
- 1.1.3 "Internet Traffic" means any traffic that is transmitted to or returned from the Internet at any point during the duration of the transmission.
- 1.1.4 Local Traffic does not include any Internet Traffic.
- 1.1.5 Reciprocal compensation shall not apply to Internet Traffic. The Parties' rights and obligations with respect to any intercarrier compensation that may be due in connection with their exchange of Internet Traffic shall be governed by the terms of the Order and other applicable FCC orders and FCC regulations.
- 1.1.6 The determination of whether traffic is Local Traffic or Internet Traffic shall be performed in accordance with Paragraphs 8 and 79, and other applicable provisions, of the Order (including, but not limited to, in accordance with the rebuttable presumption established by the Order that traffic delivered to a carrier that exceeds a 3:1 ratio of terminating to originating traffic is Internet Traffic, and in accordance with the process established by the Order for rebutting such presumption before the Commission).
- 1.1.7 A Party shall not be obligated to pay any intercarrier compensation for Internet Traffic that is in excess of the intercarrier compensation for Internet Traffic that such Party is required to pay under the Order and other applicable FCC orders and FCC regulations.

2. Termination. Each Party shall have the right to terminate this Amendment by written notice to the other Party, if: (a) the Order is stayed or vacated in whole by the FCC or another governmental entity of competent jurisdiction; or, (b) the Order is stayed or vacated in part, or modified, by the FCC or another governmental entity of competent jurisdiction, in any way that is material to this Amendment (including, but not limited to, if there is a change in the intercarrier compensation rates for ISP-bound traffic, or in the "mirroring" rule). The termination shall be effective upon receipt of the notice of termination by the other Party. In the event of such termination of this Amendment, the language of the Agreement, on a prospective basis, effective with the effective date of the termination, shall revert to the language of the Agreement (including any other amendments to the Agreement entered into by the Parties on, before or after the Amendment Effective Date) as it would have existed if this Amendment had not been entered into by the Parties. The provisions of this Section 2 shall be in addition to and not in limitation of any other provisions of the Agreement (including, but not limited to, Article III Section 33, "Changes in

Legal Requirements,” and Article III Section 41, “Subsequent Law”) that might apply if the Order is stayed, vacated or modified.

3. Scope of Amendment. Except to the extent set forth in Section 1 of this Amendment, the rates, charges and other provisions of the Agreement shall remain in full force and effect after the Amendment Effective Date. Nothing in this Amendment shall be deemed to amend or extend the term of the Agreement. The dates shown in Section 1.1.1.1 above are not intended to modify the term of the Agreement or to affect either Party’s right to exercise any right of termination it may have under the Agreement.

4. Conflict Between this Amendment and the Agreement. This Amendment shall be deemed to revise the rates, charges and other provisions of the Agreement to the extent necessary to give effect to the rates, charges and other provisions of this Amendment. In the event of a conflict between a rate, charge or other provision of this Amendment and a rate, charge or other provision of the Agreement, this Amendment shall govern.

5. Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed and delivered shall be an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be duly executed and delivered by their duly authorized representatives as of the Amendment Effective Date.

AT&T Wireless Services, Inc.

Verizon Northwest Inc.

By:_____

By:_____

Printed:_____

Printed: Jeffrey A. Masoner_____

Title:_____

Title: Vice-President - Interconnection Services Policy & Planning