

## **RECIPROCAL COMPENSATION**

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## **1. INTRODUCTION**

This Appendix sets forth terms and conditions for Inter-carrier Compensation between SBC MISSOURI and MCIm.

- 1.1 The Parties acknowledge that they entered into an "Amendment Superseding Certain Reciprocal Compensation, Interconnection and Trunking Terms" dated April 1, 2005 (hereafter the "Reciprocal Compensation Amendment"). The Parties also acknowledge and agree that the Reciprocal Compensation Amendment is intended, during its term (April 1, 2005 through June 30, 2007 unless otherwise agreed to by the Parties), to supplement and supersede, as applicable, certain terms and conditions of this Appendix Reciprocal Compensation. The Parties agree that, during the term of the Reciprocal Compensation Amendment, any inconsistencies between the Reciprocal Compensation Amendment and this Appendix Reciprocal Compensation will be governed by the provisions of the Reciprocal Compensation Amendment.
- 1.2 Upon expiration of the Reciprocal Compensation Amendment dated April 1, 2005, the Parties agree that the terms of the Appendix Reciprocal Compensation shall apply to determine the terms of the compensation to be paid between the Parties on a prospective basis.

## **2. TRANSMISSION AND ROUTING OF TELEPHONE EXCHANGE SERVICE TRAFFIC RELEVANT TO COMPENSATION**

- 2.1 The Telecommunications traffic exchanged between MCIm and SBC MISSOURI will be classified as either Section 251(b)(5) Traffic, ISP-Bound Traffic, intraLATA Toll Traffic, interLATA Toll Traffic, or Transit Traffic. The Parties agree that, notwithstanding the classification of traffic under this Appendix, either Party is free to define its own local service areas for the purpose of providing telecommunications services to its own customers. The provisions of this Appendix apply to calls originated over the originating carrier's facilities or a carrier providing telecommunications services utilizing wholesale Local Switching, to the extent that MCIm's End Users are served by such wholesale Local Switching purchased from SBC MISSOURI; they do not apply to traffic originated over facilities provided under local Resale arrangements.
- 2.2 Rates for transport and termination of Local Traffic must be symmetrical. For purposes of this section, symmetrical means that the amount charged for each rate element MCIm may assess SBC MISSOURI for the transport and termination of Local Traffic will be the same as the amount charged for each rate element which SBC MISSOURI may assess MCIm for the transport and termination of Local Traffic.
- 2.3 Reciprocal compensation applies for transport and termination of Section 251(b)(5) Traffic. When an end user customer originates Section 251(b)(5) Traffic, the originating Party shall compensate the terminating Party for the transport and termination of such Section 251(b)(5) Traffic at the rate(s) provided in Appendix Pricing. "Section 251(b)(5) Traffic" shall mean telecommunications traffic in which the originating End User Customer of one Party and the Terminating End User Customer of the other Party are:

- (i) both physically located in the same SBC MISSOURI Local Exchange Area as defined in the SBC MISSOURI Local (or "General") Exchange Tariff on file with the applicable state commission or regulatory agency; or
  - (ii) both physically located within neighboring SBC MISSOURI Local Exchange Areas that are within the same common mandatory local calling area. This includes, but is not limited to, mandatory Extended Area Service (EAS) or other mandatory extended local calling.
- 2.3.1 In accordance with the FCC's Order on Remand Report and Order, In the Matter of Implementation of the Local Compensation Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP-Bound Traffic, FCC 01-131, CC Docket Nos. 96-98, 99-68 (rel. April, 27, 2001) ("FCC ISP Compensation Order"), "ISP-Bound Traffic" shall mean telecommunications traffic exchanged between MCI and SBC MISSOURI in which the originating End User of one Party and the terminating ISP of the other Party are:
  - (i) both physically located in the same SBC MISSOURI Local Exchange Area as defined by SBC MISSOURI Local (or "General") Exchange Tariff on file with the applicable state commission or regulatory agency; or
  - (ii) both physically located within neighboring SBC MISSOURI Local Exchange Areas that are within the same common mandatory local calling area. This includes, but it is not limited to, mandatory Extended Area Service (EAS), mandatory Extended Local Calling Service (ELCS) or other types of mandatory expanded local calling scopes.
- 2.3.2 SBC MISSOURI has offered to exchange Section 251(b)(5) Traffic and ISP-Bound traffic pursuant to the FCC's interim ISP terminating compensation plan set forth in the FCC ISP Compensation Order and such traffic is presumed to be ISP-Bound Traffic in accordance with the rebuttable presumption set forth in Section 4.8 of this Appendix.
- 2.4 When traffic is either originated by or terminated to an End User served by a Telecommunications Carrier utilizing wholesale Local Switching, to the extent that MCI's End Users are served by such wholesale Local Switching purchased from SBC MISSOURI the requirements to record usage and to compensate the terminating Party shall remain the same as for switch-based service.
- 2.5 To the extent that the Parties are not exchanging traffic in a given Local Calling Area as of the Effective Date, the Parties' obligation to pay reciprocal compensation to each other for that Local Calling Area only shall commence on the date the Parties agree (which agreement shall not be unreasonably withheld) that the network is complete for that Local Calling Area (i.e., each Party has established its originating trunks as well as any ancillary functions (e.g., 9-1-1)) and is capable of fully supporting originating and terminating End Users' traffic. In addition, the Parties agree that test traffic is not subject to compensation pursuant to this Appendix Reciprocal Compensation.
- 2.6 The Reciprocal Compensation arrangements set forth in this Appendix are not applicable to Exchange Access traffic. All Exchange Access traffic shall continue to be governed by the terms and conditions of applicable federal and state tariffs. The compensation arrangements for Section 251(b)(5), as defined in 47 C.F.R. § 51.701(b)(1) and subject to change in accordance therewith, are not applicable to (i) Exchange Access traffic, Information Access traffic, or Exchange Services for such access (ISP-bound Traffic shall be compensated and billed in accordance with Section 4.2 as agreed to by the parties) (ii) traffic originated by one Party on a number ported to its own

network that terminates to another number ported on that same Party's network or (iii) any other type of traffic found to be exempt from reciprocal compensation by the FCC or the Commission and subject to the Change in Law provisions of this agreement. All Exchange Access traffic shall continue to be governed by the terms and conditions of applicable state, federal and NECA tariffs. The treatment of Voice over Internet Protocol (VOIP) traffic is set forth in Section 16.

2.7 For purposes of this Appendix, FX Traffic shall be defined as traffic for which the dialed NPX/NXX is rated in a different mandatory local calling area than the actual location of the End User.

2.8 Foreign Exchange (FX) Traffic (ISP-bound and non-ISP bound) shall be subject to bill and keep.

2.9 Segregating And Tracking FX Traffic

2.9.1 For SBC MISSOURI, the terminating carrier is responsible for separately identifying FX Traffic from other types of Inter-carrier traffic for compensation purposes. The terminating carrier will be responsible for providing the originating carrier with an FX Usage Summary which includes a ten (10) digit telephone number level detail of the minutes of use terminated to FX Telephone Numbers on its network each month (or in each applicable billing period, if not billed monthly), or by any means mutually agreed by the Parties.

2.9.2 Terminating carrier will not assess compensation charges to the Voice FX MOU and ISP FX MOU in SBC MISSOURI where such traffic is subject to a Bill and Keep arrangement.

2.10 To the extent minutes of use are nevertheless billed and paid by the originating carrier, but later found to be FX Traffic that should have been subject to Bill and Keep, the terminating carrier will be responsible for reimbursing the originating carrier the amount of compensation paid, plus interest at the interest rate defined in the originating carrier's Switched Access Tariff.

2.11 The Parties recognize and agree that ISP and Internet traffic (excluding ISP-Bound Traffic as defined above in Section 2.2) could also be traded outside of the applicable local calling scope, or routed in ways that could make the rates and rate structures for Section 251(b)(5) Traffic and the FCC's ISP Terminating Compensation Plan above does not apply including, but not limited, to ISP calls that fit the definitions of the following traffic:

- FX Traffic
- IntraLATA Toll Traffic
- 800, 888, 877, ("8YY") Traffic

2.11.1 The Parties agree that, for the purposes of this Appendix, either Parties' End Users remain free to place calls to an ISP under any of the above classifications. Notwithstanding anything to the contrary herein, to the extent such calls to an ISP are placed, the Parties agree that Section 4 does not apply. The applicable rates, terms and conditions for FX Traffic, 8YY and IntraLATA Toll Traffic are set forth in this Appendix.

2.12 Intentionally Omitted.

2.13 Private Line Services include private line-like and special access services and are not subject to local reciprocal compensation. Private Line Services are defined as dedicated Telecommunications channels provided between two points or switched among multiple points and are used for voice,

data, audio or video transmission. Private Line services include, but are not limited to, WATS access lines.

- 2.14 Exchange Access traffic is the offering by an incumbent or competitive Local Exchange Company of services or facilities to an Inter-exchange Carrier for the purpose of the origination or termination of telephone Toll Service. Such traffic includes inter-LATA and intra-LATA toll calls and is not subject to reciprocal compensation.

### **3. RESPONSIBILITIES OF THE PARTIES**

- 3.1 The Parties will be responsible for the accuracy and quality of the data as submitted to the respective parties involved.
- 3.2 For all traffic exchange pursuant to this Agreement including, without limitation, Switched Access Traffic, each Party shall provide Calling Party Number as defined in 47 C.F.R. § 64.1600(c) ("CPN") in accordance with Section 3.3 and shall not strip, alter, modify, add, delete, change, or incorrectly assign any CPN. If either Party identifies improper incorrect or fraudulent use of local exchange services (including, but not limited to PRI, ISDN and/or Smart Trunks) or identifies stripped, altered, modified, added, deleted, changed and/or incorrectly assigned CPN, the Parties agree to cooperate with one another to investigate and take corrective action.
- 3.3 For traffic which is delivered by one party to be terminated on the other Party's network in SBC MISSOURI, if the percentage of calls passed with CPN is greater than ninety percent (90%), all calls exchanged without CPN will be billed as either Section 251(b)(5) Traffic or IntraLATA Toll Traffic in direct proportion to the minutes of use (MOU) of calls exchanged with CPN. If the percentage of calls passed with CPN is less than 90%, all calls passed without CPN will be billed as Intrastate IntraLATA Toll Traffic.
- 3.4 Both Parties will be responsible for passing on any CPN it receives from a third party for traffic delivered to the other Party.
- 3.5 If one Party is passing CPN but the other Party is not properly receiving information, the Parties will work cooperatively to correct the problem.
- 3.6 Loss of Data. In the event of a loss of data, both Parties shall cooperate to reconstruct the lost data within sixty (60) days of notification and if such reconstruction is not possible, shall accept a reasonable estimate of the lost data. This estimate may be based on several methodologies involving at least three (3), but no more than twelve (12) consecutive months of prior usage data, if available.

### **4. COMPENSATION**

- 4.1 Intentionally Omitted.
- 4.2 Exchange Only ISP-bound Traffic at the FCC's Interim ISP Terminating Compensation Plan Rate
- 4.2.1 The ISP-Bound Traffic rates, terms, conditions in this Sections 4.2 apply only to the termination of ISP-bound Traffic as defined in herein, with the remainder of Section

251(b)(5) Traffic to be compensated at the rates in the Appendix Price Schedule. Only ISP-Bound Traffic is subject to the rebuttable presumption stated below.

4.2.2 The Parties agree to compensate each other for the transport and termination of ISP-bound Traffic on a minute of use basis, at the rate set forth in Appendix Pricing.

4.2.3 Payment of Intercarrier Compensation on ISP-bound Traffic will not vary according to whether the traffic is routed through a tandem switch or directly to an end office switch.

4.2.4 Compensation for In-Balance Section 251(b)(5) Traffic.

4.2.4.1 The compensation set forth below in Sections 4.2.5 and 4.4 will apply to Section 251(b)(5) Traffic as defined in Section 2.3 of this Appendix.

4.2.5 Applicability of Rates:

4.2.5.1 The Parties agree to compensate each other for the transport and termination of Section 251(b)(5) Traffic as set forth below. The following rate elements apply, but the corresponding rates are shown in Appendix Pricing.

4.2.5.2 Tandem Serving Rate Elements:

4.2.5.2.1 Tandem Switching - compensation for the use of tandem switching only.

4.2.5.2.2 Tandem Transport – (also known as Common Transport)\_compensation for the transmission of traffic between the local tandem and the end offices subtending that tandem consisting of a transport termination (per minute) rate element and transport facility mileage (per minute, per mile) rate element.

4.2.5.2.3 MCI shall assume an average 15 miles of transport when accessing this element.

4.2.5.2.4 End Office Switching in a Tandem Serving Arrangement - compensation for the local end office switching and line termination necessary to complete the transmission in a tandem-served arrangement.

4.2.5.3 End Office Serving Rate Elements:

4.2.5.3.3 End Office Switching - compensation for the local end office switching and line termination necessary to complete the transmission in an end office serving arrangement.

4.3 Intentionally Omitted.

4.4 Tandem Interconnection Rate Application

- 4.4.1 For MCIm traffic that terminates to SBC MISSOURI, transport and termination rates will vary according to whether the traffic is routed through a tandem switch or directly to an end office switch. For SBC MISSOURI traffic that terminates to MCIm, the tandem interconnection rate shall apply only when MCIm's switch is serving a specific LATA that has been determined to have the same or greater geographic scope as a similarly-situated SBC Tandem Switch serving the same LATA. Where MCIm has not affirmatively demonstrated that its switch serves a geographic area comparable to the area served by SBC MISSOURI's tandem switch pursuant to 47 C.F.R. §51.711 (a)(3), MCIm shall be entitled to receive the End Office Switching rate set forth in Appendix Pricing and as specified in Section 4.2.5.3 above.
- 4.4.2 For purposes of this Section 4.4, a switch actually serves a geographic area comparable to the area served by SBC MISSOURI's tandem when:
- (i) a CLEC deploys a switch to serve [this] area;
  - (ii) a CLEC has obtained NPA and NXXs to serve the exchanges within this area;  
and
  - (iii) a CLEC can show that it is serving this area either through its own facilities or a combination of its own facilities and leased facilities connected to its collocation arrangements in ILEC central offices.
- 4.4.3 If a CLEC has more than one switch per LATA, each switch must qualify for the tandem interconnection rate as set forth above on a switch-by-switch basis.
- 4.4.4 Based on the specific architecture of the MCIm network and the geographic area served by the MCIm network, the Parties agree that MCIm's switch meets the criteria set forth in 4.4.2 and will be compensated for Section 251(b)(5) Traffic and mandatory EAS traffic that originates from an MCIm End User that terminates to an SBC MISSOURI End User as follows:
- (i) Seventy percent (70%) of SBC MISSOURI's Section 251(b)(5) Traffic and Mandatory EAS traffic that is terminated to MCIm's End Users shall be compensated at the end office switching rate as set forth in Appendix Pricing.
  - (ii) Thirty percent (30%) of SBC MISSOURI's Section 251(b)(5) Traffic and Mandatory EAS traffic that is terminated to MCIm's End Users shall be compensated at a tandem blended rate calculated as follows:  
  
[End Office Switching + Tandem Switching + Transport Termination + (15 x Tandem Transport Facility Mileage)]
- 4.4.4.1 For purposes of this tandem blended rate, the end office rate, the tandem switching rate, and the tandem transport rates are the rates defined in Section 4.2.5.2 above.
- 4.4.5 Should disputes arise regarding whether a CLEC's switch has affirmatively demonstrated that its switch actually serves a geographic area comparable to the area served by an



SBC MISSOURI tandem switch, as described above, the Parties shall utilize the Dispute Resolution procedures in this Agreement to resolve the dispute. At the conclusion of dispute resolution, if a CLEC demonstrates that its switch is actually serving a geographic area comparable to the SBC MISSOURI's tandem switch in a LATA, the tandem switching and transport rates shall be applied on a going forward basis only.

4.5 Intentionally Omitted.

4.6 Intentionally Omitted

4.7 Intentionally Omitted.

4.8 Intentionally Omitted.

4.9 ISP-bound Traffic Rebuttable Presumption

4.9.1 In accordance with Paragraph 79 of the FCC's ISP Compensation Order, MCI and SBC MISSOURI agree that there is a rebuttable presumption that any of the combined Section 251(b)(5) Traffic and ISP-bound traffic exchanged between MCI and SBC MISSOURI exceeding a 3:1 terminating to originating ratio is presumed to be ISP-bound Traffic subject to the compensation terms in this Section 4.0. Either party has the right to rebut the 3:1 ISP presumption by identifying the actual ISP-bound Traffic by any means mutually agreed by the Parties, or by any method approved by the Commission. If a Party seeking to rebut the presumption takes appropriate action at the Commission pursuant to Section 252 of the Act and the Commission agrees that such Party has rebutted the presumption, the methodology and/or means approved by the Commission for use in determining the ratio shall be utilized by the Parties as of the date of the Commission approval and, in addition, shall be utilized to determine the appropriate true-up as described below. During the pendency of any such proceedings to rebut the presumption, MCI and SBC MISSOURI will remain obligated to pay the reciprocal compensation rates set forth in Section 4.2.5 for Section 251(b)(5) Traffic and the rates set forth in Section 4.2.2 for ISP-Bound Traffic. ISP-Bound Traffic is subject to a true-up upon the conclusion of such proceedings. Such true-up shall be retroactive back to the date a Party first sought appropriate relief from the Commission.

4.10 Calculation of the 3:1 Ratio

4.10.1 For purposes of this Section, all Section 251(b)(5) traffic and all ISP-bound Traffic shall be referred to as "Billable Traffic" and will be billed in accordance with Section 13.0 below. For such Billable Traffic exchanged between the Parties which do not exceed a 3:1 terminating to originating ratio as set forth in Section 4.8 above, such traffic shall be defined as "In-Balance" traffic. Each Party will invoice the other Party on a monthly basis for such "In-Balance" traffic at the reciprocal compensation rates set forth in Section 4.2.5 for Section 251(b)(5) Traffic. For such Billable Traffic exchanged between the Parties exceeding a 3:1 terminating to originating ratio as set forth in Section 4.8 above, such traffic shall be defined as "Out-of-Balance" traffic. The Party whose traffic is "Out-of-Balance" will, on a monthly basis, calculate (i) the amount of such traffic to be compensated at the Section 251(b)(5) reciprocal compensation rates set forth in Appendix

Pricing; and (ii) the amount of such traffic to be compensated at the FCC interim ISP terminating compensation rate set forth in Appendix Pricing.

4.11 Intercarrier Compensation for Wholesale Local Switching Traffic

4.11.1 When MCIIm terminates traffic to an End User of a third party carrier served via SBC MISSOURI's wholesale Local Switching, MCIIm agrees to bill that third party carrier directly for any applicable intercarrier compensation; provided, however, that SBC MISSOURI shall still be obligated to provide MCIIm with all call records necessary to bill such calls as described herein and in Appendix Recording. SBC MISSOURI shall assist MCIIm in good faith where possible in identifying the originating carrier.

4.11.2 **For Intra-Switch Section 251(b)(5) Traffic and ISP Bound Traffic exchanged between SBC MISSOURI and MCIIm when MCIIm purchases wholesale local switching from SBC MISSOURI on a wholesale basis such traffic is not subject to terminating compensation. Intentionally Omitted. [RECIP COMP ISSUE 11]**

4.11.3 **For Inter-Switch Section 251(b)(5) Traffic and ISP Bound Traffic exchanged between SBC MISSOURI and MCIIm when MCIIm purchases wholesale local switching from SBC MISSOURI on a wholesale basis such traffic is subject to the end office switching rate element set forth in Appendix Pricing and as specified in Section 4.2.5.3.3 for Section 251 (b)(5) Traffic, excluding ISP Bound Traffic and ISP Bound Traffic on a minute of use basis at the rate set forth in Appendix Pricing as specified in Section 4.2.2. Intentionally Omitted [RECIP COMP ISSUE 11]**

4.11.4 INTENTIONALLY OMITTED

5. INTENTIONALLY OMITTED

6. MCA TRAFFIC

6.1 For compensation purposes in the state of Missouri, Section 251(b)(5) Traffic and ISP-Bound Traffic shall be further defined as "Metropolitan Calling Area (MCA) Traffic" and "Non-MCA Traffic." MCA Traffic is traffic originated by a party providing a local calling scope plan pursuant to the Missouri Public Service Commission Orders in Case No. TO-92-306 and Case No. TO-99-483 (MCA Orders) and the call is a Section 251(b)(5) Traffic based on the calling scope of the originating party pursuant to the MCA Orders. Non-MCA Traffic is all Section 251(b)(5) Traffic and ISP-Bound Traffic that is not defined as MCA Traffic.

6.1.1 Either party providing Metropolitan Calling Area (MCA) service shall offer the full calling scope prescribed in Case No. TO-92-306, without regard to the identity of the called Party's local service provider. The Parties may offer additional toll-free outbound calling or other services in conjunction with MCA service, but in any such offering the Party shall not identify any calling scope other than that prescribed in Case No. TO-92-306 as "MCA" service.

6.1.2 Pursuant to the Missouri Public Service Commission Order in Case No. TO-99-483, MCA Traffic shall be exchanged on a bill-and-keep intercompany compensation basis meaning

that the Party originating a call defined as MCA Traffic shall not compensate the terminating party for terminating the call.

- 6.2 The Parties agree to use the Local Exchange Routing Guide (LERG) to provision the appropriate MCA NXXs in their networks. The LERG should be updated at least forty-five (45) days in advance of opening a new code to allow the other party the ability to make the necessary network modifications. If the Commission orders the Parties to use an alternative other than the LERG, the Parties will comply with the Commission's final order.
- 6.3 If CLEC provides service via resale or in conjunction with ported numbers in the MCA, the appropriate MCA NXXs will be updated by SBC SOUTHWEST REGION 5-STATE.

## **7. TRANSIT TRAFFIC COMPENSATION**

- 7.1 The originating Party is responsible for payment of the appropriate rates unless otherwise specified. The rates that the parties shall charge for transiting traffic are outlined in Appendix Pricing.

## **8. INTENTIONALLY OMITTED**

## **9. COMPENSATION FOR TERMINATION OF INTRALATA TOLL TRAFFIC**

- 9.1 For intrastate, IntraLATA toll traffic, not considered EAS traffic, compensation for termination of such traffic will be at terminating access rates for Message Telephone Service (MTS) and originating access rates for 800 Service, including the Carrier Common Line (CCL) charge where applicable, as set forth in each Party's Intrastate Access Service Tariff, but such compensation shall not exceed the compensation contained in an SBC MISSOURI's tariff in whose exchange area the End User is located.
- 9.2 For interstate IntraLATA service, compensation for terminating of intercompany traffic will be at terminating access rates for Message Telephone Service (MTS) and originating access rates for 800 Service, including the Carrier Common Line (CCL) charge, as set forth in each Party's interstate access service tariff, but such compensation shall not exceed the compensation contained in SBC MISSOURI's tariff in whose exchange area the End User is located. Tandem switching rates apply only in those cases where a Party's tandem is used to terminate traffic.

## **10. INTRALATA 800 TRAFFIC**

- 10.1 The 800 Trunking arrangements are covered in NIM appendix. If the Local/intraLATA Trunks are used and requesting carrier performs the 800 query function, the intraLATA 800 Traffic will be recorded as toll calls. If the Access Toll Connecting Trunks are used, SBC MISSOURI will not record the intraLATA 800 Traffic.
- 10.2 The Parties shall provide to each other intraLATA 800 Access Detail Usage Data for Customer billing and intraLATA 800 Copy Detail Usage Data for access billing in Exchange Message Interface (EMI) format. The Parties agree to provide this data to each other at no charge. In the event of errors, omissions, or inaccuracies in data received from either Party, the liability of the Party providing such data shall be limited to the provision of corrected data only. If the originating Party does not send an end user customer billable record to the terminating Party, the originating Party will not bill the terminating Party any interconnection charges for this traffic.

- 10.3 For intraLATA Toll Free Service calls where such service is provided by one of the Parties, the compensation set forth in each Party's respective Switched Access tariff will be charged by the Party originating the call, rather than the Party terminating the call. Billing shall be based on originating and terminating NPA NXX.

## **11. MEET POINT BILLING (MPB) SPECIAL AND SWITCHED ACCESS TRAFFIC COMPENSATION**

- 11.1 Intentionally Omitted.
- 11.2 Inter-carrier compensation for Switched Access Traffic shall be on a MPB basis as described below.
- 11.3 The Parties will establish MPB arrangements in order to provide Switched Access Traffic via the respective carrier's Tandem Office Switch in accordance with the MPB guidelines contained in, or upon approval to be added in future to the Ordering and Billing Forum's MECOD and MECAB documents.
- 11.4 Billing for the Switched Access Traffic jointly provided by the Parties via MPB arrangements shall be according to the multiple bill/single tariff method. As described in the MECAB document, each Party will render a bill in accordance with its own tariff for that portion of the service it provides. Each Party will bill its own network access service rates. The residual interconnect charge (RIC), if any, will be billed by the Party providing the end office function.
- 11.5 The Parties will maintain provisions in their respective federal and state access tariffs, or provisions within the National Exchange Carrier Association (NECA) Tariff No. 4, or any successor tariff, sufficient to reflect this MPB arrangement, including MPB percentages.
- 11.6 As detailed in the MECAB document, the Parties will, exchange all information necessary to accurately, reliably and promptly bill third parties for Switched Access Traffic jointly handled by the Parties via the Meet Point arrangement. Information shall be exchanged in a mutually acceptable electronic file transfer method. Where the EMI records cannot be transferred due to a transmission failure, records can be provided via a mutually acceptable medium. The exchange of EMI Category 110XXX records to accommodate MPB will be on a reciprocal, no charge basis. Each Party agrees to provide the other Party with EMI Category 110XXX records based upon mutually agreed upon intervals.
- 11.7 MPB shall also apply to all jointly provided Switched Access MOU traffic bearing the 900, or toll free service NPAs (e.g., 800, 877, 866, 888 NPAs, or any other non-geographic NPAs). The Party that performs the SSP function (launches the query to the 800 database) will be the 800 Service Provider for this function.
- 11.8 Each Party will act as the Official Recording Company for switched access usage when it is jointly provided between the Parties. As described in the MECAB document, the Official Recording Company for tandem routed traffic is: (1) the end office company for originating traffic, (2) the tandem company for terminating traffic and (3) the SSP company for originating 800 traffic. Each Party shall coordinate and exchange the billing account reference (BAR) and billing account cross reference (BACR) numbers for the Meet Point Billing service. Each Party shall notify the other if the level of billing or other BAR/BACR elements change, resulting in a new BAR/BACR number.
- 11.9 Intentionally Omitted.

11.10 SBC MISSOURI and MCIm agree to provide the other Party with notification of any discovered errors within ten (10) business days of the discovery.

11.11 Intentionally Omitted.

11.12 Intentionally Omitted.

## **12. INTENTIONALLY OMITTED**

## **13. BILLING ARRANGEMENTS FOR COMPENSATION OF SECTION 251(B)(5) TRAFFIC**

13.1 In MISSOURI, the Billing Party will calculate terminating interconnection minutes of use based on standard Automatic Message Accounting (AMA) recordings made within each Party's network for Section 251(b)(5) Traffic, ISP-Bound Traffic and IntraLATA Toll Traffic. These recordings are the basis for each Party to generate bills to the other Party. ISP-Bound Traffic will be calculated using the 3:1 ratio as outlined in Section 4 above. The measurement of minutes of use over Local Interconnection Trunk Groups shall be in actual conversation seconds. The total conversation seconds over each individual Local Interconnection Trunk Group will be totaled for the entire monthly bill and then rounded to the next whole minute.

13.2 Where CLEC is using terminating recordings to bill intercarrier compensation, SBC MISSOURI will provide the terminating Category 11-01-XX records by means of the Daily Usage File (DUF) to identify traffic that originates from an end user being served by a third party telecommunications carrier using an SBC MISSOURI non-resale offering whereby SBC MISSOURI provides the end office switching on wholesale basis. Such records will contain the Operating Company Number (OCN) of the responsible LEC that originated the calls which CLEC may use to bill such originating carrier for MOUS terminated on CLEC's network.

13.3 In SBC MISSOURI where it has offered to exchange Section 251(b)(5) Traffic and ISP-Bound traffic pursuant to the FCC's interim ISP terminating compensation plan set forth in the FCC ISP Compensation Order, ISP-Bound Traffic will be calculated using the 3:1 Presumption as set forth in Section 4.8 of this Appendix.

13.4 All ISP-Bound Traffic for a given usage month shall have the same billing cycle as Section 251(b)(5) under this Appendix. The Parties agree that all terms and conditions regarding disputed minutes of use, nonpayment, partial payment, late payment, interest on outstanding balances, or other billing and payment terms shall apply to ISP-Bound Traffic the same as for Section 251(b)(5) Traffic under this Appendix.

13.5 If either Party pursues dispute resolution under the applicable provisions set forth in the General Terms and Conditions of this Agreement, on any portion of an amount due to a Party (the "Billing Party") arising from Intercarrier Compensation charges, such disputed amounts will remain unpaid by the Party billed (the "Non-Paying Party") and are not subject to interest during the pendency of such Intercarrier Compensation dispute.

13.6 For lost data see section 3.6 above.

#### 14. BILLING ARRANGEMENTS FOR LEC CARRIED INTRALATA TOLL

- 14.1 Since SBC MISSOURI is not the primary toll carrier in SBC MISSOURI, for SBC MISSOURI carried IntraLATA toll traffic, the Parties will bill each other pursuant to their intrastate access tariff or interstate access tariff as appropriate using their terminating AMA records.

#### 15. INTENTIONALLY OMITTED

#### 16. IP-PSTN TRAFFIC SWITCHED ACCESS TRAFFIC [RECIP COMP 15 AND NIM 28]

- 16.1 Anything to the contrary in this Agreement notwithstanding, any traffic originated by an end user of either Party in Internet Protocol format that subsequently undergoes a net protocol change, as defined by the FCC, prior to its termination to an end user of another Party ("IP-PSTN Traffic") shall be treated as 251(b)(5)/ISP-bound local traffic for compensation purposes and shall be compensated at the rates for such 251(b)(5)/ISP-bound local traffic set forth in this Agreement or any amendment to this Agreement. For purposes of this Agreement only, Switched Access Traffic shall mean all traffic that originates from an end user physically located in one local exchange and delivered for termination to an end user physically located in a different local exchange (excluding traffic from exchanges sharing a common mandatory local calling area as defined in SBC MISSOURI's local exchange tariffs on file with the applicable state commission) including, without limitation, any traffic that (i) terminates over a Party's circuit switch, including traffic from a service that originates over a circuit switch and uses Internet Protocol (IP) transport technology (regardless of whether only one provider uses IP transport or multiple providers are involved in providing IP transport) and/or (ii) originates from the end user's premises in IP format and is transmitted to the switch of a provider of voice communication applications or services when such switch utilizes IP technology and terminates over a Party's circuit switch. Notwithstanding anything to the contrary in this Agreement, all Switched Access Traffic shall be delivered to the terminating Party over feature group access trunks per the terminating Party's access tariff(s) and shall be subject to applicable intrastate and interstate switched access charges; provided, however, the following categories of Switched Access Traffic are not subject to the above stated requirement relating to routing over feature group access trunks:

- (i) IntraLATA toll Traffic or Optional EAS Traffic from a CLEC end user that obtains local dial tone from CLEC where CLEC is both the Section 251(b)(5) Traffic provider and the intraLATA toll provider,
- (ii) IntraLATA toll Traffic or Optional EAS Traffic from an SBC end user that obtains local dial tone from SBC where SBC is both the Section 251(b)(5) Traffic provider and the intraLATA toll provider;
- (iii) Switched Access Traffic delivered to SBC MISSOURI from an Interexchange Carrier (IXC) where the terminating number is ported to another CLEC and the IXC fails to perform the Local Number Portability (LNP) query; and/or
- (iv) Switched Access Traffic delivered to either Party from a third party competitive local exchange carrier over interconnection trunk groups carrying Section 251(b)(5) Traffic and ISP-Bound Traffic (hereinafter referred to as "Local Interconnection Trunk Groups") destined to the other Party.

Notwithstanding anything to the contrary in this Agreement, each Party reserves its rights, remedies, and arguments relating to the application of switched access charges for traffic exchanged by the Parties prior to the Effective Date of this Agreement and described in the FCC's Order issued in the Petition for Declaratory Ruling that AT&T's Phone-to-Phone IP Telephony Services Exempt from Access Charges, WC Docket No. 01-361(Released April 21, 2004).

- 16.2 In the limited circumstances in which a third party competitive local exchange carrier delivers Switched Access Traffic as described in Section 16.1 (iv) above to either Party over Local Interconnection Trunk Groups, such Party may deliver such Switched Access Traffic to the terminating Party over Local Interconnection Trunk Groups. If it is determined that such traffic has been delivered over Local Interconnection Trunk Groups, the terminating Party may object to the delivery of such traffic by providing written notice to the delivering Party pursuant to the notice provisions set forth in the General Terms and Conditions and request removal of such traffic. The Parties will work cooperatively to identify the traffic with the goal of removing such traffic from the Local Interconnection Trunk Groups. If the delivering Party has not removed or is unable to remove such Switched Access Traffic as described in Section 16.1(iv) above from the Local Interconnection Trunk Groups within sixty (60) days of receipt of notice from the other party, the Parties agree to jointly file a complaint or any other appropriate action with the applicable Commission to seek any necessary permission to remove the traffic from such interconnection trunks up to and including the right to block such traffic and to obtain compensation, if appropriate, from the third party competitive local exchange carrier delivering such traffic to the extent it is not blocked. Intentionally Omitted.

## 17. SPECIFIC CHANGE OF LAW

- 17.1 In the event the pricing scheme in the FCC's Interim ISP Compensation Order (defined in Section 2.3 of this Attachment) is modified, eliminated or replaced, then the Parties agree to negotiate an appropriate amendment to conform to such change in accordance with the Intervening Law provisions of this Agreement.

## 18. VOICE OVER INTERNET PROTOCOL (VOIP)

- 18.1 Notwithstanding anything to the contrary in this Agreement, the Parties agree that the contractual limitations and stake dates set forth in Appendix Invoicing shall only apply to those services expressly identified in the Invoicing Appendix and in no event shall such limits and stake dates apply to any and all Losses incurred by either Party arising out or related directly or indirectly to (i) any and all interexchange traffic that terminates on a Party's circuit switch including, without limitation, traffic routed or transported in whole or in part using Internet Protocol that is not delivered to the terminating Party over feature group D access trunks (ii) any and all information services traffic or traffic either Party claims is Voice over Internet Protocol ("VoIP"), (iii) any and all traffic delivered to the terminating Party in which the CPN has been stripped, altered, modified, added, deleted, changed, or incorrectly assigned, and (iv) any and all third party claims, (v) claims for fraud and/or misrepresentation, and (vi) (v) any claims for indemnification related to the traffic described in subsections (i) through (v). For purposes of this Appendix Invoicing, CPN, at a minimum, shall include information that accurately reflects the physical location of the end user that originated and/or dialed the call.

