

0010 ✓

AGREEMENT

for the

EXCHANGE OF ONE-WAY
EXTENDED AREA SERVICE (EAS) INFORMATION
SERVICE PROVIDER (ISP) TRAFFIC

Dated July 16, 2004

Between

Mosinee Telephone Company, Inc.

and

KMC Telecom V, Inc.

Table of Contents

Introduction – One-Way Extended Area Service Information Service Provider Traffic Agreement

Recitals

- 1.0 Definitions**
- 2.0 Interpretation and Construction**
- 3.0 Exchange of ISP Traffic**
 - 3.1 Scope of Traffic Covered by this Agreement**
 - 3.2 Excluded Traffic**
 - 3.3 Intermediary ISP Traffic Functions**
 - 3.4 Access Traffic**
 - 3.5 Treatment of Information Service Provider Traffic**
 - 3.6 Trunk Groups**
 - 3.7 Signaling**
 - 3.8 Network Maintenance and Trunk Provisioning**
 - 3.9 No Compensation**
- 4.0 Disclaimer of Representations and Warranties**
- 5.0 No Cancellation or Non-Recurring Charges**
- 6.0 Indemnification**
- 7.0 Limitation of Liability**
- 8.0 Term and Termination**
- 9.0 Compliance with Laws and Regulations**
- 10.0 Severability**
- 11.0 Miscellaneous**
 - 11.1 Authorization**
 - 11.2 Disclaimer of Agency; No Third Party Beneficiaries;
Independent Contractor**
 - 11.3 Force Majeure**
 - 11.4 Treatment of Proprietary and Confidential Information**
 - 11.5 Choice of Law**
 - 11.6 Taxes**
 - 11.7 Assignability**
 - 11.8 Billing and Payment; Disputed Amounts**
 - 11.9 Dispute Resolutions**
 - 11.10 Notices**
 - 11.11 Joint Work Product**
 - 11.12 No License**
 - 11.13 Survival**
 - 11.14 Publicity and Use of Trademarks or Service Marks**
 - 11.15 Non-Waiver**
 - 11.16 Entire Agreement**
 - 11.17 Counterparts**
 - 11.18 Modification, Amendment, Supplement, or Waiver**

AGREEMENT FOR THE EXCHANGE OF ONE-WAY EXTENDED AREA SERVICE (EAS) INFORMATION SERVICE PROVIDER (ISP) TRAFFIC

This AGREEMENT FOR THE EXCHANGE OF ONE-WAY EXTENDED AREA SERVICE (EAS) INFORMATION SERVICE PROVIDER (ISP) TRAFFIC ("Agreement") is effective as of the date fully executed by both Parties, by and between The Mosinee Telephone Company, Inc. ("Mosinee"), a Wisconsin corporation with offices at 410 4th Street, Mosinee, Wisconsin 54455, and KMC Telecom V, Inc. ("KMC"), a Delaware corporation with offices at 1755 North Brown Road, Lawrenceville, Georgia 30043. This Agreement may refer to either Mosinee or KMC as a "Party" or to both Mosinee and KMC as the "Parties."

RECITALS

WHEREAS, Mosinee and KMC are local exchange carriers authorized to provide telecommunications services in the State of Wisconsin; and

WHEREAS, the Parties individually provide telecommunications services in specific exchange areas in the State of Wisconsin; and

WHEREAS, the Parties desire to provide one-way ISP calling from end users located in Mosinee exchange of Mosinee to end users located in KMC exchange of Wausau on fair and equitable terms;

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, Mosinee and KMC hereby agree as follows:

This Agreement sets forth the terms and conditions between the Parties for the exchange of one-way ISP traffic from Mosinee's end users to KMC's end users.

1.0 DEFINITIONS

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

1.1 "Affiliate" means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, a Party to this Agreement.

1.2 "Commission" means the Wisconsin Public Service Commission.

1.3 "Common Channel Interoffice Signaling" or "CCIS" or "Common Channel Signaling System 7" ("CCS") mean the signaling system, developed for use between switching systems with stored-program control, for transmitting call set-up and network control data over a digital signaling network separate from

the public switched telephone network facilities that carry the actual voice or data traffic of the call. "SS7" means the common channel out of band signaling protocol developed by the Consultative Committee for International Telephone and Telegraph ("CCITT") and the American National Standards Institute ("ANSI").

1.4 "Customer," "End User" or "End User Customer" means the residence or business subscriber that is the ultimate user of Telecommunications Services provided by either of the Parties and for purposes of this Agreement, Mosinee's customers may place and KMC's customers may receive ISP calls.

1.5 "Digital Signal Level" means one of several transmission rates in the time-division multiplex hierarchy.

1.6 "Digital Signal Level 1" or "DS1" or "T1" means the 1.544 Mbps first-level signal in the time-division multiplex hierarchy. In the time-division multiplexing hierarchy of the telephone network, DS1 is the initial level of multiplexing.

1.7 "Digital Signal Level 3" or "DS3" or "T3" means the 44.736 Mbps third-level in the time-division multiplex hierarchy. In the time-division multiplexing hierarchy of the telephone network, DS3 is defined as the third level of multiplexing.

1.8 "Extended Area Service" or "EAS" is a service arrangement whereby end users that obtain local exchange service in a specific Local Service Exchange Area are provided the ability to place and receive interexchange calls with end users in another specific Local Service Exchange Area on the basis of terms, conditions and charges that are distinct from the terms applicable to message toll service and exchange service. EAS is separate and distinct from exchange service that permits end users to place calls to and receive calls from other users in the same Local Service Exchange Area. EAS is separate and distinct from toll services that permit end users to place interexchange calls according to interexchange toll rates based on usage and/or distance-based charges. EAS calling is established to meet the public interest demand of end users in specific communities to place and receive calls from end users in other specific communities without incurring specific telephone message toll charges. EAS is exclusive to and may not be extended through resale or bridging beyond the two specified exchanges in any given EAS route.

1.9 "Information Service" is as defined in the Communications Act of 1934, as amended.

1.10 "Information Service Provider" or "ISP" is any entity, including but not limited to an Internet service provider that provides information services.

1.11 "ISP Traffic" and "Information Services Traffic" is traffic originated by an end user of Mosinee and is delivered to KMC for termination to an ISP. ISP traffic is not EAS traffic as defined in this Agreement.

1.12 "Local Exchange Carrier" or "LEC" is any common carrier authorized to provide exchange and exchange access services.

1.13 "Local Service Exchange Area" or "Local Service Area" is a specific geographic service area encompassing an exchange area served by a Party as set forth in Exhibit 1 to this Agreement. The Local Service Exchange Areas define the mutually exclusive geographic areas between which one-way ISP traffic will be provided pursuant to this Agreement.

1.14 "Point of Connection," or "POC" mean the mutually agreed upon point of demarcation where one-way ISP traffic is carried between the Parties.

1.15 "Rate Center" means the specific geographic point ("Vertical and Horizontal" ("V&H") coordinates) and corresponding geographic area which are associated with one or more particular NPA-NXX codes which have been assigned to the LEC for its provision of basic exchange telecommunications services. The "rate center point" is the finite geographic identified by a specific V&H coordinate, which is used to measure distance-sensitive end user traffic to/from the particular NPA-NXX designations associated with the specific Rate Center. The "rate center area" is the exclusive geographic area identified as the area within which the LEC provides basic exchange telecommunications service bearing the particular NPA-NXX designations associated with the specific Rate Center.

1.16 "Tariff" means any applicable federal or state tariff of a Party that sets forth the generally available terms and conditions under which a Party offers a particular service, facility, or arrangement.

1.17 "Telecommunications" means the transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent or received.

1.18 "Termination" is, with respect to EAS ISP Traffic pursuant to this Agreement, the switching of EAS ISP Traffic at the terminating carrier's end office switch, or equivalent facility, and delivery of such traffic to the called party's premise.

1.19 "Transport" is, with respect to EAS ISP Traffic pursuant to this Agreement, the transmission from the POC to the terminating carrier's end office switch that serves the called party.

2.0 INTERPRETATION AND CONSTRUCTION

2.1 All references to Sections, Exhibits and Schedules shall be deemed to be references to Sections of, and Exhibits and Schedules to, this Agreement unless the context shall otherwise require. The headings used in this Agreement 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 the context shall otherwise require, any reference to any agreement, other instrument (including offerings, guides or practices of Mosinee, KMC or other third party),

statute, regulation, rule or tariff is to such agreement, instrument, statute, regulation, or 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).

2.2 The Parties acknowledge that some of the services, facilities, or arrangements described herein may reference the terms of federal or state Tariffs of the Parties. Each Party hereby incorporates by reference those provisions of any tariff that governs any terms specified in this Agreement for the exchange of ISP traffic. If any provision contained in this main body of the Agreement and any Exhibit hereto cannot be reasonably construed or interpreted to avoid conflict, the provision contained in this main body of this Agreement shall prevail. If any provision of this Agreement and an applicable tariff cannot be reasonably construed or interpreted to avoid conflict, the Parties agree that the provision contained in this Agreement shall prevail. The fact that a condition, right, obligation, or other term appears in this Agreement but not in any such tariff shall not be interpreted as, or be deemed grounds for finding, a conflict for purposes of this Section 2.

3.0 EXCHANGE OF ONE-WAY ISP TRAFFIC

3.1 SCOPE OF TRAFFIC COVERED BY THIS AGREEMENT

3.1.1 This Agreement sets forth the terms and conditions under which Mosinee will direct one-way ISP traffic to KMC's network, as defined herein, and shall supersede all existing agreements between the Parties regarding such traffic. The exchange of one-way ISP traffic under this Agreement only applies when both Parties operate network facilities in the Local Service Exchange Areas that are the subject of this Agreement. This Agreement applies only to the exchange of one-way ISP traffic from Mosinee's end users to KMC's end users. The specific Local Service Exchange Areas that are the subject of this Agreement between which customers of Mosinee will be provided one-way ISP calling service to KMC's customers, together with the identification and location of associated end offices and location(s) of point(s) of connection, are set forth in Exhibit 1 to this Agreement.

3.1.2 This Agreement only applies to the specific Local Service Exchange Areas specified in Exhibit 1. From time to time, the Parties can negotiate the exchange of one-way ISP traffic between additional pairs of Local Service Exchange Areas, but this Agreement does not require the Parties to negotiate any changes. Without agreement by both Parties to such changes, the specific Local Service Exchange Areas set forth in Exhibit 1 and the combination(s) of Local Service Exchange Areas that determines ISP calling as also set forth in Exhibit 1 shall not change. It will constitute a default of this Agreement for a Party to deliver, over the connecting network facilities, any traffic other than the traffic that is within the scope of this Agreement as specifically identified in this Section 3.

3.2 EXCLUDED TRAFFIC

This Agreement applies to one-way ISP traffic between the Extended Area Service Local Service Exchange Areas set forth in Exhibit 1. This Agreement does not apply to any traffic that both originates and terminates within the same Local Service Exchange Area. The terms and conditions of this Agreement are not applicable to two-way EAS traffic. This Agreement is not applicable to IntraLATA toll traffic, switched access traffic, or InterLATA toll traffic. Except as provided in Section 3.3, below, this Agreement is not applicable to traffic originated, terminated, or carried on third party networks not Parties to this Agreement or any traffic originated or terminated by users of Commercial Mobile Radio Services. The Parties specifically exclude verification traffic and 911 traffic.

3.3 INTERMEDIARY ISP TRAFFIC FUNCTIONS

Both Parties agree to deliver only traffic within the scope of this Agreement over the connecting facilities as specified in Exhibit 1. Neither Party shall provide an intermediary or transit traffic function for the other Party's connection of its end users to the end users of a third party telecommunications carrier without the consent of all parties and without the establishment of mutually agreeable terms and conditions governing the provision of the intermediary function. Neither Party shall provide an intermediary or transit function for the connection of the end users of a third party telecommunications carrier to the end users of the other Party without the consent of all parties and without the establishment of mutually agreeable terms and conditions governing the provision of the intermediary function. This Agreement does not obligate either Party to utilize any intermediary or transit traffic functions of the other Party.

3.4 NPA/NXX ASSIGNMENT

KMC agrees to deploy NPA/NXXs in the exchanges set forth in Exhibit 1 consistent with the LERG, Commission approved extended area service local service exchange areas and industry standards.

3.5 TREATMENT OF INFORMATION SERVICE PROVIDER TRAFFIC

3.5.1 The Parties recognize that the network treatment of traffic directed to ISPs is unresolved and the subject of industry wide controversy. The Parties further recognize that the long-term resolution of issues related to ISP traffic will affect both Parties and will likely necessitate modification to this Agreement. In recognition of these factors, the Parties agree to one-way switch and transport ISP traffic in the manner described below in this Subsection 3.5 subject to amendment upon written agreement of the Parties.

3.5.2 The Parties shall switch and transport one-way ISP traffic under these conditions until such time as a regulatory authority, court, or legislative body addresses the proper treatment of this traffic. The one-way switching and transport of ISP traffic as described in this Agreement, however, shall not be construed as either agreement or acknowledgment by the Parties that this arrangement is proper. In the event that the manner in which ISP or

ISP traffic shall or may be treated is determined by an appropriate regulatory or legal body, or in the event that any action or decision of an appropriate regulatory or legal body results in a determination that the interim treatment of ISP traffic pursuant to this Subsection is unlawful, improper, or not specifically required, the Parties will negotiate in good faith immediate modification and/or replacement language to this Agreement to effect new terms and conditions consistent with any such lawful action or determination. Any new or modified terms shall be effective with the effective date of any such lawful action or determination regarding the treatment of one-way ISP traffic. Specifically, this Agreement does not supersede any determination by an appropriate regulatory or legal body that compensation is due Mosinee for originating Voice over Internet Protocol (VoIP) traffic.

3.5.3 The Parties will cooperate fully in identifying ISPs and ISP traffic directed from MOSINEE end user customers to KMC end user customers.

3.6 TRUNK GROUPS

3.6.1 The Parties agree to interconnect their respective networks for the purpose of allowing the Parties to exchange EAS ISP Traffic. The Parties agree to establish the Point of Connection as set forth in Exhibit 1. Each Party will make available to the other Party, at the POC, trunks over which the originating Party can terminate EAS ISP Traffic to the end users of the terminating Party.

3.6.2 The Parties agree to establish one-way trunk groups for the one-way ISP traffic based on traffic volumes, switching capabilities and capacities. The Parties agree to work cooperatively to forecast one-way ISP trunk requirements. When necessary, the Parties agree to provide additional trunking needed to maintain the grade of service stated above. The Parties agree to connect trunks at a minimum DS1 level. All connecting facilities will be a DS1 level, multiple DS1 level, or DS3 level and will conform to industry standards. Where ISP traffic volumes are not established, one-way trunk groups will be provisioned initially based on forecasts jointly developed by the Parties. All one-way trunk facilities will be engineered to a P.01 grade of service.

3.6.3 Each Party is individually responsible to provide facilities within its network to the POC which are necessary for routing, transporting, measuring, and billing traffic in a mutually acceptable format and in a manner that neither destroys nor degrades the normal quality of service each Party provides to its respective end users.

3.7 SIGNALING

The Parties shall interconnect their SS7 Common Channel Signaling ("CCS") networks either directly or through third parties. The Parties shall exchange all appropriate CCS messages including Transaction Capability User Part ("TCAP") messages that are necessary to provide call management features. The Parties shall set message screening parameters so as to accept messages from any switching systems destined to any signaling point in the CCS

network with which the Parties have a legitimate signaling relation. The Parties further agree to exchange and load point code information in a reasonable and timely manner in accordance with standard industry practices. Neither Party will bill the other Party for exchange of any CCS messages.

3.8 NETWORK MAINTENANCE AND TRUNK PROVISIONING

The Parties will work cooperatively to install and maintain a reliable network. The Parties will exchange relevant information to maintain reliability. In addition, the Parties will work cooperatively to apply sound network management principles to alleviate or to prevent congestion and to avoid interference with, or impairment to, the services provided pursuant to this Agreement. The Parties agree to work cooperatively to forecast trunk requirements. When necessary, the Parties agree to provide additional trunking needed to maintain the above stated blocking objective.

3.9 NO COMPENSATION

MOSINEE has no obligation to provide compensation to KMC for the termination of the one way ISP traffic.

4.0 DISCLAIMER OF REPRESENTATIONS AND WARRANTIES

EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT, NEITHER PARTY MAKES 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.

5.0 NO CANCELLATION OR NON-RECURRING CHARGES

No cancellation charges shall apply with respect to any of the terms of this Agreement. No non-recurring charges shall apply with respect to any of the terms of this Agreement.

6.0 INDEMNIFICATION

6.1 Each Party agrees to release, indemnify, defend and hold harmless the other Party from and against all losses, claims, demands, damages, expenses, suits or other actions, or any liability whatsoever related to the subject matter of this Agreement, including, but not limited to, costs and attorneys' fees (collectively, a "Loss"), (a) whether suffered, made, instituted, or asserted by any other party or person, relating to personal injury to or death of any person, defamation, or for loss, damage to, or destruction of real and/or personal property, whether or not owned by others, arising during the term of this Agreement and to the extent proximately caused by the acts or omissions of the indemnifying Party, regardless of the form of action, or (b) suffered, made, instituted, or asserted by its own customer(s) against the other Party arising out of the other Party's provision of services to the indemnifying Party under this

Agreement. Notwithstanding the foregoing indemnification, nothing in this such Section 6.0 shall affect or limit any claims, remedies, or other actions the indemnifying Party may have against the indemnified Party under this Agreement, any other contract, or any applicable Tariff(s), regulations or laws for the indemnified Party's provision of said services.

6.2 The indemnification provided herein shall be conditioned upon:

(a) The indemnified Party shall promptly notify the indemnifying Party of any action taken against the indemnified Party relating to the indemnification.

(b) The indemnifying Party shall have sole authority to defend any such action, including the selection of legal counsel, and the indemnified Party may engage separate legal counsel only at its sole cost and expense.

(c) In no event shall the indemnifying Party settle or consent to any judgment pertaining to any such action without the prior written consent of the indemnified Party, which consent shall not be unreasonably withheld.

(d) The indemnified Party shall, in all cases, assert any and all provisions in its Tariffs that limit liability to third parties as a bar to any recovery by the third party claimant in excess of such limitation of liability.

(e) The indemnified Party shall offer the indemnifying Party all reasonable cooperation and assistance in the defense of any such action.

6.3 In addition to its indemnity obligations under Section 6.1 and 6.2, each Party may provide, in its Tariffs or customer contracts that relate to any Telecommunications Service or Network Element provided or contemplated under this Agreement, that in no case shall such Party or any of its agents, contractors or others retained by such parties be liable to any Customer or third party for (i) any Loss relating to or arising out of this Agreement, whether in contract or tort, that exceeds the amount such Party would have charged the applicable Customer for the services(s) or functions(s) that gave rise to such Loss, or (ii) any Consequential Damages (as defined in subsection 7.2, below).

7.0 LIMITATION OF LIABILITY

7.1 Except in the instance of harm resulting from an intentional or grossly negligent action of one Party, the Parties agree to limit liability in accordance with this Section 7. The liability of either Party to the other Party for damages arising out of failure to comply with a direction to install, restore or terminate facilities; or out of failures, mistakes, omissions, interruptions, delays, errors, or defects occurring in the course of furnishing any services,

arrangements, or facilities hereunder shall be determined in accordance with the terms of the applicable tariff(s) of the providing Party. In the event no tariff(s) apply, the providing Party's liability shall not exceed an amount equal to the pro rata monthly charge for the period in which such failures, mistakes, omissions, interruptions, delays, errors or defects occur. Recovery of said amount shall be the injured Party's sole and exclusive remedy against the providing Party for such failures, mistakes, omissions, interruptions, delays, errors or defects. Because of the mutual nature of the exchange of traffic arrangement between the Parties pursuant to this Agreement, the Parties acknowledge that the amount of liability incurred under this Section 7.1 may be zero.

7.2 Neither Party shall be liable to the other in connection with the provision or use of services offered under this Agreement for indirect, incidental, consequential, reliance or special damages, including (without limitation) damages for lost profits (collectively, "Consequential Damages"), regardless of the form of action, whether in contract, warranty, strict liability, or tort, including, without limitation, negligence of any kind, even if the other Party has been advised of the possibility of such damages; provided, that the foregoing shall not limit a Party's obligation under Section 6.

7.3 The Parties agree that neither Party shall be liable to the customers of the other Party in connection with its provision of services to the other Party under this Agreement. Nothing in this Agreement shall be deemed to create a third party beneficiary relationship between the Party providing the service and the customers of the Party purchasing the service. In the event of a dispute involving both Parties with a customer of one Party, both Parties shall assert the applicability of any limitation on liability to customers that may be contained in either Party's applicable tariff(s) or customer contracts.

8.0 TERM AND TERMINATION

This Agreement shall be effective on the date in which this Agreement is approved by the Commission pursuant to Subsection 9.3 below and shall continue in force and effect unless and until terminated as provided herein. Either Party may terminate this Agreement by providing written notice of termination to the other Party, such written notice to be provided at least one-hundred and twenty (120) days in advance of the date of termination.

9.0 COMPLIANCE WITH LAWS AND REGULATIONS

9.1 The Parties agree that the exchange of one-way ISP traffic pursuant to this Agreement will be in accordance with the rules and regulations of the Commission and Communications Act of 1934, as amended. The Parties agree that it is in their mutual interest to seek approval of this Agreement, and the Parties will voluntarily file this Agreement with the Commission. The filing of this Agreement does not create obligations for either Party under the Act that do not otherwise apply.

9.2 Each Party shall comply with all federal, state, and local statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings

applicable to its performance under this Agreement. Each Party shall promptly notify the other Party in writing of any governmental action that suspends, cancels, withdraws, limits, or otherwise materially affects its ability to perform its obligations hereunder.

9.3 Notwithstanding the mutual commitment contained in this Agreement, the Parties nevertheless enter into this Agreement without prejudice to any positions they have taken previously, or may take in the future in any legislative, regulatory, or other public forum addressing any matters, including matters related specifically to this Agreement or other types of arrangements prescribed in this Agreement. Notwithstanding any other provision of this Agreement, the Parties reserve the right to seek regulatory relief and otherwise seek redress from each other regarding performance and implementation of this Agreement. In the event that the Commission were to reject 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). Further, 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.

10.0 SEVERABILITY

If any provision of this Agreement is held by a court or regulatory agency of competent jurisdiction to be unenforceable, the rest of the Agreement shall remain in full force and effect and shall not be affected unless removal of that provision results in a material change to this Agreement. If a material change as described in this paragraph occurs as a result of action by a court or regulatory agency, the Parties shall negotiate in good faith for replacement language that does not materially alter the economic effect of this Agreement on either Party. If replacement language cannot be agreed upon within a reasonable period, either Party may terminate this Agreement without penalty or liability for such termination upon written notice to the other Party in accordance with Section 8.

11.0 MISCELLANEOUS

11.1 AUTHORIZATION

11.1.1 MOSINEE is a corporation duly organized, validly existing and in good standing under the laws of the State of Wisconsin and has full power and holds a certain Certificate of Territorial Authority in the State of Wisconsin and is authorized to transact business in the state of Wisconsin;

11.1.2 KMC Telecom V, Inc. is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and holds a certain Certificate of Public Convenience and Necessity and is authorized to transact business and in the State of Wisconsin;

11.2 DISCLAIMER OF AGENCY; NO THIRD PARTY BENEFICIARIES; INDEPENDENT CONTRACTOR

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. Neither this Agreement, nor any actions taken by either Party in compliance with this Agreement, shall create an agency, or any other type of relationship or third party liability between the Parties or between either Party and the customers of the other Party. 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. 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 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.

11.3 FORCE MAJEURE

Neither Party shall be responsible for delays or failures in performance resulting from acts or occurrences beyond the reasonable control of such Party, regardless of whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement, including, without limitation: adverse weather conditions, fire, explosion, power failure, acts of God, war, revolution, civil commotion, or acts of public enemies; any law, order, regulation, ordinance or requirement of any government or legal body; or labor unrest, including, without limitation, strikes, slowdowns, picketing or boycotts; or delays caused by the other Party or by other service or equipment vendors; or any other circumstances beyond the Party's reasonable control. In such event, the affected Party shall, upon giving prompt notice to the other Party, be excused from such performance on a day-to-day basis to the extent of such interferences (and the other Party shall likewise be excused from performance of its obligations on a day-to-day basis to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use its best efforts to avoid or remove the cause(s) of non-performance and both Parties shall proceed to perform with dispatch once the cause(s) are removed or cease.

11.4 TREATMENT OF PROPRIETARY AND CONFIDENTIAL INFORMATION

11.4.1 Both Parties agree that it may be necessary to provide each other during the term of this Agreement with certain confidential information, including but not limited to, trade secrets, technical and business plans, technical information, proposals, specifications, drawings, procedures, customer account data, call detail records and like information (hereinafter collectively referred to as "Proprietary Information"). Proprietary Information shall remain the property of the disclosing Party. Both Parties agree that all Proprietary Information shall be in writing or other tangible form and clearly marked with a confidential, private

or proprietary legend and that the Proprietary Information will be returned to the owner within a reasonable time. Both Parties agree that the Proprietary Information shall be utilized by the non-disclosing Party only to the extent necessary to fulfill the terms of this Agreement or upon such terms and conditions as may be agreed upon between the Parties in writing, and for no other purpose. Both Parties agree to receive such Proprietary Information and not to disclose such Proprietary Information. Both Parties agree to protect the Proprietary Information received from distribution, disclosure or dissemination to anyone except employees and duly authorized agents of the Parties with a need to know such Proprietary Information and which employees and agents agree to be bound by the terms of this Section. Both Parties will use the same standard of care to protect Proprietary Information received as they would use to protect their own confidential and proprietary information.

11.4.2 Notwithstanding the foregoing, both Parties agree that there will be no obligation to protect any portion of the Proprietary Information that is either: 1) made publicly available by the owner of the Proprietary Information or lawfully disclosed by a non-party to this Agreement; 2) lawfully obtained from any source other than the owner of the Proprietary Information; 3) publicly known through no wrongful act of the receiving Party; 4) previously known to the receiving Party without an obligation to keep it confidential; 5) required to be disclosed by any governmental authority or applicable law; or 6) approved for release by written authorization of the disclosing Party.

11.5 CHOICE OF LAW

The construction, interpretation, enforcement and performance of this Agreement shall be in accordance with the laws of the State of Wisconsin without regard to its conflict of laws principles.

11.6 TAXES

Neither Party is aware of any additional taxes that would be applicable to either party as a result of the execution of this Agreement. In the event that any taxes are assessed on either Party related to this Agreement, each Party agrees to be responsible for any such taxes assessed on it.

11.7 ASSIGNABILITY

Either Party may, with the other Party's prior written consent, assign this Agreement or any of its rights or obligations hereunder to a successor third party, including, without limitation, its parent or other affiliate; such consent shall not be unreasonably withheld upon the provision of reasonable evidence by the proposed assignee that it has the resources, ability and authority to provide satisfactory performance under this Agreement. Any assignment or delegation in violation of this subsection 11.7 shall be void and ineffective and constitute a default of this Agreement. This Agreement shall be binding on and inure to the

benefit of the Parties and their respective legal successors and permitted assignee.

11.8 BILLING AND PAYMENT; DISPUTED AMOUNTS

11.8.1 Because of the mutual consideration related to the subject matter of this Agreement, the Parties agree that no charges shall apply to the ISP traffic pursuant to the terms of this Agreement. Other charges, if any, may be set forth in Exhibit 2. In the event that charges are applicable pursuant to Exhibit 2, the following terms and conditions set forth in this Section 11.8 shall apply.

11.8.2 The charges for any arrangement under this Agreement are to be billed monthly and payable, in immediately available U.S. funds, within thirty (30) days of the date of the bill.

11.8.3 Although it is the intent of both Parties to submit timely and accurate statements of charges, failure by either Party to present statements to the other Party in a timely manner shall not constitute a breach or default, or a waiver of the right to payment of the incurred charges, by the billing Party under this Agreement, and the billed Party shall not be entitled to dispute the billing Party's statement(s) based on such Party's failure to submit them in a timely fashion.

11.8.4 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 notice to the Billing Party of the amount it disputes ("Disputed Amount") and include in such notice the specific details and reasons for disputing each item. The Non-Paying Party shall pay when due all undisputed amounts to the Billing Party.

11.8.5 If the Parties are unable to resolve the issues related to the Disputed Amounts in the normal course of business within sixty (60) days after delivery to the Billing Party of notice of the Disputed Amounts, each of the Parties shall appoint a designated representative that has authority to settle the dispute and that is at a higher level of management than the persons with direct responsibility for administration of this Agreement. The designated representatives shall meet as often as they reasonably deem necessary in order to discuss the dispute and negotiate in good faith in an effort to resolve such dispute. The specific format for such discussions will be left to the discretion of the designated representatives, however all reasonable requests for relevant information made by one Party to the other Party shall be honored.

11.8.6 If the Parties are unable to resolve issues related to the Disputed Amounts within thirty (30) days after the Parties' appointment of designated representatives pursuant to subsection 11.8.5, then either Party may file a complaint with the Commission to resolve such issues or proceed with any other remedy pursuant to law or equity.

11.8.7 The Parties agree that all negotiations pursuant to this subsection 11.8 shall remain confidential and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and state rules of evidence.

11.8.8 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.

11.9 DISPUTE RESOLUTION

Any dispute between the Parties regarding the interpretation or enforcement of this Agreement or any of its terms shall be addressed by good faith negotiation between the Parties, in the first instance. Should such negotiations fail to resolve the dispute in a reasonable time, either Party may initiate an appropriate action in any regulatory or judicial forum of competent jurisdiction.

11.10 NOTICES

Notices given by one Party to the other Party under this Agreement shall be in writing and shall be delivered (a) in person; (b) by express delivery service; or (c) mailed by U.S. mail with postage prepaid to the following addresses of the Parties:

To Mosinee:

The Mosinee Telephone Company
Attn: Mary Knoedler
410 4th Street
Mosinee, WI 54455
Telephone Number: 715-693-2622
Fax Number: 715-693-5130
E-mail: mtc@mtc.net

If to KMC:

KMC Telecom Holdings, Inc.
Interconnection Contract Management
ATTENTION: Marva Brown Johnson
1755 North Brown Road
Lawrenceville, Georgia 30043
Telephone Number: 678-985-7900
Fax Number: 678-985-6213
Email: marva.johnson@kmctelecom.com

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, or (iii) three (3) days after mailing in the case of first class or certified U.S. mail.

11.11 JOINT WORK PRODUCT

This Agreement is the joint work product of the Parties and has been negotiated by the Parties 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.

11.12 NO LICENSE

11.12.1 Nothing in this Agreement shall be construed as the grant of a license, either express or implied, with respect to any patent, copyright, trademark, trade name, trade secret or any other proprietary or intellectual property now or hereafter owned, controlled or licensable by either Party. Neither Party may use any patent, copyrightable materials, trademark, trade name, trade secret or other intellectual property right of the other Party except in accordance with the terms of a separate license agreement between the Parties granting such rights.

11.12.2 Neither Party shall have any obligation to defend, indemnify or hold harmless, or acquire any license or right for the benefit of, or owe any other obligation or have any liability to, the other Party or its customers based on or arising from any claim, demand, or proceeding by any third party alleging or asserting that the use of any circuit, apparatus, or system, or the use of any software, or the performance of any service or method, or the provision of any facilities by either Party under this Agreement, alone or in combination with that of the other Party, constitutes direct, vicarious or contributory infringement or inducement to infringe, misuse or misappropriation of any patent, copyright, trademark, trade secret, or any other proprietary or intellectual property right of any Party or third party. Each Party, however, shall offer to the other reasonable cooperation and assistance in the defense of any such claim.

11.12.3 NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE PARTIES AGREE THAT NEITHER PARTY HAS MADE, AND THAT THERE DOES NOT EXIST, ANY WARRANTY, EXPRESS OR IMPLIED, THAT THE USE BY THE PARTIES OF THE OTHER'S FACILITIES, ARRANGEMENTS, OR SERVICES PROVIDED UNDER THIS AGREEMENT SHALL NOT GIVE RISE TO A CLAIM BY ANY THIRD PARTY OF INFRINGEMENT, MISUSE, OR MISAPPROPRIATION OF ANY INTELLECTUAL PROPERTY RIGHT OF SUCH THIRD PARTY.

11.13 SURVIVAL

The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement.

11.14 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.

11.15 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. The Parties recognize that MOSINEE is a rural telephone company and is entitled to all rights afforded rural telephone companies under the Act including, but not limited to, exemptions, suspensions, and modifications under 47 USC § 251(f). This Agreement does not affect, and MOSINEE does not waive, any rights including, but not limited to, the rights afforded MOSINEE under 47 USC § 251(f).

11.16 ENTIRE AGREEMENT

This Agreement and any Exhibits, Schedules, or tariffs which are incorporated herein by this reference, sets forth the entire understanding and supersedes prior agreements between the Parties relating to the subject matter contained herein and merges all prior discussions between them, and neither Party shall be bound by any definition, condition, provision, representation, warranty, covenant or promise other than as expressly stated in this Agreement or as is contemporaneously or subsequently set forth in writing and executed by a duly authorized officer or representative of the Party to be bound thereby.

11.17 COUNTERPARTS.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

11.18 MODIFICATION, AMENDMENT, SUPPLEMENT, OR WAIVER

No modification, amendment, supplement to, or waiver of the Agreement or any of its provisions shall be effective and binding upon the Parties unless it is made in writing and duly signed by the Parties. A failure or delay of either Party to enforce any of the provisions hereof, to exercise any option which is herein provided, or to require performance of any of the provisions hereof shall in no way be construed to be a waiver of such provisions or options.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the date last signed by both Parties.

The Mosinee Telephone Company

KMC Telecom

By Mary Knoedler

By Marva Brown Johnson / DCN

Printed MARY KNOEDLER

Printed MARVA BROWN JOHNSON

Title President

Title Vice President and Senior Counsel

Date: 7/19/04

Date: July 16, 2004

Exhibit 1

Local Service Exchange Areas Between Which One-Way EAS ISP Traffic Will Be Directed from MOSINEE's Customers to KMC's Customers

This Exhibit specifies the Extended Area Service Local Service Exchange Areas for which ISP Traffic is switched and transported pursuant to the AGREEMENT FOR ONE-WAY EAS ISP TRAFFIC between Mosinee and KMC.

Each Extended Area Service Local Service Exchange Area is based on the Commission approved geographic area as defined by exchange maps on file with the Wisconsin Public Service Commission and for which the Parties have obtained Certificates of Territorial Authority. The end users served in each Local Service Exchange Area by the respective Parties are assigned one or more NPA-NXX numbers associated with a single, specific Local Service Exchange Area. Each Local Service Exchange Area is associated with a distinct rate center and vertical and horizontal coordinates unique to the geographic area.

1. Mosinee Local Service Exchange Areas Covered by this Agreement:

<u>Local Service Exchange Area</u>	<u>CLLI</u>	<u>NPA-NXX(s)</u>
Mosinee	MOSNWIXA	715-692,693

2. KMC Local Service Exchange Areas Covered by this Agreement:

<u>Local Service Exchange Area</u>	<u>CLLI</u>	<u>NPA-NXX(s)</u>
Wausau	MOSNWIXADS0	715-393

3. One-Way EAS ISP Traffic Covered by this Agreement includes:

- i. From Mosinee exchange to Wausau exchange

4. Designation of Points of Connection For the EAS ISP Traffic Pursuant to this Agreement:

- i. For the EAS ISP Traffic as specified in 3.i. Above, the Parties agree to connect 24 trunks using one (1) direct DS1 connection at the Mosinee Central Office at 410 4th Street, Mosinee, Wisconsin 54455.

Exhibit 2

Schedule of Charges for the One-Way ISP Traffic Pursuant to this Agreement

This Exhibit specifies the charges between Parties pursuant to the AGREEMENT FOR ONE-WAY ISP TRAFFIC between MOSINEE and KMC as follows:

The Parties agree that no charges shall apply to the exchange of traffic pursuant to the terms of this Agreement.