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PUBLIC SERVICE COMMISSION

6849 Peachtree Dunwoody Road  
Building B-3, Suite 200, Atlanta, Georgia 30328  
phone: 770-569-2105, fax: 770-410-1608

July 10, 2008

**VIA U.S. MAIL**

Ms. Illona Jeffcoat-Sacco, Executive Secretary  
North Dakota Public Service Commission  
600 E. Boulevard, Dept. 408  
Bismarck, ND 58505-0480

*Re: Approval of the Wireless Interconnection and Reciprocal Compensation Agreement Negotiated by and between Missouri Valley Communications, Inc. and Sagebrush Cellular, Inc., Pursuant to Sections 251(a) and 251(b)(5) of the Telecommunications Act of 1996*

Dear Ms. Jeffcoat-Sacco:

Enclosed for filing is the original and one (1) copy of the Wireless Interconnection and Reciprocal Compensation Agreement negotiated by and between Missouri Valley Communications, Inc. ("Missouri Valley") and Sagebrush Cellular, Inc. ("Sagebrush"). John Staurulakis, Inc. is filing the enclosed agreement on behalf of Missouri Valley and would appreciate that you file the same and return the extra copy stamped "filed" in the enclosed self-addressed, stamped envelope provided. In addition, an electronic version of the Agreement was sent *via* e-mail to ndpsc@nd.gov.

Thank you for your assistance in this matter.

Sincerely,

Mark A. Ozanick, Staff Consultant – Regulatory & Policy  
John Staurulakis, Inc.

cc: Gary Dascher, Sagebrush Cellular, Inc.

1 **PU-08-521** Filed: 7/10/2008 Pages: 24  
**Cover Letter with Wireless Interconnection and Reciprocal Compensation Agreement**

Missouri Valley Communications, Inc.  
John Staurulakis, Inc.

HEADQUARTERS:

7852 Walker Drive, Suite 200, Greenbelt, MD 20770  
phone: 301-459-7590, fax: 301-577-5575  
internet: www.jsitel.com, e-mail: jsi@jsitel.com

Echelon Building II, Suite 200  
9430 Research Boulevard, Austin, TX 78759  
phone: 512-338-0473, fax: 512-346-0822

Eagandale Corporate Center, Suite 310  
1380 Corporate Center Curve, Eagan, MN 55121  
phone: 651-452-2660, fax: 651-452-1909

547 South Oakview Lane  
Bountiful, UT 84010  
phone: 801-294-4576, fax: 801-294-5124

**WIRELESS INTERCONNECTION**

**AND**

**RECIPROCAL COMPENSATION AGREEMENT**

**BY AND BETWEEN**

**MISSOURI VALLEY COMMUNICATIONS, INC.**

**AND**

**SAGEBRUSH CELLULAR, INC.**

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**I. Article I**

**1. INTRODUCTION**

This Interconnection/Compensation Agreement (“Agreement”) is effective as of the 1st day of January 2008 (the “Effective Date”), by and between Missouri Valley Communications, Inc. (“Missouri Valley”) with offices at Highway 13 South, P.O. Box 600, Scobey, MT 59263, and Sagebrush Cellular, Inc. (“Sagebrush”) with offices 702 2<sup>nd</sup> Avenue, South, P.O. Box 352, Glasgow, MT 59230.

**2. RECITALS**

WHEREAS, Missouri Valley is an incumbent Local Exchange Carrier in the State of North Dakota; and

WHEREAS, Sagebrush is a Commercial Mobile Radio Service (“CMRS”) provider of two-way mobile communications services operating within the State of North Dakota; and

WHEREAS, Missouri Valley and Sagebrush exchange calls between their networks and wish to establish Interconnection and Compensation arrangements for these calls.

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, Missouri Valley and Sagebrush hereby agree as follows:

**II. Article II**

**1. DEFINITIONS**

Special meanings are given to common words in the telecommunications industry, and coined words and acronyms are common in the custom and usage in the industry. Words used in this contract are to be understood according to the custom and usage of the telecommunications industry, as an exception to the general rule of contract interpretation that words are to be understood in their ordinary and popular sense. In addition to this rule of interpretation, the following terms used in this Agreement shall have the meanings as specified below:

1.1 “Act” means the Communications Act of 1934, as amended.

1.2 “As Defined in the Act”, means as specifically defined by the Act, as may be interpreted from time to time by the FCC, the Commission, North Dakota state courts, or federal courts.

1.3 “As Described in the Act” means as described in or required by the Act, as may be interpreted from time to time by the FCC, the Commission, North Dakota state courts, or federal courts.

1.4 “Affiliate” means 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 the equivalent thereof) of more than ten percent (10%). 47 U.S.C. § 153(1)

1.5 “Central Office Switch” means a switch used to provide Telecommunications Services, including, but not limited to:

(a) “End Office Switch” is a switch in which the subscriber station loops are terminated for connection to trunks. The subscriber receives terminating, switching, signaling, transmission, and related functions for a defined geographic area by means of an End Office Switch.

(b) “Remote End Office Switch” is a switch in which the subscriber station loops are terminated. The control equipment providing terminating, switching, signaling, transmission and related functions would reside in a host office. Local switching capabilities may be resident in a Remote End Office Switch.

(c) “Host Office Switch” is a switch with centralized control over the functions of one or more Remote End Office Switches. A Host Office Switch can serve as an end office as well as providing services to other remote end offices requiring terminating, signaling, transmission, and related functions including local switching.

(d) “Tandem Office Switch” is a switching system that establishes trunk-to-trunk connections. Local tandems switch calls from one end office to another within the same geographic area, and access tandems switch traffic from host or end offices to and from an Interexchange Carrier. A Tandem Office switch can provide host office or end office switching functions as well as the tandem functions. For purposes of this Agreement, a mobile switching office is the equivalent of a Tandem Office Switch.

(e) “Mobile Switching Center” or “MSC” is a switching system used by Sagebrush in performing originating and terminating functions for calls interchanged between Sagebrush’s customers or roamers on the Sagebrush network and the public switched network.

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

1.6 “Commercial Mobile Radio Services” or “CMRS” means a radio communication service between mobile stations or receivers and land stations, or by mobile stations

communicating among themselves that is provided for profit and that makes interconnected service available to the public or to such classes of eligible users as to be effectively available to a substantial portion of the public. 47 CFR § 20

1.7 “Commission” means the North Dakota Public Service Commission.

1.8 “Extended Area Service” or “EAS” is as defined and specified in Missouri Valley’s then current tariff.

1.9 “Effective Date” means the date first above written.

1.10 “FCC” means the Federal Communications Commission.

1.11 “Interexchange Carrier” or “IXC” means a carrier, other than a CMRS carrier, that provides or carries, directly or indirectly, InterLATA Service or IntraLATA Toll Traffic.

1.12 “Local Exchange Routing Guide” or “LERG” is the Telcordia Technologies reference customarily used to identify NPA-NXX routing and homing information, as well as network element and equipment designation.

1.13 “Local Access and Transport Area” or “LATA” means a contiguous geographic area:

(A) Established before February 8, 1996, by a Bell operating company such that no exchange area includes points within more than 1 metropolitan statistical area, consolidated metropolitan statistical area, or State, except as expressly permitted under the AT&T Consent Decree; or

(B) Established or modified by a Bell operating company after February 8, 1996, and approved by the Commission.

1.14 “Local Service Area” means, for Sagebrush, Major Trading Area Number 12 (Minneapolis-St. Paul), and for Missouri Valley, its local calling area contained in Missouri Valley’s then current General Subscriber Service Tariff.

1.15 “Local Telecommunications Traffic” is defined for purposes of determining compensation under this Agreement as telecommunications traffic that (a) originates on the network of one Party, (b) may transit a third-party carrier’s network in lieu of a direct connection between the Parties, (c) terminates on the network of the other Party, within the same MTA provided that the customer or roamer of Sagebrush is a two-way CMRS customer and receives mobile service on a wireless, mobile basis as described in 47 U.S.C. § 153(27).

For purposes of determining the originating and terminating points, at the beginning of the call, for application of Reciprocal Compensation, the origination and termination point for each Party shall be:

- (A) Missouri Valley: The end office serving the calling or called party,
- (B) Sagebrush: The cell site location, which services the calling or called party, at the beginning of the call.

1.16 “Local Exchange Carrier” or “LEC” means any person that is engaged in the provision of telephone exchange service or exchange access. Such term does not include a person insofar as such person is engaged in the provision of a commercial mobile service under § 332(c) of the Act, except to the extent that the Federal Communications Commission finds that such service should be included in the definition of such term. 47 U.S.C. §153(26)

1.17 “Major Trading Area” or “MTA” means the Major Trading Area designated by the FCC which is the service area based on the Rand McNally 1992 Commercial Atlas & Marketing Guide, 123<sup>rd</sup> edition, at pages 38-39, as further specified or modified by 47 C.F.R. § 24.202(a) or other applicable law.

1.18 “Non-Local Traffic” All traffic which is not Local Telecommunications Traffic as defined in § 1.15 hereof is Non-Local Traffic and will not be subject to Reciprocal Compensation.

1.19 “NPA” or the “Number Plan Area” also referred to as an “area code” refers to the three-digit code which precedes the NXX in a dialing sequence and identifies the general calling area within the North American Numbering Plan scope to which a call is to be routed (*i.e.*, NPA/NXX-XXXX.).

1.20 “NXX” means the three-digit code, which appears as the first three digits of a seven-digit telephone number within a valid NPA or area code.

1.21 “Party” means either Missouri Valley or Sagebrush, and “Parties” means Missouri Valley and Sagebrush.

1.22 “Rate Center” means the specific geographic point and corresponding geographic area that are associated with one or more particular NPA/NXX Codes that have been assigned to an ILEC for its provision of Exchange Services.

1.23 “Reciprocal Compensation” means an arrangement between two carriers in which each receives the same compensation rate from the other carrier for the transport and termination on each carrier’s network of Local Telecommunications Traffic, as defined in § 1.15 above, that originates on the network facilities of the other carrier. Compensation, regardless of the Party that receives it, is symmetrical.

1.24 “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 and received. 47 U.S.C. §153(43)

1.25 “Telecommunications Act” means the Communications Act of 1934, as amended.

1.26 “Telecommunications Carrier” means any provider of telecommunications services, except that such term does not include aggregators of telecommunications services (as defined in 47 U.S.C. § 226(a)(2)). A telecommunications carrier shall be treated as a common carrier under this chapter only to the extent that it is engaged in providing telecommunications services, except that the Federal Communications Commission shall determine whether the provision of fixed and mobile satellite service shall be treated as common carriage. 47 U.S.C. §153(44)

1.27 “Telecommunications Services” means the offering of Telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.

1.28 “Termination” means the switching of Local Telecommunications Traffic at the terminating carrier’s end office switch, or equivalent facility, and delivery of such traffic to the called party’s premises or mobile handset.

1.29 “Transiting Traffic” is traffic that originates from one provider’s network; “transits” one or more other provider’s network substantially unchanged, and terminates to yet another provider’s network.

1.30 “Transport” means the transmission and any necessary tandem switching of Local Telecommunications Traffic subject to § 251(b)(5) of the Act from the interconnection point between the two carriers to the terminating carrier’s end office switch that directly serves the called party, or equivalent facility provided by a carrier other than an incumbent LEC.

1.31 “Type 2 Service” often referred to as a trunk side connection, is a service that involves interconnection to a telephone company end office (Type 2-B) or tandem (Type 2-A).

## **2.0 INTERPRETATION AND CONSTRUCTION**

All references to Sections, Exhibits and Schedules shall be deemed to be references to Sections of, and Exhibits and Schedules to, this Agreement unless the context shall otherwise require. The headings of the Sections and the terms are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning of this Agreement. Unless the context shall otherwise require, any reference to any agreement, other instrument or other third party offering, guide or practice, statute, regulation, rule or tariff is for convenience of reference only and is not intended to be a

part of or to affect the meaning of a rule or tariff as amended and supplemented from time-to-time (and, in the case of a statute, regulation, rule or tariff, to any successor provision).

### 3.0 SCOPE

3.1 This Agreement is intended, *inter alia*, to describe and enable specific Interconnection/Reciprocal Compensation arrangements between the Parties. This Agreement does not obligate either Party to provide arrangements not specifically provided for herein. This Agreement relates to exchange of traffic between Missouri Valley and Sagebrush. Missouri Valley's NXXs are listed in Telcordia's Local Exchange Routing Guide ("LERG") under Operating Company Number ("OCN") 587A in the State of North Dakota. Sagebrush represents that it is a CMRS provider of telecommunications services to subscribers in MTA No. 12 (Minneapolis-St. Paul). Sagebrush's NXXs are listed in the LERG under OCN 443B in the State of North Dakota. Additions or changes to either Party's NPA/NXXs will be listed in the LERG.

3.2 This Agreement is limited to traffic of Sagebrush customers and roamers to which Sagebrush provides service on a two-way wireless, mobile basis. This Agreement does not cover traffic of Sagebrush on a one-way mobile basis, sometimes called paging service.

3.3 Any amendment, modification, or supplement to this Agreement must be in writing and signed by an authorized representative of each Party.

### 4.0 SERVICE AGREEMENT

Description of Arrangements. This Agreement provides for the following interconnection arrangements between the networks of Missouri Valley and Sagebrush. Additional arrangements that may be agreed to in the future will be delineated in a written amendment to this Agreement. An NPA/NXX assigned to Sagebrush shall be treated as Local Service Area traffic and included in any EAS calling scope, or similar program, to the same extent as any other incumbent LEC's NPA/NXX in the same rate center provided that Sagebrush has network facilities to serve such customers.

4.1 Type 2B Interconnection at Williston: A Type 2B two-way direct interconnection facility currently exists between Missouri Valley's Williston End Office Switch (WLSTNDBCDS0) and Sagebrush's point of presence in the Williston exchange, with the POI designated at Missouri Valley's Williston End Office Switch.

4.1.1 Landline-to-Wireless: Local Service Area calls from Missouri Valley's customers to Sagebrush customers shall be routed from Missouri Valley's Williston End Office Switch to Sagebrush *via* the Type 2B two-way direct interconnection facility.

4.1.2 Wireless-to-Landline: Local Service Area calls originated on by Sagebrush's network for termination customers within MTA No. 12 (Minneapolis-St. Paul) or customers of another CMRS provider that has entered into roaming arrangement with Sagebrush, while roaming in MTA No. 12, to Missouri Valley's customers that can be reached *via* the connection at the Williston End Office Switch shall be routed from Sagebrush's network *via* the Type 2B two-way direct interconnection facility to Missouri Valley's Williston End Office Switch for termination by Missouri Valley to its customers, as appropriate.

4.2 Indirect Interconnection: To the extent that a Party and other area ILECs have entered into or may enter into contractual arrangements for the delivery of its originated traffic to the other Party's network (*i.e.* traffic that is not covered elsewhere in this Agreement) for termination to the terminating Party's customers, the terminating Party will accept this traffic subject to compensation arrangement as outlined in § 5 below. Both Parties will use best efforts to route Local Service Area calls to the other Party directly except in the case of an emergency, temporary equipment failure, or blocking of existing direct interconnection facilities. Should either Party determine that the other Party is routing its originated traffic indirectly and is not exempt as indicated in the previous sentence, the originating Party agrees to update its routing and translations tables to move such traffic to the direct interconnection facilities within five (5) business days. As a compromise, and in exchange for certain other considerations provided for in this Agreement, the Parties agree that to the extent Local Telecommunications Traffic is exchanged indirectly *via* a third party LEC ("Third Party Tandem Provider"), the originating Party is responsible for any transit fees imposed by the Third Party Tandem Provider. The Parties agree that this compromise will in no way prejudice any position either Party may take regarding financial responsibility for charges by Third Party Tandem Providers with respect to future agreements or regulatory or legislative proceedings.

This arrangement for indirect interconnection will be subject to renegotiation if by change of law or for any other reason the Third Party Tandem Provider no longer offers the transiting service.

## 5.0 COMPENSATION

### 5.1 Traffic Subject to Reciprocal Compensation.

Reciprocal Compensation is applicable for Transport and Termination of Local Telecommunications Traffic as defined in § 1.15 and is related to the exchange of traffic described in § 4, and in Attachment A, as applicable.

The rate for Reciprocal Compensation shall be \$0.030249 per minute.

The Parties agree to bill each other for Local Telecommunications Traffic as described in this Agreement unless the Local Telecommunications Traffic exchanged between the Parties is balanced and falls within an agreed upon threshold ("Traffic Balance Threshold"). The Parties agree that for purposes of this Agreement, the Traffic Balance Threshold is reached when the Local Telecommunications Traffic exchanged, both directly and indirectly, falls between 55% / 45% in either the wireless-to-landline or landline-to-wireless direction. When the actual usage data for three (3) consecutive months indicates that the Local Telecommunications Traffic exchanged, both directly and indirectly, falls within the Traffic Balance Threshold, then either Party may provide the other Party a written request, along with verifiable information supporting such request, to eliminate billing for Reciprocal Compensation per minute. Upon written consent by the Party receiving the request, which shall not be withheld unreasonably, there will be no billing for Reciprocal Compensation on a going forward basis unless otherwise agreed to by both Parties, in writing. The Parties' agreement to eliminate billing for Reciprocal Compensation carries with it the precondition regarding the Traffic Balance Threshold discussed above. As such, the two points have been negotiated as one interrelated term containing specific rates and conditions, which are non-separable for purposes of § 16, hereof.

#### 5.2 Traffic Subject to Access Charges.

Access charges apply to all Non-Local Traffic originated on Sagebrush's network and delivered to Missouri Valley for termination to its customers as described in § 4 and Attachment A, as applicable. Sagebrush shall compensate Missouri Valley at Missouri Valley's applicable access tariff rates for all Sagebrush-originated Non-Local Traffic only to the extent that such Sagebrush-originated Non-Local Traffic is not handed off to an interexchange carrier for delivery to Missouri Valley.

#### 5.3 Calculation of Payments and Billing.

5.3.1 Sagebrush will compensate Missouri Valley for Local and Non-Local Traffic delivered to Missouri Valley for termination to its customers, as prescribed and at the rates provided in §§ 5.1 and 5.2. Missouri Valley will compensate Sagebrush for Local Telecommunications Traffic originated by Missouri Valley customers on Missouri Valley's network and delivered to Sagebrush for termination to its customers, as prescribed and at the rate provided in § 5.1.

5.3.2 Net Billing. Missouri Valley shall calculate and render a "net bill" to Sagebrush, by applying the Shared Facility Factor as specified in § 5.3.3, to the total MOUs of traffic originated by Sagebrush and terminated to Missouri Valley, as measured by Missouri Valley over the direct interconnection facility, and indirect traffic summarized in Category 110101 records or other tandem records provided to Missouri Valley by the tandem operator. Missouri Valley shall calculate its "net bill" to Sagebrush using the following formula:

- (a) Sagebrush MOUs terminated by Missouri Valley;

- (b) Divide “(a)” MOUs by Wireless-to-Landline factor 85%;
- (c) Multiply “(b)” MOUs result by Landline-to-Wireless factor 15%;
- (d) Net MOUs by subtracting “(c)” MOUs result from “(a)” MOUs;  
and
- (e) Multiply “(d)” MOUs result by rate in § 5.1

5.3.3 Where a direct Interconnection facility is used for traffic exchanged between the Parties (as described in § 4.1), the charges for such facility provided and billed by Missouri Valley shall be shared based on each Party’s proportion of originating Local Telecommunications Traffic to total traffic exchanged between the Parties over such facility. This percentage is referred to as the Shared Facility Factor and is listed below. The charges for such facility shall be reduced by Missouri Valley by applying the Shared Facility Factor. The Parties agree to review these percentages on a periodic basis and, if warranted by the actual usage, revise the Shared Facility Factor appropriately.

- a) Landline-to-Wireless 15%
- b) Wireless-to-Landline 85%

5.3.4 Billed minutes will be based upon conversation time for those minutes of use actually measured. Conversation time begins when the originating Party’s network receives answer supervision and ends when the originating Party’s network receives disconnect supervision. Fractional minutes will be totaled at the end of the month and rounded up to the nearest whole minute.

5.3.5 In the event that there is insufficient representative and verifiable data on the actual Local and Non-Local Traffic exchanged between the Parties to use in preparation of the monthly billing statement, the Parties agree to apply a Non-Local Traffic factor to the total traffic volumes originated by Sagebrush as an estimate of the Non-Local Traffic being originated by Sagebrush. The Parties agree that for the initial term of this agreement the interMTA factor is two percent (2%).

5.3.6 Each Party may request to inspect, during normal business hours, the records, which are the basis for any monthly bill issued by the other Party and to request copies thereof provided that the requested records do not exceed twelve (12) months in age from the date the monthly bill containing said record information was issued.

5.3.7 Neither Party shall bill the other Party for traffic that is more than twelve (12) months old or that predates this Agreement.

5.3.8 The Parties agree that disputed and undisputed amounts due under this Agreement shall be handled as follows:

5.3.8.1 If any portion of an amount due to a Party (the "Billing Party") under this Agreement is subject to a *bona fide* dispute between the Parties, the Party billed (the "Non-Paying Party") shall, within thirty (30) days of its receipt of the invoice containing such disputed amount, give written notice to the Billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice the specific details and reasons for disputing each item. The Non-Paying Party shall pay when due all undisputed amounts to the Billing Party. The Parties will work together in good faith to resolve issues relating to the disputed amounts. If the dispute is resolved such that payment is required, whether for the original full amount or for the settlement amount, the Non-Paying Party shall pay the full disputed or settlement amounts with interest at the lesser of (i) one and one-half percent (1½%) per month or (ii) the highest rate of interest that may be charged under North Dakota applicable law. In addition, the Billing Party may initiate a complaint proceeding with the appropriate regulatory or judicial entity, if unpaid undisputed amounts become more than ninety (90) days past due, provided the Billing Party gives an additional thirty (30) days notice and opportunity to cure the default.

5.3.8.2 Any undisputed amounts not paid when due shall accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1½%) per month or (ii) the highest rate of interest that may be charged under North Dakota's applicable law.

5.3.8.3 Undisputed amounts shall be paid within thirty (30) days of receipt of invoice from the Billing Party.

5.3.9 Upon termination or expiration of this Agreement in accordance with this Section:

- (a) Each Party shall comply immediately with its obligations as set forth in this Agreement;
- (b) Each Party shall promptly pay all undisputed amounts (including any late payment charges) owed under this Agreement;
- (c) Each Party's indemnification obligations shall survive termination or expiration of this Agreement.

## 6.0 NOTICE OF CHANGES

If a Party contemplates a change in its network, which it believes will materially affect the inter-operability of its network with the other Party, the Party making the change shall provide at least ninety (90) days advance written notice of such change to the other Party, provided, however, that this provision shall not apply to changes

necessitated by emergencies or other circumstances outside the control of the Party modifying its network.

## **7.0 GENERAL RESPONSIBILITIES OF THE PARTIES**

7.1 Each Party is individually responsible to provide facilities within its network which are necessary for routing, transporting and, consistent with § 5, measuring and billing traffic from the other Party's network and for delivering such traffic to the other Party's network in an acceptable industry standard format, and to terminate the traffic it receives in that acceptable industry standard format to the proper address on its network. The Parties are each solely responsible for participation in and compliance with national network plans, including The National Network Security Plan and The Emergency Preparedness Plan. Neither Party shall use any service related to or use any of the Services provided in this Agreement in any manner that prevents other persons from using their service or destroys the normal quality of service to other carriers or to either Party's customers, and subject to notice and a reasonable opportunity of the offending Party to cure any violation, either Party may discontinue or refuse service if the other Party violates this provision.

7.2 Each Party is solely responsible for the services it provides to its customers and to other Telecommunications Carriers.

7.3 Each Party is responsible for managing NXX codes assigned to it.

7.4 Each Party is responsible for obtaining Local Exchange Routing Guide ("LERG") listings of the Common Language Location Identifier ("CLLI") assigned to its switches.

7.5 Each Party agrees to adhere to the blocking requirements for interconnection (P.01) as provided in Telcordia documentation GR145 - Core Compatibility for Interconnection of a Wireless Services Provider and a Local Exchange Company Network.

7.6 SS7 Out of Band Signaling (CCS/SS7) shall be the signaling of choice for interconnecting trunks where technically feasible for both Parties. Use of a third-party provider of SS7 trunks for connecting Sagebrush to the Missouri Valley SS7 systems is permitted. Such connections will meet generally accepted industry technical standards. Each Party is responsible for its own SS7 signaling and therefore, neither Party will bill the other SS7 signaling charges.

7.7 Each Party shall be responsible for its own independent connections to the 911/E911 network.

7.8 All originating traffic shall contain basic call information within the Initial Address Message (IAM) such as the calling number, charged number, Generic Address Parameter Ported Dialed Number (GAPPDN), Translated Called Number Indicator of

Forward Call Indicators (FCI Bit-M) either the Jurisdictional Information Parameter (JIP) or the Originating Location Routing Number (LRN), and the carrier identification code (CIC) when applicable. The JIP or Originating LRN must be unique to the Mobile Switching Center (MSC). Altering of data parameters within the IAM shall not be permitted.

7.9 The Parties will offer service provider local number portability (LNP) in accordance with FCC rules and regulations. Service provider portability is the ability of users of Telecommunications Services to retain, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one Telecommunications Carrier to another. Under this arrangement, the new Telecommunications Carrier must directly provide Telecommunications Service to the End User Customer porting the telephone number. In order for a port request to be valid: 1) the End User Customer must retain his or her original telephone number; 2) the requesting Telecommunications Carrier's coverage area must overlap the geographic location in which the End User Customer's wireline telephone number is provisioned; and 3) the End User Customer must be served with Telecommunications Service directly by the Telecommunications Carrier requesting the port.

7.10 The Parties agree to comply with finalized FCC rules and orders, North American Numbering Council (NANC) procedures and guidelines concerning numbering and other industry guidelines related to network architecture, including but not limited to, North American Numbering Council Local Number Portability Architecture and Administrative Plan report, which was adopted by the FCC, Second Report and Order, CC Docket 95-116, released August 18, 1997, and Central Office Code Assignment Guidelines.

7.11 LNP Handbooks. Except where such handbooks, documents, or web information (a) conflicts with contract language; (b) adds charges not covered in this Agreement; (c) establishes unreasonable restrictions or demands; (d) conflicts with industry best practices as endorsed by NANC; or (e) conflicts with applicable law, each Party will use the other's operational handbooks or web-based procedures for interacting with one another (e.g. placing orders, handling maintenance issues, obtaining customer information). If provisions in or changes to the operational handbooks or web-based procedures of one Party cause significant modifications to the other Party's ("Disputing Party") processes and are outside normal industry practice, the Disputing Party may raise the concern with the Party whose procedures have changed. The Parties agree to discuss options for minimizing the impact of the change on the Disputing Party and implementing such options if appropriate. Adherence by a Party to a provision of the other Party's handbooks or procedures shall not constitute a waiver of the right to object to such provision, or to pursue the dispute resolution process regarding such provision.

7.12 Where direct interconnection has been established, each Party will perform local number portability ("LNP") database queries on its originated traffic prior to routing any of its originated traffic over the direct interconnection facilities, and will only route traffic over the direct interconnection facilities to the extent the local routing number ("LRN") returned from such queries belongs to the other Party.

7.13 When a ported telephone number becomes vacant, *e.g.*, the telephone number is no longer in service by the original end user customer; the ported telephone number will be released back to the carrier who is the code holder or block holder.

## **8.0 TERM AND TERMINATION**

8.1 Subject to the provisions of § 13, the initial term of this Agreement shall be for two years (“Term”), which shall commence on the Effective Date. This Agreement shall automatically renew for successive month-to-month periods, unless, not less than sixty (60) days prior to the end of the Term or any renewal term, either Party notifies the other Party of its intent to terminate this Agreement or renegotiate a new agreement. In the event of such renegotiation, if the Parties are unable to agree on the terms of a successor agreement, either Party may file for arbitration per the Act and this Agreement shall remain in effect until the earlier of: (1) when a new agreement becomes effective, or (2) one (1) year from the receipt of the notification of intent to renegotiate.

8.2 Either Party may terminate this Agreement in whole or in part in the event of a default of the other Party, provided, however, that the non-defaulting Party notifies the defaulting Party in writing of the alleged default and the defaulting Party does not correct the alleged default within thirty (30) days after receipt of written notice thereof.

## **9.0 CANCELLATION CHARGES**

No cancellation charges shall apply.

## **10.0 NON-SEVERABILITY**

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

## **11.0 INDEMNIFICATION**

11.1 Each Party (the “Indemnifying Party”) shall indemnify and hold harmless the other Party (“Indemnified Party”) from and against loss, cost, damage, and expense (including reasonable attorney’s fees) to customers and other third parties for:

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

Notwithstanding this indemnification provision or any other provision in the Agreement, neither Party, nor its parent, subsidiaries, affiliates, agents, servants, or employees, shall be liable to the other for Consequential Damages (as defined in § 12.3).

11.2 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.

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

(2) 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.

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

## **12.0 LIMITATION OF LIABILITY**

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

12.2 Except as otherwise provided in § 11.0, no Party shall be liable to the other Party for any loss, defect or equipment failure caused by the conduct of the first Party, its agents, servants, contractors or others acting in aid or concert with that Party, except in the case of gross negligence or willful misconduct.

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

## **13.0 REGULATORY APPROVAL**

The Parties understand and agree that this Agreement will be filed with the Commission, and to the extent required by FCC rules may thereafter be filed with the

FCC. Each Party covenants and agrees to fully support approval of this Agreement by the Commission or the FCC under § 252(e) of the Act without modification. The Parties, however, reserve the right to seek regulatory relief and otherwise seek redress from each other regarding performance and implementation of this Agreement. In the event the Commission or FCC rejects this Agreement in whole or in part, the Parties agree to meet and negotiate in good faith to arrive at a mutually acceptable modification of the rejected portion(s). Further, this Agreement may be subject to change, modification, or cancellation as may be required by a final, non-appealable order of a regulatory authority or court in the exercise of its lawful jurisdiction.

The Parties agree that their entrance into this Agreement is without prejudice to any positions they may have taken previously, or may take in future, in any legislative, regulatory, judicial or other public forum addressing any matters, including matters related to the same types of arrangements covered in this Agreement.

#### **14.0 CHANGE IN LAW**

The Parties acknowledge that the respective rights and obligations of each Party as set forth in this Agreement are based on the text of the Telecommunications Act and the rules and regulations promulgated thereunder by the FCC and the Commission as of the Effective Date ("Applicable Rules"). In the event of any amendment to the Telecommunications Act, any effective legislative action or any effective, final and non-appealable, regulatory or judicial order, rule, regulation, arbitration award, dispute resolution procedures under this Agreement or other legal action purporting to apply the provisions of the Telecommunications Act to the Parties or in which the FCC or the Commission makes a generic determination that is generally applicable which revises, modifies or reverses the Applicable Rules (individually and collectively, Amended Rules), either Party may, to the extent permitted or required, by providing written notice to the other Party, require that the affected provisions of this Agreement be renegotiated in good faith and this Agreement shall be amended accordingly to reflect the pricing, terms and conditions of each such Amended Rules relating to any of the provisions in this Agreement.

#### **15.0 MOST FAVORED NATION PROVISION**

In accordance with §252(i) of the Act and 47 C.F.R. §51.809, Sagebrush shall be entitled to adopt from Missouri Valley any entire Interconnection/Compensation agreement provided by Missouri Valley to any other CMRS provider that has been filed and approved by the Commission, for services described in such Agreement, on the same terms and conditions. The term of the adopted agreement shall expire on the same date as set forth in the agreement that was adopted.

#### **16.0 MISCELLANEOUS**

16.1 Authorization

16.1.1 Missouri Valley Communications, Inc. is a corporation duly organized, validly existing and in good standing under the laws of the State of North Dakota and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to any necessary regulatory approval.

16.1.2 Sagebrush Cellular, Inc. is a corporation duly organized, validly existing and in good standing under the laws of the State of Montana and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, subject to any necessary regulatory approval.

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

16.3 Independent Contractors. Neither this Agreement, nor any actions taken by Sagebrush or Missouri Valley in compliance with this Agreement, shall be deemed to create an agency or joint venture relationship between Sagebrush and Missouri Valley, or any relationship other than that of co-carriers. Neither this Agreement, nor any actions taken by Sagebrush or Missouri Valley in compliance with this Agreement, shall create a contractual, agency, or any other type of relationship or third party liability between Sagebrush and Missouri Valley end users or others.

16.4 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, equipment failure, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities or acts or omissions of transportation carriers (collectively, a "Force Majeure Event"). If any Force Majeure Event occurs, the Party delayed or unable to perform shall give immediate 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 shall be abated and shall resume without liability thereafter.

16.5 Confidentiality

16.5.1 Any information such as specifications, drawings, sketches, business information, forecasts, models, samples, data, computer programs and other software and documentation of one Party (a Disclosing Party) that is furnished or made available or otherwise disclosed to the other Party or any of its employees, contractors, or agents (its "Representatives" and with a Party, a "Receiving Party") pursuant to this Agreement ("Proprietary Information") shall be deemed the property of the Disclosing Party. Proprietary Information, if written, shall be

clearly and conspicuously marked "Confidential" or "Proprietary" or other similar notice, and, if oral or visual, shall be confirmed in writing as confidential by the Disclosing Party to the Receiving Party within ten (10) days after disclosure. Unless Proprietary Information was previously known by the Receiving Party free of any obligation to keep it confidential, or has been or is subsequently made public by an act not attributable to the Receiving Party, or is explicitly agreed in writing not to be regarded as confidential, such information: (i) shall be held in confidence by each Receiving Party; (ii) shall be disclosed to only those persons who have a need for it in connection with the provision of services required to fulfill this Agreement and shall be used by those persons only for such purposes; and (iii) may be used for other purposes only upon such terms and conditions as may be mutually agreed to in advance of such use in writing by the Parties. Notwithstanding the foregoing sentence, a Receiving Party shall be entitled to disclose or provide Proprietary Information as required by any governmental authority or applicable law, upon advice of counsel, only in accordance with § 16.5.2 of this Agreement.

16.5.2 If any Receiving Party is required by any governmental authority or by applicable law to disclose any Proprietary Information, then such Receiving Party shall provide the Disclosing Party with written notice of such requirement as soon as possible and prior to such disclosure. The Disclosing Party may then seek appropriate protective relief from all or part of such requirement. The Receiving Party shall use all commercially reasonable efforts to cooperate with the Disclosing Party in attempting to obtain any protective relief which such Disclosing Party chooses to obtain.

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

16.6 Governing Law. Except as governed by Federal law, this Agreement shall be governed by the domestic laws of the State of North Dakota or the State of North Dakota, as appropriate, without reference to conflict of law provisions. Notwithstanding the foregoing, the Parties may seek resolution of disputes under this Agreement by the FCC, the Commission, or the North Dakota state courts, or federal court.

16.7 Taxes. Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, transaction or similar taxes, fees or surcharges levied against or upon such purchasing Party (or the providing Party when such providing Party is permitted to pass along to the purchasing Party such taxes, fees or surcharges), except for any tax on either Party's corporate

existence, status or income. Whenever possible, these amounts shall be billed as a separate item on the invoice. To the extent a sale is claimed to be for resale tax exemption, the purchasing Party shall furnish the providing Party a proper resale tax exemption certificate as authorized or required by statute or regulation by the jurisdiction providing said resale tax exemption. Failure to timely provide such sale for resale tax exemption certificate will result in no exemption being available to the purchasing Party.

16.8 Assignment. 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 non-affiliated party or entity acquiring all or substantially all of its assets or equity without the prior written consent of the other Party which consent will not be unreasonably withheld; provided that either Party may assign this Agreement to a corporate Affiliate 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.

16.9 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.

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

To:

**Sagebrush Cellular, Inc.**

Attn: Gary Dascher  
702 2<sup>nd</sup> Ave., South  
P.O. Box 352  
Glasgow, MT 59230  
Tel: 406-228-3103

To:

**Missouri Valley Communications, Inc.**

Attn: Shawn Hanson, General Manager  
Highway 13 South  
P.O. Box 600  
Scobey, MT 59263  
Tel: 406-783-2200

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* overnight express mail or personal delivery; (iii) three (3) days after mailing in the case of certified U.S. mail; or (iv) on the date set forth on the confirmation in the case of telecopy.

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

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

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

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

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

16.15 Technology Upgrades. Nothing in this Agreement shall limit either Parties' ability to upgrade its network through the incorporation of new equipment, new software or otherwise, provided it is to industry standards, and 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.

16.16 Entire Agreement. The terms contained in this Agreement and any Schedules, Exhibits, tariffs and other documents or instruments referred to herein are hereby incorporated into this Agreement by reference as if set forth fully herein, and constitute the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written. Neither Party shall be bound by any preprinted terms additional to or different from those in this Agreement that may appear subsequently in the other Party's form documents, purchase orders, quotations, acknowledgments, invoices or other communications. This Agreement may only be modified in writing and signed by an officer or duly authorized employee of each Party.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the dates listed below.

<b>Sagebrush Cellular, Inc.</b>	<b>Missouri Valley Communications, Inc.</b>
By: <u><i>Gary Klind</i></u>	By: <u><i>Shawn Hanson</i></u>
Printed: <u>Gary Klind</u>	Printed: <u>Shawn Hanson</u>
Title: <u>President</u>	Title: <u>General Manager</u>
Date: <u>6/27/2008</u>	Date: <u>6/24/08</u>

**Attachment A**

**Reserved For Future Use**