BELLSOUTH® / CLEC Agreement

Customer Name: Z-TeL Communications, Inc.

| Z-Tel 2003 Adoption of MCI WorldCom - KY | | | | | |
|--|---|--|--|--|--|
| Adoption Paper | 3 | | | | |
| EXHIBIT 1 | 7 | | | | |
| EXHIBIT 2 | 8 | | | | |
| Exh 2 - KY RCF | ç | | | | |

Note: This page is not part of the actual signed contract/amendment, but is present for record keeping purposes only.

By and Between

BellSouth Telecommunications, Inc.

And

Z-Tel Communications, Inc.

(Kentucky)

AGREEMENT

This Agreement, which shall become effective thirty (30) days following the date of the last signature of both Parties ("Effective Date"), is entered into by and between Z-Tel Communications, Inc. ("Z-Tel"), a Delaware corporation on behalf of itself, and BellSouth Telecommunications, Inc., ("BellSouth"), a Georgia corporation, having an office at 675 W. Peachtree Street, Atlanta, Georgia, 30375, on behalf of itself and its successors and assigns.

WHEREAS, the Telecommunications Act of 1996 (the "Act") was signed into law on February 8, 1996; and

WHEREAS, Section 252(i) of the Act requires BellSouth to make available any interconnection, service, or network element provided under an agreement approved by the appropriate state regulatory body to any other requesting telecommunications carrier upon the same terms and conditions as those provided in the agreement in its entirety; and

WHEREAS, Z-Tel has requested that BellSouth make available the interconnection agreement in its entirety executed between BellSouth and MCI WorldCom Communications, Inc. ("MCI WorldCom") dated July 29, 2002 for the state(s) of Kentucky.

NOW, THEREFORE, in consideration of the promises and mutual covenants of this Agreement, Z-Tel and BellSouth hereby agree as follows:

1. Z-Tel and BellSouth shall adopt in its entirety, except for those modifications identified in Paragraphs 2-5 following, the MCI WorldCom Interconnection Agreement dated July 29, 2002. The MCI WorldCom Interconnection Agreement and all amendments are attached hereto as Exhibit 1 and incorporated herein by this reference. The adoption of this agreement with amendment(s) consists of the following:

| ITEM | NO. | | |
|---|-------|--|--|
| | PAGES | | |
| Adoption Papers | 4 | | |
| Exhibit 1 – Title Page | 1 | | |
| Exhibit 1 – MCI WorldCom Communications, Inc. | | | |
| Interconnection Agreement for KY | 717 | | |
| Exhibit 1 - Amendment dated 9-16-02 | 3 | | |
| Exhibit 1 - Amendment dated 10-7-02 | 2 | | |
| TOTAL | 727 | | |

- 2. The Parties agree to delete Section 1.4 of Attachment 2, Local Resale, and replace with new Section 1.4 as follows:
 - 1.4 Notwithstanding the foregoing, BellSouth may provide Z-Tel notice via Internet posting of price changes and changes to the terms and conditions of services available for resale per Commission Orders. BellSouth will post changes to business processes and policies, notices of new service offerings, and changes to service offerings not requiring an amendment to this Agreement, notices required to be posted to BellSouth's website, and any other information of general applicability to CLECs.
- 3. The Parties hereby agree to delete Section 9.4.7 9.4.7.10 of Attachment 4, and replace with new Sections 9.4.7, 9.4.7.1 9.4.7.4 as follows:
 - 9.4.7 ISP-bound Traffic is defined as calls to an information service provider or Internet service provider ("ISP") that are dialed by using a local dialing pattern (7 or 10 digits) by a calling party in one Local Calling Area to an ISP server or modem in the same Local Calling Area. ISP-bound Traffic is not Local Traffic subject to reciprocal compensation, but instead is information access traffic subject to the FCC's jurisdiction.
 - 9.4.7.1Notwithstanding the definitions of Local Traffic and ISP-bound traffic above, and pursuant to the FCC's Order on Remand and Report and Order in CC Docket 99-68 released April 27, 2001 ("ISP Order on Remand"), BellSouth and Z-Tel agree to the rebuttable presumption that all combined circuit switched Local and ISP-bound Traffic delivered to BellSouth or Z-Tel that exceeds a 3:1 ratio of terminating to originating traffic on a statewide basis shall be considered ISP-bound traffic for compensation purposes. BellSouth and Z-Tel further agree to the rebuttable presumption that all combined circuit switched Local and ISP-bound Traffic delivered to BellSouth or Z-Tel that does not exceed a 3:1 ratio of terminating to originating traffic on a statewide basis shall be considered Local Traffic for compensation purposes.
 - 9.4.7.2 Neither Party shall pay compensation to the other Party for per minute of use rate elements associated with the Call Transport and Termination of ISP-bound Traffic.
 - 9.4.7.3 If Z-Tel assigns NPA/NXXs to specific BellSouth rate centers within the LATA and assigns numbers from those NPA/NXXs to Z-Tel end users physically located outside of that LATA, BellSouth traffic originating from within the LATA where the NPA/NXXs are assigned and delivered to a Z-Tel customer physically located

outside of such LATA, shall not be deemed Local Traffic. Further, Z-Tel agrees to identify such interLATA traffic to BellSouth and to compensate BellSouth for originating and transporting such interLATA traffic to Z-Tel at BellSouth's switched access tariff rates.

- 9.4.7.4 If Z-Tel does not identify such interLATA traffic to BellSouth, to the best of BellSouth's ability BellSouth will determine which whole Z-Tel NPA/NXXs on which to charge the applicable rates for originating network access service as reflected in BellSouth's Access Service Tariff. BellSouth shall make appropriate billing adjustments if Z-Tel can provide sufficient information for BellSouth to determine whether or not said traffic is Local or ISP-bound Traffic.
- 4. Table 1 Local Interconnection rates of Attachment 1 are hereby modified to delete the rates for ISP-Bound Traffic in their entirety.
- 5. Table 1 UNE rates of Attachment 1 are amended to incorporate Unbundled Remote Call Forwarding rates as reflected in Exhibit 2, incorporated herein by this reference.
- 6. In the event that Z-Tel consists of two (2) or more separate entities as set forth in the preamble to this Agreement, all such entities shall be jointly and severally liable for the obligations of Z-Tel under this Agreement.
- 7. The term of this Agreement shall be from the Effective Date as set forth above and shall expire as set forth in Section 3 of the MCI WorldCom Interconnection Agreement. For the purposes of determining the expiration date of this Agreement pursuant to Section 3 of the MCI WorldCom Interconnection Agreement, the effective date shall be July 29, 2002.
- 8. Every notice, consent, approval, or other communications required or contemplated by this Agreement shall be in writing and shall be delivered in person or given by postage prepaid mail, address to:

BellSouth Telecommunications, Inc.

BellSouth Local Contract Manager 600 North 19th Street, 8th Floor Birmingham, Alabama 35203

and

ICS Attorney Suite 4300 675 W. Peachtree St. Atlanta, GA 30375

Z-Tel Communications, Inc.

Attn: Peggy Rubino 601 South Harbour Island Blvd. Suite 220 Tampa, FL 33602

or at such other address as the intended recipient previously shall have designated by written notice to the other Party. Where specifically required, notices shall be by certified or registered mail. Unless otherwise provided in this Agreement, notice by mail shall be effective on the date it is officially recorded as delivered by return receipt or equivalent, and in the absence of such record of delivery, it shall be presumed to have been delivered the fifth day, or next business day after the fifth day, after it was deposited in the mails.

IN WITNESS WHEREOF, the Parties have executed this Agreement through their authorized representatives.

| BellSouth Telecommunications, Inc. | Z-Tel Communications, Inc. |
|--------------------------------------|-------------------------------------|
| Original Signature on File Signature | Original Signature on FileSignature |
| Elizabeth R. A. Shiroishi Name | Robert Curtis Name |
| <u>Director</u> Title | Senior Vice President Title |
| 3/19/03 Date | 3/7/03 Date |

EXHIBIT 1

EXHIBIT 2

| UNBU | JNDLE | D NETWORK ELEMENTS - Kentucky | | | | | | | | | | | | Attachi | ment: 2 | Exhi | bit: B | |
|----------|---------|--|-------------|------|--------|-------|------|------------|--------------|-------|-------------------------|-------|-----------------------|----------|----------|---|---|--|
| CATEGORY | | RATE ELEMENTS | Interi m | Zone | BCS | usoc | | RATES (\$) | | | | | Submitted Manually | Charge - | Charge - | Incremental Charge - Manual Svc Order vs. Electronic- Disc 1st | Incremental Charge - Manual Svc Order vs. Electronic- Disc Add'l | |
| | | | | | | | | | Nonrecurring | | Nonrecurring Disconnect | | | | oss | Rates (\$) | | |
| | | | | | | | Rec | | | | | | | | | | | |
| | | | + | + | + | + | ł | First | Add'l | First | Add'l | SOMEC | SOMAN | SOMAN | SOMAN | SOMAN | SOMAN | |
| UNBU | NDLED L | OCAL EXCHANGE SWITCHING(PORTS) | | | | | | | ,,,,,, | | 7.44. | 0020 | | | | | | |
| | | IDLED PORT with REMOTE CALL FORWARDING CAPABILITY | , | | | | | | | | | | | | | | | |
| | | IDLED REMOTE CALL FORWARDING SERVICE - RESIDENCE | | | | | | | | | | | | | | | | |
| | | Unbundled Remote Call Forwarding Service, Area Calling, Res | | | UEPVR | UERAC | 1.49 | 3.74 | 3.63 | | | | 7.86 | | | | | |
| | | Unbundled Remote Call Forwarding Service, Local Calling - Res | | | UEPVR | UERLC | 1.49 | 3.74 | 3.63 | | | | 7.86 | | | | | |
| | | Unbundled Remote Call Forwarding Service, InterLATA - Res | | | UEPVR | UERTE | 1.49 | 3.74 | 3.63 | | | | 7.86 | | | | | |
| | | Unbundled Remote Call Forwarding Service, IntraLATA - Res | | | UEPVR | UERTR | 1.49 | 3.74 | 3.63 | | | | 7.86 | | | | | |
| | | ecurring | | | | | | | | | | | | | | | | |
| | | Unbundled Remote Call Forwarding Service - Conversion - Switch-as-is | | | UEPVR | USAC2 | | 0.10 | 0.10 | | | | 7.86 | | | | | |
| | | Unbundled Remote Call Forwarding Service - Conversion with allowed change (PIC and LPIC) | | | UEPVR | USACC | | 0.10 | 0.10 | | | | | | | | | |
| | UNBUN | IDLED REMOTE CALL FORWARDING - Bus | | | | | | | | | | | | | | | | |
| | | Unbundled Remote Call Forwarding Service, Area Calling - Bus | | | UEPVB | UERAC | 1.49 | 3.74 | 3.63 | | | | 7.86 | | | | | |
| | | Unbundled Remote Call Forwarding Service, Local Calling - Bus | | | UEPVB | UERLC | 1.49 | 3.74 | 3.63 | | | | 7.86 | | | | | |
| | | Unbundled Remote Call Forwarding Service, InterLATA - Bus | | | UEPVB | UERTE | 1.49 | 3.74 | 3.63 | | | | 7.86 | | | | | |
| | | Unbundled Remote Call Forwarding Service, IntraLATA - Bus | | | UEPVB | UERTR | 1.49 | 3.74 | 3.63 | | | | 7.86 | | | | | |
| | | Unbundled Remote Call Forwarding Service Expanded and Exception Local Calling | | | UEPVB | UERVJ | 1.49 | 3.74 | 3.63 | | | | 7.86 | | | | | |
| - | | ecurring | | 1 | OLP VD | DEKVJ | 1.49 | 3.74 | 3.03 | | | | 1.00 | | | | 1 | |
| | | Unbundled Remote Call Forwarding Service - Conversion - Switch-as-is | | | UEPVB | USAC2 | | 0.10 | 0.10 | | | | 7.86 | | | | | |
| | | Unbundled Remote Call Forwarding Service - Conversion with allowed change (PIC and LPIC) | | | UEPVB | USACC | | 0.10 | 0.10 | | | | | | | | | |