

AGREEMENT

For the

MUTUAL EXCHANGE AND TERMINATION OF TRAFFIC

Effective as of _____, 2005

Between

D&E Communications, Inc.

and

LEVEL 3 Communications, LLC

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AGREEMENT
for the
MUTUAL EXCHANGE AND TERMINATION OF TRAFFIC

This AGREEMENT FOR THE MUTUAL EXCHANGE AND TERMINATION OF TRAFFIC ("Agreement") by and between the D&E Communications, Inc. companies; D&E Telephone Company, Conestoga Telephone Company, Buffalo Valley Telephone Company, D&E Systems, Inc, and CEI Networks, Inc., hereafter D&E Communications, Inc., ("D&E") a Delaware corporation with the main office at 124 East Main Street, Ephrata, Pennsylvania, and LEVEL 3 Communications, LLC ("LEVEL 3"), with offices at 1025 Eldorado Blvd., Broomfield, Colorado. This Agreement may refer to either D&E or LEVEL 3 as a "Party" or to both D&E and LEVEL 3 as the "Parties."

RECITALS

WHEREAS, D&E and LEVEL 3 are local exchange carriers authorized to provide telecommunications services in the Commonwealth of Pennsylvania; and

WHEREAS, the Parties individually provide telecommunications services in specific exchange areas in the Commonwealth of Pennsylvania; and

WHEREAS, the Parties recognize that their respective end users may have calling interests between certain separate communities; and

WHEREAS, the communities between which Extended Area Service calling may be provided are each separate and mutually exclusive geographic areas; and

WHEREAS, the Parties recognize that the ability to provide Extended Area Service calling to their respective customers is dependent on the establishment of connecting carrier facilities and appropriate terms and conditions between the Parties; and

WHEREAS, D&E's service and network responsibilities cannot and do not extend beyond D&E's incumbent LEC service areas; and

WHEREAS, the Parties desire to interconnect their respective networks to allow either Party to deliver specific traffic to the other Party for transport and termination on the other Party's network;

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, D&E and LEVEL 3 hereby agree as follows:

This Agreement sets forth the terms, conditions, and compensation between the Parties for the establishment of connecting facilities and for transport and termination of traffic, which is subject to this Agreement, delivered by one Party to the other Party.

1.0 DEFINITIONS

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

1.1 "Act" means the Communications Act of 1934, as amended.

1.2 "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.

1.3 "Commission" means the Pennsylvania Public Utility Commission.

1.4 "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").

1.5 "Customer," "End User" or "End User Customer" means the residence or business subscriber that is the ultimate user of Telecommunications Services.

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

1.7 "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.

1.8 "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.

1.9 EAS or Extended Area Service is a service arrangement whereby End Users that obtain Local Exchange Carrier service in a specific Local Service Exchange Area are provided the ability to place interexchange calls to End Users that obtain Local Exchange Carrier service 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 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 that reside and obtain Local Exchange Carrier service in specific communities without incurring specific telephone message toll charges.

1.10 EAS Traffic or Extended Area Service Traffic means traffic that falls within the definition of EAS that is exchanged between the Parties. EAS Traffic as used herein specifically excludes Enhanced Service Provider and ISP traffic, including but not limited to Internet, 900-976, etc., and Internet Protocol based long distance telephony.

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

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

1.13 "ISP Traffic" is traffic originated by an end user of one Party and delivered to an ISP customer of the other Party. ISP Traffic is neither EAS Traffic nor Local Calling Area Service Traffic. This Agreement does not include traffic to or from third parties that may service ISPs.

1.14 Local Exchange Calls are calls between two end users located within the same Local Service Exchange Area. Local Exchange Calls do not include Enhanced Service Provider and ISP traffic, including but not limited to Internet, 900-976, etc., and Internet Protocol based long distance telephony.

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

1.16 Local Calling Area Service is an arrangement whereby End Users that obtain Local Exchange Carrier service in a specific Local Service Exchange Area are provided the ability (1) to place Local Exchange Calls to End Users that obtain Local Exchange Carrier service in the same Local Service Exchange Area and (2) to place Extended Area Service Calls to End Users that obtain local exchange service in another specific Local Service Exchange Area as defined in this Agreement. Local Calling Area Service is separate and distinct from interexchange toll services that permit end users to place interexchange calls according to interexchange toll rates based on usage and/or distance-based charges. Local Calling Area Service excludes Enhanced Service Provider and ISP traffic, including but not limited to Internet, 900-976, etc., and Internet Protocol based long distance telephony.

1.17 Local Calling Area Service Traffic means traffic that falls within the definition of Local Calling Area Service.

1.18 "Local Service Exchange Area" is a specific geographic service area that defines an exchange. The Local Service Exchange Areas define mutually exclusive geographic areas between which the Parties exchange Extended Area Service Traffic pursuant to this Agreement. The geographic areas that constitute Local Service Exchange Areas, for purposes of defining Local Exchange Calls and Extended Area Service Traffic, are the mutually exclusive geographic areas of the local exchanges operated by the incumbent LECs on February 8, 1996.

1.19 "NXX Code" identifies a ten thousand (10,000) block of numbers which has the same initial three (3) digit prefix in a seven digit dialing sequence which is assigned to a LEC for the provision of its local exchange service.

1.20 Percent Local Usage is a calculation which represents, for traffic that either party delivers to the other Party over the interconnection facilities and trunks that are the subject of this Agreement, the ratio calculated as follows: (1) the sum of (a) EAS Traffic minutes of use and (b) ISP Traffic minutes of use divided by (2) the sum of (a) EAS Traffic minutes of use, (b) Switched Access Traffic minutes of use, and (c) ISP Traffic minutes of use.

1.21 "Point of Connection" or "POC" means the mutually agreed upon point of interconnection, within the incumbent service area of D&E and on D&E's network, where the Parties connect their networks for the exchange of traffic as set forth in Exhibit A.

1.22 "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 a LEC for its provision of basic exchange telecommunications services. The "rate center point" is the finite geographic point 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.

1.23 "Switched Access" is the offering of exchange access for the purpose of the origination or termination of interexchange toll services.

1.24 Switched Access Traffic means traffic that falls within the definition of Switched Access and as Switched Access may be defined elsewhere in this Agreement.

1.25 "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.

1.26 "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.

1.27 "Termination" is, with respect to traffic pursuant to this Agreement, the completion of traffic at the terminating carrier's end office switch, or equivalent facility, and delivery of such traffic to the called party's premises.

1.28 "Transport" is, with respect to traffic pursuant to this Agreement, the transmission from the POC to the terminating Party's 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 D&E or LEVEL 3), 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 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 traffic that is the subject of this Agreement. 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 main body of this Agreement shall prevail.

3.0 TRAFFIC EXCHANGE

3.1 SCOPE OF TRAFFIC COVERED BY THIS AGREEMENT

3.1.1 This Agreement sets forth the terms, conditions and prices under which the Parties agree to interconnect the LEC network of LEVEL 3 and the LEC network of D&E for the purposes of delivering certain traffic over the interconnection facilities and trunks established pursuant to this Agreement. The traffic that is within the scope of this Agreement specifically includes:

3.1.1.1 Extended Area Service Traffic between the End Users of D&E and the End Users of LEVEL 3 delivered over the interconnection facilities and trunks established pursuant to this Agreement as set forth in Exhibit A;

3.1.1.2 Information Service Provider Traffic pursuant to all of the terms and conditions of Section 3.4 between End Users of D&E and End Users of LEVEL 3 delivered over the interconnection facilities and trunks established pursuant to this Agreement as set forth in Exhibit A or Exhibit B; and

3.1.1.3 While switched Access Traffic between the End Users of D&E and the End Users of LEVEL 3 is not to be delivered over the facilities established by this Agreement, if it is, the compensation shall be as set forth in 3.8.2.

3.2 Service Arrangements

3.2.1 This Agreement sets forth the terms and conditions under which the Parties agree to Transport and Terminate certain EAS Traffic delivered by one Party to the other Party at the POC. This Agreement only applies to the delivery of EAS Traffic between an End User of one Party and an End User of the other Party. This Agreement also sets forth the terms and conditions under which the Parties agree to deliver and terminate Switched Access Traffic and Information Service Provider Traffic.

3.2.2 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.

3.2.3 Each Party agrees that it will not provision any of its services in a manner that will result in, or permits, the arbitrage and/or circumvention of the application of intrastate or interstate access charges by the other Party including, but not limited to, the resale or bridging of EAS beyond the specified Local Service Exchange Areas between which EAS calling is provided

or the assignment of NPA-NXX numbers associated with one Rate Center for End Users that obtain Local Exchange Carrier service in a different Rate Center.

3.2.4 Both Parties warrant and represent that they will: (a) assign telephone numbers in a manner consistent with this Agreement to End Users that obtain Local Exchange Carrier service in the Rate Center associated with the telephone number; (b) provision their Local Exchange Carrier services in a manner that the resulting traffic exchanged between the Parties pursuant to this Agreement will be confined to the scope of the traffic as set forth in this Section; (c) adopt the Rate Center areas and Rate Center points that are identical to those used by the incumbent local exchange carriers that serve the Local Service Exchange Areas related to the subject matter of this Agreement; (d) shall assign whole NXX Codes to each Rate Center, or where, applicable, thousand number blocks within an NXX Code assigned to that Rate Center; and (e) provide Calling Party Number on all traffic delivered to the other Party. Both Parties agree that they will engineer their respective networks and design their respective systems to deliver traffic in compliance with this Section 3.

3.2.5 Notwithstanding the requirements, warranties and representations set forth in this Section 3, whenever D&E delivers traffic to LEVEL 3 for termination on LEVEL 3's network, if D&E cannot determine, because the manner in which LEVEL 3 has utilized its NPA-NXX codes to serve End Users and information Service Providers, whether the traffic is between End Users in different geographic areas between which EAS calling is exchanged between the Parties pursuant to this Agreement or whether the traffic is between End Users in different geographic areas between which Switched Access charges apply for interexchange traffic, D&E will charge LEVEL 3 originating intrastate switched access service charges for the originating usage pursuant to the access charge terms, conditions, and rates that D&E applies to intrastate interexchange carriers. If LEVEL 3 deploys NXX codes in such a manner that D&E cannot determine whether the traffic delivered to D&E by LEVEL 3 is EAS Traffic, D&E will charge terminating intrastate switched access charges to LEVEL 3.

3.2.6 If a Party violates (the "Violating Party") any of the terms, warranties or representations provided for in this Section 3. (a "Violation"), and if the other Party (the "Non-Violating Party") provides written notification to the Violating Party of a suspected Violation(s), or if the Violating Party discovers the Violation(s) itself, the Violating Party shall, unless otherwise mutually agreed to by the Parties, within five (5) days following such notification or discovery, correct and/or remove the specific service arrangement that has resulted in the Violation(s). In addition, the Non-Violating Party may request a study or other such demonstration of available switch data or other information that the Violation(s) has been corrected and/or removed. It will constitute a default of this Agreement if a Party does not correct and/or remove the Violation after notification or discovery. It will constitute a default of this Agreement for repeated Violations.

3.2.7 The compensation terms and conditions of this Agreement that are applicable to EAS Traffic and ISP Traffic are not applicable to IntraLATA toll traffic; switched access traffic; InterLATA toll traffic; or any other traffic that is not specifically identified in this Agreement as EAS Traffic or ISP Traffic. EAS Traffic and ISP Traffic do not include traffic originated, terminated, or carried on third party networks not Parties to this Agreement or any traffic originated from or terminated by users of Commercial Mobile Radio Services licensees. The Parties also specifically exclude verification traffic and 911 traffic from the scope of this Agreement. All intraLATA, and interLATA switched access traffic shall be compensated in accordance with Section 3.8.2.

3.3 INTERMEDIARY TRAFFIC FUNCTIONS

Neither Party shall provide an intermediary 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, between and among all of the affected parties, of mutually agreeable terms and conditions governing the provision of the intermediary function and arrangement.

3.4 TREATMENT OF INFORMATION SERVICE PROVIDER TRAFFIC

3.4.1 The Parties recognize that the network treatment of traffic directed to ISPs is unresolved and the subject of industry wide controversy and pending regulatory review. The Parties further recognize that the long-term resolution of issues related to ISP Traffic may affect both Parties and may necessitate modification to this Agreement. In recognition of these factors, the Parties agree to transport and switch ISP Traffic in the manner described below in this Subsection 3.4 subject to amendment upon written agreement of the Parties.

3.4.2 The Parties acknowledge that under current network and service arrangements, some ISP Traffic may be switched and transported as if this ISP Traffic is EAS Traffic. ISP Traffic that is treated as EAS Traffic is also confined to calls between specific Local Service Exchange Areas as set forth in Exhibit A. The Parties will treat ISP Traffic under the following conditions until such time as a regulatory authority, court, or legislative body addresses the proper treatment of this traffic: the parties will utilize the interconnection facilities to exchange the ISP traffic. The switching and transport of ISP traffic over the interconnection facilities by either Party, however, will not be deemed or construed by either party as either agreement or acknowledgment by the Parties that this arrangement is proper or required. In the event that the manner in which ISP Traffic is or may be treated is determined with finality 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, 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.

3.4.3 The Parties agree that the mutual provisions and relative obligations of the Parties pursuant to this Subsection 3.4, including the compensation provisions set forth in Section 3.4.4, represent good and valuable consideration, the sufficiency of which between the Parties is acknowledged, and except for the compensation pursuant to Subsection 3.4.4, neither Party will owe a net due amount to the other Party for terminating ISP Traffic.

3.4.4 Notwithstanding any other provision of this Agreement that would otherwise apply to EAS Traffic that is not ISP Traffic, the Parties agree to the following terms and conditions with respect to this Agreement and ISP traffic: (1) the only ISP Traffic to be exchanged pursuant to this Agreement is ISP Traffic directed to ISPs served by LEVEL 3; (2) LEVEL 3 is responsible for compensation to D&E for the dedicated facilities and necessary trunking to connect LEVEL 3's network to the point of connection at D&E's end office or tandem; (3) a description of these facilities and the charges that D&E will assess LEVEL 3 for these facilities are set forth in Exhibit B; (4) LEVEL 3 is responsible for any transit charges assessed to D&E by any third party for usage terminating to LEVEL 3 via third party facilities due to lack of direct trunking facilities after initial installation of direct trunking is completed, and the transit charges are a direct result of Level 3 not providing the additional, necessary capacity to augment the existing trunk groups for traffic exchanged between the Parties; and (5) Neither party is

responsible for paying the other party reciprocal compensation for ISP traffic.

3.5 TRUNK GROUPS

3.5.1 The Parties agree to interconnect their respective networks for the purpose of allowing each Party to deliver traffic that is within the scope of this Agreement to the other Party. The Parties agree to establish the Point(s) of Connection and each Party will make available to the other Party, at the POC(s), trunks over which either Party may deliver traffic that is within the scope of this Agreement to the other Party's network.

3.5.2 The Parties agree to work cooperatively to forecast trunk requirements for the exchange of traffic that is within the scope of this Agreement. The Parties agree to connect trunks at a minimum DS1 level. Where traffic volumes are not established, trunk groups will be provisioned initially based on forecasts jointly developed by the Parties. The Parties may mutually decide to provision one-way or two-way trunking arrangements.

3.5.3 Except as provided in Subsection 3.4 above, each Party is individually responsible for the provision and maintenance of facilities within its network to the POC which are necessary for routing, transporting, measuring, and billing traffic originated from the other Party's network and for delivering such traffic to the other Party's network 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.

3.6 SIGNALING

Both Parties agree to exchange SS7 Common Channel Signaling ("CCS") between their respective networks where technically feasible, for all traffic exchanged pursuant to this Agreement. Both Parties will provide CCS connectivity in accordance with accepted industry practice and standard technical specifications. The Parties agree to cooperate on the exchange of all appropriate CCS messages for call set-up, including ISDN User Part ("ISUP") and Transaction Capability User Part ("TCAP") messages to facilitate interoperability of CCS-based features and functions between their respective networks, including CLASS features and functions. All CCS signaling parameters will be provided in conjunction with all traffic where available with specific trunk connections.

3.7 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. The Parties agree to work cooperatively to forecast trunk requirements.

3.7.1 911/E911

At LEVEL 3's option, it may interconnect to the D&E tandem office within the LATA in which LEVEL 3 provides service, for the provision of 911/E911 services. To the extent that there are any proposed modifications or additions to existing 911/E911 arrangements, the Parties shall cooperate to establish such arrangements.

3.8 COMPENSATION

3.8.1 Except as provided in Subsections 3.2.5 and all of Subsection 3.4, the Parties agree that the mutual provisions and relative obligations of the Parties, including but not limited to the mutual exchange of traffic pursuant to this Agreement, are balanced and represent good and valuable consideration, the sufficiency of which between the Parties is acknowledged and that neither Party has any obligation to provide any monetary compensation to the other Party for the other Party's origination or termination of EAS Traffic within the scope of this Agreement. The specific compensation terms and conditions for EAS Traffic set forth in this Agreement are related to, dependent on, and limited to the provision of Local Exchange Carrier service to end users located in the specific geographic areas that are the subject of this Agreement, the exchange of EAS Traffic between the Parties with respect to these geographic areas, and all of the other interrelated terms and conditions set forth in this Agreement.

3.8.2 In addition to the provisions set forth in Subsections 3.2.5 and 3.4, the Parties agree that the terms of each Party's respective Switched Access Tariffs will apply for the termination of the other Party's Switched Access Traffic. Accordingly, for all traffic that is not EAS Traffic, Local Calling Area Service Traffic, or ISP Traffic, the Parties agree to compensate one another based on the rates and elements included in each Party's Switched Access Tariffs.

3.8.3. Nothing in this Agreement shall be construed to limit either Party's ability to designate the areas within which that Party's Customers may make calls, which that Party rates as "local" in its Customer Tariffs.

3.8.4. LEVEL 3 and D&E will reciprocally provide Percent Local Usage ("PLU") factors to each other. The initial PLU's will be 100%, however calls that are Switched Access are not to be included in the use of the 100% PLU factor but are to be billed in accord with 3.8.2. The Parties will then update the factors on a quarterly basis to identify the proper percent of EAS Traffic, plus ISP Traffic carried on the Interconnection Trunks. If either Party does not provide to the other Party an updated PLU, the previous PLU will be utilized until such time as a new PLU is furnished. PLU changes will be utilized on a going-forward basis and will be implemented at the start of the calendar quarter immediately following the calendar quarter in which the updated PLU is received.

3.8.5. Each Party will transmit calling party number (CPN) for each call being terminated on the other's network. If the percentage of calls transmitted with CPN is greater than 90%, all calls exchanged without CPN will be billed as local or intrastate in proportion to the MOUs of calls exchanged with CPN. If the percentage of calls transmitted with CPN is less than 90%, all calls transmitted without CPN will be billed as intraLATA toll traffic. Neither Party may alter or change the calling number ("from number") within a calling record. Calls terminating with invalid "from numbers", (i.e. NPA-NXX-XXXX is zero-filled, or is filled with the called number ("to-number), will be billed as intrastate access by the terminating Party to the originating Party.

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 CHARGES

No cancellation 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, or for loss, damage to, or destruction of real and/or personal property, whether or not owned by others, incurred 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 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 Sections 6.1 and 6.2, each Party shall provide, in its Tariffs that relate to any service 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 service(s) or function(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 limitations on liability to customers that may be contained in either Party's applicable Tariff(s).

8.0 TERM AND TERMINATION

This Agreement shall be effective on the date on which this Agreement is approved by the Commission 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 in accordance with 11.9, at least sixty (60) days in advance of the date of termination.

9.0 COMPLIANCE WITH LAWS AND REGULATIONS

9.1 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.

9.2 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. 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.

9.3 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 does not otherwise apply.

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 8.0.

11.0 MISCELLANEOUS

11.1 AUTHORIZATION

11.1.1 D&E is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania and has full power and authority to execute and deliver this Agreement and to perform the obligations hereunder.

11.1.2 LEVEL 3 is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder.

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 or 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 trade secret information, including but not limited to, 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 Information shall be in writing or other tangible form and clearly marked with a confidential, private or proprietary legend and that the Information will be returned to the owner within a reasonable time. Both Parties agree that the 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 Information. Both Parties agree to protect the Information received from distribution, disclosure or dissemination to anyone except employees and duly authorized agents of the Parties with a need to know such 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 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 Information that is either: 1) made publicly available by the owner of the Information or lawfully disclosed by a non-party to this Agreement; 2) lawfully obtained from any source other than the owner of the 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 Commonwealth of Pennsylvania without regard to its conflict of laws principles.

11.6 TAXES

11.6.1 It is the mutual understanding of the Parties to this Agreement that there are no taxes specifically applicable to the subject matter of this Agreement or to either Party as a result of entering into this Agreement that would not otherwise be applicable to each respective Party. In the event that any government authority, however, determines to the contrary that a tax or taxes are applicable to the subject matter of this Agreement, then the following provisions will apply.

11.6.2 Definitions

11.6.2.1 For purposes of this Subsection 11.6, the terms "taxes" and "fees" shall include but not be limited to federal, state or local sales, use, excise, gross receipts or other taxes or tax-like fees of whatever nature and however designated (including Tariff surcharges and any fees, charges or other payments, contractual or otherwise, for the use of public streets or rights of way, whether designated as franchise fees or otherwise) imposed, or sought to be imposed, on or with respect to the services furnished hereunder or measured by the charges or payments thereof, excluding any taxes levied on income.

11.6.2.2 The term "Providing Party" shall mean the Party whose rates apply to the transaction. The term "Purchasing Party" shall be the Party responsible for payment of compensation under this agreement with respect to a transaction. The term "Selling Party" shall have the same meaning as Providing Party.

11.6.3 Taxes and Fees Imposed Directly On Either Seller or Purchaser.

11.6.3.1 Taxes and fees imposed on the Providing Party, which are not permitted or required to be passed on by the Providing Party to its customer, shall be borne and paid by the Providing Party.

11.6.3.2 Taxes and fees imposed on the Purchasing Party, which are not required to be collected and/or remitted by the Providing Party, shall be borne and paid by the Purchasing Party.

11.6.4 Taxes and Fees Imposed on Purchaser But Collected And Remitted By Seller.

11.6.4.1 Taxes and fees imposed on the Purchasing Party shall be borne by the Purchasing Party, even if the obligation to collect and/or remit such taxes or fees is placed on the Providing Party.

11.6.4.2 To the extent permitted by applicable law, any such taxes and/or fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the Purchasing Party shall remain liable for any such

taxes and fees regardless of whether they are actually billed by the Providing Party at the time that the respective service is billed.

11.6.4.3 If the Purchasing Party determines that in its opinion any such taxes or fees are not payable, the Providing Party shall not bill such taxes or fees to the Purchasing Party if the Purchasing Party provides written certification, reasonably satisfactory to the Providing Party, stating that it is exempt or otherwise not subject to the tax or fee, setting forth the basis therefore, and satisfying any other requirements under applicable law. If any authority seeks to collect any such tax or fee that the Purchasing Party has determined and certified not to be payable, or any such tax or fee that was not billed by the Providing Party, the Purchasing Party may contest the same in good faith, at its own expense. In any such contest, the Purchasing Party shall promptly furnish the Providing Party with copies of all filings in any proceeding, protest, or legal challenge, all rulings issued in connection therewith, and all correspondence between the Purchasing Party and the taxing authority.

11.6.4.4 In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the Providing Party during the pendency of such contest, the Purchasing Party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.

11.6.4.5 If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the Purchasing Party shall pay such additional amount, including any interest and penalties thereon.

11.6.4.6 Notwithstanding any provision to the contrary, the Purchasing Party shall protect, indemnify and hold harmless (and defend at the Purchasing Party's expense) the Providing Party from and against any such tax or fee, interest or penalties thereon, or other charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the Providing Party in connection with any claim for or contest of any such tax or fee.

11.6.4.7 Each Party shall notify the other Party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a taxing authority; such notice to be provided, if possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

11.6.5 Taxes and Fees Imposed on Seller But Passed On To Purchaser.

11.6.5.1 Taxes and fees imposed on the Providing Party, which are permitted or required to be passed on by the Providing Party to its customer, shall be borne by the Purchasing Party.

11.6.5.2 To the extent permitted by applicable law, any such taxes and/or fees shall be shown as separate items on applicable billing documents between the Parties. Notwithstanding the foregoing, the Purchasing Party shall remain liable for any such taxes and fees regardless of whether they are actually billed by the Providing Party at the time that the respective service is billed.

11.6.5.3 If the Purchasing Party disagrees with the Providing Party's determination as to the application or basis for any such tax or fee, the Parties shall consult with respect to the imposition and billing of such tax or fee. Notwithstanding the foregoing, the Providing Party shall retain ultimate responsibility for determining whether and to what extent any such taxes or fees are applicable, and the Purchasing Party shall abide by such determination and pay such taxes or fees to the Providing Party. The Providing Party shall further retain ultimate responsibility for determining whether and how to contest the imposition of such taxes and fees; provided, however, that any such contest undertaken at the request of the Purchasing Party shall be at the Purchasing Party's expense.

11.6.5.4 In the event that all or any portion of an amount sought to be collected must be paid in order to contest the imposition of any such tax or fee, or to avoid the existence of a lien on the assets of the Providing Party during the pendency of such contest, the Purchasing Party shall be responsible for such payment and shall be entitled to the benefit of any refund or recovery.

11.6.5.5 If it is ultimately determined that any additional amount of such a tax or fee is due to the imposing authority, the Purchasing Party shall pay such additional amount, including any interest and penalties thereon.

11.6.5.6 Notwithstanding any provision to the contrary, the Purchasing Party shall protect indemnify and hold harmless (and defend at the Purchasing Party's expense) the Providing Party from and against any such tax or fee, interest or penalties thereon, or other reasonable charges or payable expenses (including reasonable attorney fees) with respect thereto, which are incurred by the Providing Party in connection with any claim for or contest of any such tax or fee.

11.6.5.7 Each Party shall notify the other Party in writing of any assessment, proposed assessment or other claim for any additional amount of such a tax or fee by a taxing authority; such notice to be provided, if possible, at least ten (10) days prior to the date by which a response, protest or other appeal must be filed, but in no event later than thirty (30) days after receipt of such assessment, proposed assessment or claim.

11.6.6 Mutual Cooperation

In any contest of a tax or fee by one Party, the other Party shall cooperate fully by providing records, testimony and such additional information or assistance as may reasonably be necessary to pursue the contest. Further, the other Party shall be reimbursed for any reasonable and necessary out-of-pocket copying and travel expenses incurred in assisting in such contest.

11.7 BILLING AND PAYMENT; DISPUTED AMOUNTS

11.7.1 Because of the mutual benefits related to the subject matter of this Agreement, except for charges that arise pursuant to Subsections 3.2.5 and 3.4 or as may be set forth in Exhibit B, the Parties agree that no charges shall apply to the exchange of traffic pursuant to the terms of this Agreement. In the event that charges are applicable pursuant to Subsection 3.2.5, Subsection 3.4, and Exhibit A or Exhibit B, the following terms and conditions set forth in this Section 11.7 shall apply.

11.7.2 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.

11.7.3 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.

11.7.4 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 written 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.

11.7.5 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.

11.7.6 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 11.7.5, then either Party may proceed under the dispute resolution provisions of Section 11.8.

11.7.7 The Parties agree that all negotiations pursuant to this subsection 11.7 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.

11.7.8 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.

11.8 DISPUTE RESOLUTION

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

11.9 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 express delivery service, or (iii) mailed, certified mail or first class U.S. mail postage prepaid, return receipt requested to the following addresses of the Parties:

To: D&E

D&E Telephone Company
Attn: Regulatory Affairs
124 East Main Street
P.O. Box 458
Ephrata, PA 17522

To: LEVEL 3

Level 3 Communications, LLC
Attn: Director Interconnection Services
1025 Eldorado Blvd.
Broomfield, Co 80021

or to such other address as either Party shall designate by proper notice. Notices will be deemed given as of (i) the next business day when notice is sent via express delivery service or personal delivery, or (ii) three (3) days after mailing in the case of first class or certified U.S. mail.

11.10 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.

11.11 NO LICENSE

11.11.1 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.

11.11.2 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.

11.11.3 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.

11.12 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.

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

11.14 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 D&E is a Rural Telephone Company and is entitled to all rights afforded Rural Telephone Companies under the Act including, but not limited to, the rights afforded D&E under 47 USC Section 251(f).

11.15 ENTIRE AGREEMENT

11.15.1. 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.

11.15.2. The terms of this Agreement including, but not limited to, the compensation terms set forth in this Agreement and other mutual consideration, the sufficiency of which between the Parties is acknowledged, are directly related to and dependent on the specific scope of traffic, the relative magnitude of the traffic, the geographic areas of operation of D&E and LEVEL 3, and all of the other limiting conditions and particulars set forth in this Agreement.

11.16 COUNTERPART

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.

11.17 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 this ____ day of _____, 2005.

D&E Communications, Inc.

LEVEL 3 Communications, LLC

By _____

By _____

Printed _____

Printed _____

Title _____

Title _____

Date: _____

Date: _____

EXHIBIT A

Conestoga Telephone proposed Point of Interconnection: BRDSPAXB01T (tandem office)
 Non-optional Local Calling (EAS) Rate Centers that extend outside of the D&E Telephone
 exchange territory are:

Conestoga Rate Center TO > Rate Center Outside of Conestoga Telephone

Douglassville, PA	Reading, PA
Green Hills, PA	Terre Hill, PA Honey Brook, PA Pughtown, PA Glenmoore, PA Reading, PA
Oley, PA	Fleetwood, PA Reading, PA
Morgantown, PA	Pughtown, PA Honey Brook, PA Reading, PA Downingtown, PA Terre Hill, PA
Sassamansville, PA	Pennsburg, PA Pottstown, PA Schwenksville, PA Green Lane, PA
Topton, PA	Allentown, PA Kutztown, PA Fleetwood, PA Reading, PA
Yellow House, PA	Pottstown, PA Reading, PA

Buffalo Valley Telephone proposed Point of Interconnection: LWBGPAXBDS0 (end office)
 Non-optional Local Calling (EAS) Rate Centers that extend outside of the Buffalo Valley
 Telephone exchange territory are:

Buffalo Valley Rate Center > TO > Rate Center Outside of Buffalo Valley Territory

Lewisburg and Mifflinburg	Milton
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EXHIBIT A (continued)

D&E Telephone Company proposed Points of Interconnection: EPHRPAXE71T or LITZPAXE71T (tandem offices). Non-optional Local Calling (EAS) Rate Centers that extend outside of the D&E Telephone exchange territory are:

D&E Telephone Rate Center TO > Rate Center Outside of D&E Territory

Adamstown	Sinking Spring Reading St. Lawrence Laureldale Shillington Terre Hill
Akron	East Petersburg Leola New Holland Terre Hill Lancaster Willow Street
Denver	Terre Hill
Ephrata	East Petersburg Leola New Holland Terre Hill Lancaster Willow Street
Lititz	East Petersburg Landisville Mount Joy Willow Street Lancaster
Manheim	East Petersburg Landisville Mount Joy Willow Street Lancaster

D&E Systems, Inc. proposed Points of Interconnection: LITZPAXE71T (tandem office) or LITZPAXEDS1 (End office), serving end users in Verizon-PA and Sprint exchanges.

CEI Networks, Inc. proposed points of Interconnection: BRDSPAXB71T (tandem in LATA 228), or the end offices of LWBGPAxBDS1 (LATA 232), and FGTPPA01DS0 (LATA 230), serving end users in Verizon-PA exchanges.

