

- Option #13:** SWBT provides tandem function for CLEC. CLEC requests SWBT to provide all Feature Group B terminating usage recordings including Feature Group B over D. SWBT creates terminating AURs for this data and forwards AUR records to CLEC.
- Option #14:** SWBT provides tandem function for CLEC. CLEC requests SWBT to provide all Feature Group D terminating usage recordings including B over D and C over D. SWBT creates terminating AURs for this data and forwards AUR records to CLEC.
- Option #15:** SWBT provides tandem function for CLEC. CLEC requests SWBT to provide all Feature Group D terminating usage recordings including B over D. SWBT creates terminating AURs for this data and forwards AUR records to CLEC.

**MESSAGE PROVISIONING;**

- Option #16:** SWBT will forward all IXC transported message detail records or access usage records to CLEC generated internally within SWBT system or received via CMDS from an IXC or another Local Exchange Carrier or CLEC. CLEC forwards rated IXC transported message detail or access usage detail to SWBT for distribution to the appropriate billing company through SWBT's internal network or using the CMDS network.

There is no charge for this option under this Attachment if CLEC has also executed, as part of an agreement executed pursuant to this Statement, an Attachment for SWBT to provide "Hosting" services to CLEC, or if CLEC has executed a separate agreement with SWBT for "Hosting" services to be provided from SWBT to CLEC.

**APPENDIX II**

**SELECTED SERVICE OPTIONS  
AND  
METHOD OF PROVISION**

The service options and method of provision selected by CLEC under this Attachment are as indicated on page two, attached, of this Appendix II. Numerical references are to service options shown in Appendix I. Also, see attached old Appendix II, page 11.



**APPENDIX III-A****BASIS OF COMPENSATION**

CLEC will pay SWBT the following amounts for services provided under the Recording, Message Processing and Provision of Message detail Appendix.

The exchange of Access Usage Records (AUR) is reciprocal..

TYPE OF ACTIVITY	RATE
A. Recording Per AUR	\$.000
B. Assembly and Editing Per Message	\$.000
C. Rating Per Message	\$.000
D. Message Processing Per Message	\$.000
E. Provision of Message Detail Per Record	\$.000
F. Source Info Provided per record Furnished – meet point billing applicable	\$.000
G. Source Info Provided per record Furnished – meet point billing not applicable	\$.000

**ATTACHMENT 25: xDSL****1.0 Introduction**

- 1.1 SWBT agrees to provide CLEC with access to UNEs (including the unbundled xDSL Capable Loop offerings) in accordance with the rates, terms and conditions set forth in this xDSL Attachment and the general terms and conditions applicable to UNEs under this Agreement, for CLEC to use in conjunction with its desired xDSL technologies and equipment to provide xDSL services to its end user customers.
- 1.2 Nothing in this Attachment shall constitute a waiver by either Party of any positions it may have taken or will take in any pending regulatory or judicial proceeding or any subsequent interconnection agreement negotiations. This Attachment also shall not constitute a concession or admission by either Party and shall not foreclose either Party from taking any position in the future in any forum addressing any of the matters set forth herein.

**2.0 Definitions**

- 2.1 For purposes of this Attachment, a "loop" is defined as a transmission facility between a distribution frame (or its equivalent) in a central office and the loop demarcation point at an end user customer premises.<sup>1</sup>
- 2.2 For purposes of this Attachment, a "subloop" is defined as any portion of the loop from SWBT's F1/F2 interface to the demarcation point at the customer premise that can be accessed at a terminal in SWBT's outside plant. An accessible terminal is a point on the loop where technicians can access the wire or fiber within the cable without removing a splice case to reach the wire within.<sup>2</sup> The Parties recognize that this is only one form of subloop (defined as the F1/F2 interface to the customer premise) as set forth in the FCC's UNE Remand Order. Additional subloop types may be negotiated and agreed to by the Parties consistent with the UNE Remand Order.
- 2.3 The term "Digital Subscriber Line" ("DSL") describes various technologies and services. The "x" in "xDSL" is a place holder for the various types of DSL services, including, but not limited to ADSL (Asymmetric Digital Subscriber Line), HDSL (High-Speed Digital Subscriber Line), IDSL (ISDN Digital Subscriber Line), SDSL (Symmetrical Digital Subscriber Line), UDSL (Universal Digital Subscriber Line), VDSL (Very High-Speed Digital Subscriber Line), and RADSL (Rate-Adaptive Digital Subscriber Line). A "DSL-capable loop" is a loop that supports the transmission of DSL technologies.

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<sup>1</sup> See 47 C.F.R. §51.319 (a) (1)

<sup>2</sup> See 47 C.F.R. §51.319 (a) (2).

- 2.4 A "DSL-Capable Loop" is a loop that supports the transmission of DSL technologies.
- 2.5 A loop technology that is "presumed acceptable for deployment" is one that either complies with existing industry standards, has been successfully deployed by any carrier in any state without significantly degrading the performance of other services, or has been approved by the Federal Communications Commission ("FCC"), any state commission, or an industry standards body.
- 2.6 A "non-standard xDSL-based technology" is a loop technology that is not presumed acceptable for deployment under Section 2.5 of this Attachment. Deployment of non-standard xDSL-based technologies are allowed and encouraged by this Agreement.

**3.0 General Terms and Conditions Relating to Unbundled xDSL-Capable Loops**

- 3.1 SWBT is not in any way permitted to limit xDSL capable loops to the provision of ADSL.
- 3.2 SWBT will not impose limitations on the transmission speeds of xDSL services. SWBT will not restrict the CLECs services or technologies to a level at or below those provided by SWBT.
- 3.3 SWBT will provide a loop capable of supporting a technology presumed acceptable for deployment or non-standard xDSL technology as defined in this Attachment.
- 3.4 SWBT shall not deny a CLEC's request to deploy any loop technology that is presumed acceptable for deployment, or one that is addressed in Section 4.5 of this Attachment, unless it has demonstrated to the Commission that CLEC's deployment of the specific loop technology will significantly degrade the performance of other advanced services or traditional voice band services in accordance with FCC orders. SWBT will provide CLEC with notice prior to seeking relief from the Commission under this Section.
- 3.4.1 In the event the CLEC wishes to introduce a technology that has been approved by another state commission or the FCC, or successfully deployed elsewhere, the CLEC will provide documentation describing that action to SWBT and the Commission before or at the time of their request to deploy that technology in Missouri. The documentation should include the date of approval or deployment, any limitations included in its deployment, and a sworn attestation that the deployment did not significantly degrade the performance of other services. The terms of this paragraph do not apply during the Trial Period referenced in Section 4.5 below.

- 3.5 Parties to this Attachment agree that unresolved disputes arising under this Attachment will be handled under the Dispute Resolution procedures set forth in this Agreement.
- 3.6 Liability
- 3.6.1 Each Party, whether a CLEC or SWBT, agrees that should it cause any non-standard xDSL technologies to be deployed or used in connection with or on SWBT facilities, that Party ("Indemnifying Party") will pay all costs associated with any damage, service interruption or other telecommunications service degradation, or damage to the other Party's ("Indemnitee") facilities.
- 3.6.2 For any technology, CLEC's use of any SWBT network element, or of its own equipment or facilities in conjunction with any SWBT network element, will not materially interfere with or impair service over any facilities of SWBT, its affiliated companies or connecting and concurring carriers involved in SWBT services, cause damage to SWBT's plant, impair the privacy of any communications carried over SWBT's facilities or create hazards to employees or the public. Upon reasonable written notice and after a reasonable opportunity to cure, SWBT may discontinue or refuse service if CLEC violates this provision, provided that such termination of service will be limited to CLEC's use of the element(s) causing the violation. SWBT will not disconnect the elements causing the violation if, after receipt of written notice and opportunity to cure, the CLEC demonstrates that their use of the network element is not the cause of the network harm. If SWBT does not believe the CLEC has made the sufficient showing of harm, or if CLEC contests the basis for the disconnection, either Party must first submit the matter to dispute resolution under the Dispute Resolution Procedures set forth in this Agreement. Any claims of network harm by SWBT must be supported with specific and verifiable supporting information.
- 3.7 Indemnification
- 3.7.1 Covered Claim: Indemnifying Party will indemnify, defend and hold harmless Indemnitee from any claim for damages, including but not limited to direct, indirect or consequential damages, made against Indemnitee by any telecommunications service provider or telecommunications user (other than claims for damages or other losses made by an end-user of Indemnitee for which Indemnitee has sole responsibility and liability), arising from, the use of such non-standard xDSL technologies by the Indemnifying Party.
- 3.7.2 Indemnifying Party is permitted to fully control the defense or settlement of any Covered Claim, including the selection of defense counsel. Notwithstanding the foregoing, Indemnifying Party will consult with Indemnitee on the selection of defense counsel and consider any applicable conflicts of interest. Indemnifying Party is required to assume all costs of the defense and any damages resulting from the use of any non-standard xDSL technologies in connection with or on

Indemnatee's facilities and Indemnatee will bear no financial or legal responsibility whatsoever arising from such claims.

3.7.3 Indemnatee agrees to fully cooperate with the defense of any Covered Claim. Indemnatee will provide written notice to Indemnifying Party of any Covered Claim at the address for notice assigned herein within ten days of receipt, and, in the case of receipt of service of process, will deliver such process to Indemnifying Party not later than 10 business days prior to the date for response to the process. Indemnatee will provide to Indemnifying Party reasonable access to or copies of any relevant physical and electronic documents or records related to the deployment of non-standard xDSL technologies used by Indemnatee in the area affected by the claim, all other documents or records determined to be discoverable, and all other relevant documents or records that defense counsel may reasonably request in preparation and defense of the Covered Claim. Indemnatee will further cooperate with Indemnifying Party's investigation and defense of the Covered Claim by responding to reasonable requests to make its employees with knowledge relevant to the Covered Claim available as witnesses for preparation and participation in discovery and trial during regular weekday business hours. Indemnatee will promptly notify Indemnifying Party of any settlement communications, offers or proposals received from claimants.

3.7.4 Indemnatee agrees that Indemnifying Party will have no indemnity obligation, and Indemnatee will reimburse Indemnifying Party's defense costs, in any case in which Indemnifying Party's technology is determined not to be the cause of any Indemnatee liability.

3.8 Claims Not Covered: No Party hereunder agrees to indemnify or defend any other Party against claims based on gross negligence or intentional misconduct.

#### **4.0 Unbundled xDSL-Capable Loop Offerings**

##### **4.1 DSL-Capable Loops**

4.1.1 2-Wire xDSL Loop: A 2-wire xDSL loop for purposes of this section, is a loop that supports the transmission of Digital Subscriber Line (DSL) technologies. The loop is a dedicated transmission facility between a distribution frame, or its equivalent, in a SWBT central office and the network interface device at the customer premises. A copper loop used for such purposes will meet basic electrical standards such as metallic conductivity and capacitive and resistive balance, and will not include load coils or excessive bridged tap (bridged tap in excess of 2,500 feet in length). The loop may contain repeaters at CLEC's option. The loop cannot be "categorized" based on loop length and limitations cannot be placed on the length of xDSL loops. A portion of an xDSL loop may be provisioned using fiber optic facilities and necessary electronics to provide service in certain situations. The rates set forth in Section 11.1 for the 2-Wire Analog Loop shall apply to this 2-Wire xDSL Loop.



- 4.1.2 2-Wire Digital Loop (e.g., ISDN/IDSL): A 2-Wire Digital Loop for purposes of this Section is 160 Kbps and supports Basic Rate ISDN (BRI) digital exchange services. The 2-Wire Digital Loop 160 Kbps supports usable bandwidth up to 160 Kbps.<sup>3</sup> The rates for the 2-Wire Digital Loop are set forth in Section 11.1 below.
- 4.1.3 4-Wire xDSL Loop: A 4-wire xDSL loop for purposes of this section, is a loop that supports the transmission of Digital Subscriber Line (DSL) technologies. The loop is a dedicated transmission facility between a distribution frame, or its equivalent, in a SWBT central office and the network interface device at the customer premises. A copper loop used for such purposes will meet basic electrical standards such as metallic conductivity and capacitive and resistive balance, and will not include load coils or excessive bridged tap (bridge tap in excess of 2,500 feet in length). The loop may contain repeaters at CLEC's option. The loop cannot be "categorized" based on loop length and limitations cannot be placed on the length of xDSL loops. A portion of an xDSL loop may be provisioned using fiber optic facilities and necessary electronics to provide service in certain situations. The rates set forth in Section 11.1 for the 4-Wire Analog Loop shall apply to this 4-Wire xDSL Loop.
- 4.1.4 Intentionally Left Blank
- 4.1.5 Sub-Loop: In locations where SWBT has deployed (1) Digital Loop Carrier ("DLC") systems and an uninterrupted copper loop is replaced with a fiber segment or shared copper in the distribution section of the loop; (2) Digital Added Main Line ("DAML") technology to derive two voice-grade plain old telephone service (POTS) circuits from a single copper pair; or (3) entirely fiber optic facilities to the end user, SWBT will make the following options available to CLEC. In these three situations above, where spare copper facilities are available, and the facilities meet the necessary technical requirements for the provision of xDSL and allow CLEC to offer the same level of quality for advanced services, CLEC has the option of requesting that SWBT make copper facilities available (subject to Section 4.2 below). In addition, CLEC has the option of collocating a Digital Subscriber Line Access Multiplexer ("DSLAM") in SWBT's RT at the fiber/copper interface point. When CLEC collocates its DSLAM at SWBT's RT, SWBT will provide CLEC with unbundled access to subloops to allow CLEC to access the copper wire portion of the loop. The xDSL subloops (consistent with Section 2.2 above) are defined as outlined in Sections 4.1.1 through 4.1.4 above, but only include the F2/distribution portion of the loop. Where CLEC is unable to install a DSLAM at the RT or obtain spare copper loops necessary to provision an xDSL service, and SWBT has placed a DSLAM in the RT, SWBT must unbundle and provide access to its DSLAM. SWBT is relieved of this requirement to unbundle its DSLAM only if it permits CLEC to collocate its DSLAMs in the RT on the same terms and conditions that apply to its own DSLAM. The unbundling

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<sup>3</sup> Definition from the M2A appendix UNE, Section 4.2.3.

requirement with respect to DSLAMS would attach to such equipment transferred to SWBT's advanced services affiliate. Sub loop pricing may be found in Section 11.1 below.

- 4.2 SWBT shall be under no obligation to provision xDSL-capable Loops in any instance where physical facilities do not exist. This shall not apply where physical facilities exist, but require conditioning. In that event, CLEC will be given the opportunity to evaluate the parameters of the xDSL service to be provided, and determine whether and what type of conditioning shall be performed at the request of the CLEC.
- 4.3 SWBT will not impose limitations on the transmission speeds of xDSL services. SWBT will not restrict the CLEC's services or technologies to a level at or below those provided by SWBT. CLEC will not be required to specify a type of xDSL to be ordered. However, for each loop, CLEC should at the time of ordering notify SWBT as to the type of Power Spectral Density (PSD) mask CLEC intends to use, and if and when a change in PSD mask is made, CLEC will notify SWBT. Likewise, SWBT should disclose upon request to CLEC information with respect to the number of loops using advanced services technology within the binder and type of technology deployed on those loops. SWBT will use this information for the sole purpose of maintaining an inventory of advanced services present in the cable sheath. If the technology does not fit within a national standard PSD mask, CLEC shall provide SWBT with a technical description of the technology (including power mask) for the inventory purposes. SWBT will keep such information confidential and will take all measures to ensure that CLEC deployment information is neither intentionally nor inadvertently revealed to any part of SWBT's retail operations, to any affiliate(s), or to any other CLEC without prior authorization from CLEC. Additional information on the use of PSD masks can be found in Section 9.1 below.
- 4.4 In the event that SWBT rejects a request by CLEC for provisioning of advanced services, including, but not limited to denial due to fiber, DLC, or DAML facility issues, SWBT will disclose to the requesting CLEC information with respect to the number of loops using advanced services technology within the binder and type of technology deployed on those loops, including the specific reason for the denial, within 48 hours of the denial. In no event shall the denial be based on loop length. If there is any dispute between the Parties with respect to this Section, SWBT will not deny the loop (subject to Section 3.4 above), but will continue to provision loops until the dispute is resolved in accordance with the Dispute Resolution procedures set forth in this Agreement.
- 4.5 From the approval of this Agreement by the Missouri PSC until October 13, 2000 ("the Trial Period"), a CLEC may order loops other than those loop technologies presumed acceptable for deployment for the provision of service in Missouri on a trial basis, without the need to make any showing to the Commission. Each technology trial will not be deemed successful until it has been deployed without

significant degradation for 12 months or until national standards have been established, whichever occurs first.

- 4.5.1 CLEC's deployment of non-standard xDSL technologies during the Trial Period by itself shall not be deemed a successful deployment of the technology under the FCC's Order issued on March 31, 1999 in CC Docket No. 98-147, FCC 99-48.
- 4.5.2 If a loop technology is deployed without significant degradation for 12 months, or if national standards for the technology are established, whichever occurs first, the parties should consider the technology to be presumed acceptable for deployment and treated accordingly. If there is dispute as to the successful deployment of the technology, either Party may submit the dispute for resolution under the Dispute Resolution procedures set forth in this Agreement.
- 4.6 Following expiration of the Trial Period, SWBT will not deny a requesting CLEC's right to deploy new xDSL technologies that do not conform to the national standards and have not yet been approved by a standards body (or otherwise authorized by the FCC, any state commission or which have not been successfully deployed by any carrier without significantly degrading the performance of other services) if the requesting CLEC can demonstrate to the Commission that the loop technology will not significantly degrade the performance of other advanced services or traditional voice band services.
  - 4.6.1 Upon request by CLEC, SWBT will cooperate in the testing and deployment of new xDSL technologies or may direct the CLEC, at CLEC's expense, to a third party laboratory of CLEC's choice for such evaluation.
  - 4.6.2 If it is demonstrated that the new xDSL technology will not significantly degrade the other advanced services or traditional voice based services, SWBT will provide a loop to support the new technology for CLEC as follows:
    - 4.6.2.1 If the technology requires the use of a 2-Wire or 4-Wire xDSL loop [as defined in this Attachment], then SWBT will provide with the xDSL loop at the same rates listed for a 2-Wire or 4-Wire xDSL loop and associated loop conditioning as needed. SWBT's ordering procedures will remain the same as for its 2-Wire or 4-Wire xDSL loop even though the xDSL loop is now capable of supporting a new xDSL technology.
    - 4.6.2.2 In the unlikely event that a new xDSL technology requires a loop type that differs from that of a 2-Wire or 4-Wire loop [as defined in this Attachment], the Parties shall expend diligent efforts to arrive at an agreement as to the rates, terms and conditions for an unbundled loop capable of supporting the proposed xDSL technology. If negotiations fail, any dispute between the Parties concerning the rates, terms and conditions for an unbundled loop capable of supporting the proposed xDSL technology shall be resolved pursuant to the dispute resolution process provided for in this Agreement.

- 4.7 Technologies deployed on copper loops must be in compliance with applicable national industry standards; provided, however, CLEC can deploy technologies under Sections 4.5 and 4.6 above for which applicable national standards have not been adopted.
- 4.8 If SWBT or another CLEC claims that a service is significantly degrading the performance of other advanced services or traditional voice band services, then SWBT or that other CLEC must notify the causing carrier and allow that carrier a reasonable opportunity to correct the problem. Any claims of network harm must be supported with specific and verifiable supporting information. In the event that SWBT or a CLEC demonstrates to the Commission that a deployed technology is significantly degrading the performance of other advanced services or traditional voice band services, the carrier deploying the technology shall discontinue deployment of that technology and migrate its customers to technologies that will not significantly degrade the performance of other such services.
- 4.9 SWBT shall not impose its own standards for provisioning xDSL services, through Technical Publications or otherwise, without further negotiations by the parties; provided however, that SWBT may make and apply to CLEC, changes to Technical Publications to comply with actions of Missouri or Federal legislative bodies, Courts, or Regulatory Agencies.<sup>4</sup>
- 4.10 SWBT shall not employ internal technical standards, through Technical Publications or otherwise, for its own retail xDSL that would adversely affect wholesale xDSL services or xDSL providers.

**5.0 Operational Support Systems: Loop Make-Up Information and Ordering**

- 5.1 General: SWBT will provide CLEC with nondiscriminatory access, whether that access is available by electronic or manual means, to its OSS functions for pre-ordering, ordering, provisioning, maintenance and repair, and billing for DSL-capable loops. This includes the manual, computerized, and automated systems, together with associated business processes and the up-to-date data maintained in those systems. CLEC will be given nondiscriminatory access to the same OSS functions that SWBT is providing any other CLEC and/or SWBT or its advanced services affiliate. This includes any operations support systems utilized by SWBT's service representatives and/or SWBT's internal engineers and/or by SWBT's advanced services affiliate to provision its own retail xDSL service.
- 5.2 Subject to Sections 5.3 and 5.4 below, SWBT must provide actual, real-time loop makeup information to CLEC rather than a prequalification or loop qualification process.

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<sup>4</sup> PSC order in Docket TO-2000-322.

- 5.3 Loop Pre-Qualification: Until such a real-time system is implemented however, SWBT's pre-qualification system will provide a response to CLEC queries within four hours for those central offices that have been inventoried. If a CLEC chooses to employ SWBT's manual pre-qualification system in a central office that has not been inventoried, the interval for receiving the response should be no longer than 10 business days. Until replaced with actual, real-time loop makeup information as required by the Commission and the UNE Remand Order, SWBT will provide mechanized access to a loop length indicator via Verigate and Datagate for use with xDSL-based or other advanced services in specific SWBT wire centers in which the CLEC has collocated or has ordered collocation and has advised SWBT of its intent to order xDSL-capable loops. The loop length indicator is an indication of the approximate loop length, based on a 26-gauge equivalent and is calculated on the basis of Distribution Area distance from the central office. This is an optional service to the CLEC.
- 5.4 Loop Qualification: SWBT will develop and deploy enhancements to its existing Datagate and EDI interfaces that will allow CLECs, as well as SWBT's retail operations or its advanced service subsidiary, to have real-time electronic access as a preordering function to the loop makeup information described in Section 5.3. If a CLEC elects to have SWBT provide actual loop makeup information through a manual process, then the interval will be 3-5 business days or the interval provided to SWBT's retail ADSL personnel, whichever is less. At the time an electronically interfaced loop makeup system is implemented, the objective interval for obtaining loop make-up information should become a part of the body of OSS performance measures.
- 5.5 Loop makeup data should include the following: (a) the actual loop length; (b) the length by gauge; and (c) the presence of repeaters, load coils, or bridged taps; and shall include, if noted on the individual loop record, (d) the approximate location, type, and number of bridged taps, load coils, and repeaters; (e) the presence, location, type, and number of pair-gain devices, DLC, and/or DAML, and (f) the presence of disturbers in the same and/or adjacent binder groups. SWBT also shall provide to the CLEC any other relevant information listed on the individual loop record but not listed above.

Where SWBT has not compiled loop qualification information for itself, SWBT is not required to conduct a plant inventory and construct a database on behalf of requesting carriers. If SWBT has manual access to this sort of information for itself, or any affiliate, SWBT will provide access to it to CLEC on a non-discriminatory basis. To the extent SWBT has access to this information in an electronic format, that same format should be made available to CLEC via an electronic interface.

- 5.6 SWBT will provide real time, electronic access to all systems needed for efficient provisioning of advanced services such as xDSL. Implementation schedule of OSS updates and to provide such access is contained in Section 13.0.

6.0 **Provisioning**

- 6.1 CLEC shall designate, at the CLEC's sole option, what loop conditioning SWBT is to perform in provisioning the xDSL loop or subloop on the loop order. Conditioning may be ordered on loop(s) or subloop(s) of any length at the Loop conditioning rates set forth in Section 11.4. The loop or subloop will be provisioned to meet basic metallic and electrical characteristics such as electrical conductivity and capacitive and resistance balance.
- 6.2 The provisioning and installation interval for a xDSL-capable loop, where no conditioning is requested, on orders for 1-20 loops per order or per end-user location, will be 5 business days, or the provisioning and installation interval applicable to SWBT's tariffed xDSL-based services, or its affiliate's, whichever is less. The provisioning and installation intervals for xDSL-capable loops where conditioning is requested, on orders for 1-20 loops per order or per end-user customer location, will be 10 business days, or the provisioning and installation interval applicable to SWBT's tariffed xDSL-based services or its affiliate's xDSL-based services where conditioning is required, whichever is less. Orders for more than 20 loops per order or per end-user location, where no conditioning is requested, will have a provisioning and installation interval of 15 business days, or as agreed upon by the Parties. Orders for more than 20 loops per order which require conditioning will have a provisioning and installation interval agreed by the parties in each instance. These provisioning intervals are applicable to every xDSL loop regardless of the loop length. The Parties will meet to negotiate and agree upon subloop provisioning intervals.
- 6.3 Subsequent to the initial order for a xDSL capable loop or subloop, additional conditioning may be requested on such loop at the rates set forth below and the applicable service order charges will apply; provided, however, when requests to add or modify conditioning are received within twenty-four (24) hours of the initial order for a xDSL-capable loop, no service order charges shall be assessed, but the due date may be adjusted as necessary as agreed to by the parties. The provisioning interval for additional requests for conditioning pursuant to this subsection will be the same as set forth above.
- 6.4 The CLEC, at its sole option, may request shielded cross-connects for central office wiring at rates set forth in Section 11.3.
- 6.5 SWBT shall keep CLEC deployment information confidential from SWBT's retail operations, any SWBT affiliate, or any other CLEC.

**7.0 Acceptance Testing**

- 7.1 SWBT and CLEC agree to implement Cooperative Acceptance Testing for xDSL loop delivery.
- 7.2 Should CLEC desire Cooperative Acceptance Testing, CLEC shall request such testing on a per xDSL loop basis upon issuance of the Local Service Request (LSR). Cooperative Acceptance Testing will be conducted at the time of installation of the service request.
- 7.3 Acceptance Testing Procedure:
- 7.3.1 Upon delivery or repair of a loop to/for CLEC, SWBT's field technician will call the Local Operations Center (LOC) and the LOC technician will call a toll free CLEC number to initiate performance of a series of cooperative tests.
- 7.3.1.1 Except for ISDN loops that are provisioned through repeaters or digital loop carriers, the test requires the SWBT field technician to provide a solid short across the tip and ring of the circuit and then open circuit the loop.
- 7.3.1.2 For ISDN (very low band symmetric) loops that are provisioned through repeaters or digital loop carriers, the SWBT field technician will not perform a short or open circuit.
- 7.3.2 If the loop passes Cooperative Acceptance Test for loop continuity test parameters defined by this Agreement for xDSL loops, CLEC will provide SWBT with a confirmation number and SWBT will complete the order. CLEC will be billed for the Cooperative Acceptance Test as specified below under Acceptance Testing Billing.
- 7.3.3 If the Cooperative Acceptance Test fails loop continuity test parameters defined by this Agreement for xDSL loops, the LOC technician will take reasonable steps to immediately resolve the problem with CLEC on the line including, but not limited to, calling the central office to perform work at such office. If the problem cannot be quickly resolved, SWBT will release the CLEC technician, and perform the work necessary to correct the situation. Once the loop is correctly provisioned, SWBT will contact CLEC to repeat the Cooperative Acceptance Test. When the aforementioned test parameters are met, CLEC will provide SWBT with a confirmation number and SWBT will complete the order. SWBT will not complete an order that fails Acceptance Testing.
- 7.3.4 Since CLEC's test equipment cannot send signals through repeaters or digital loop carriers, CLEC will accept ISDN loops without testing the complete circuit. Consequently, SWBT agrees that should CLEC open a trouble ticket on such a loop within ten (10) business days (that is the fault of SWBT), SWBT will adjust

CLEC's bill and refund the recurring charge of such a loop until SWBT has resolved the problem and closed the trouble ticket.

7.3.5 SWBT will be relieved of the obligation to perform Acceptance Testing on a particular loop and will, assume acceptance of the loop by CLEC when CLEC places the LOC on hold for over ten (10) minutes. In that case, SWBT may close the order utilizing existing procedures. If no trouble ticket is opened on that loop within 24 hours, SWBT may bill CLEC as if the Acceptance Test had been completed and the loop accepted, subject to Section B below. If, however, a trouble ticket is opened on the loop within 24 hours and the trouble resulted from SWBT error, CLEC will be credited for the cost of the acceptance test. Additionally, CLEC may subsequently request and SWBT will perform testing of such a loop under the terms and conditions of a repair request. If such loop is found by SWBT to not meet loop continuity test parameters defined herein, SWBT will not charge for acceptance testing done on the repair call.

7.3.6 If a trouble ticket is opened within 24 hours of a loop order completion, and the trouble is determined to be SWBT's error, then the loop will not be counted as a successful completion for the purposes of the calculations discussed in Section B.1 below.

7.3.7 Both Parties will work together to implement Cooperative Acceptance Testing procedures that are efficient and effective. If the Parties mutually agree to additional testing, procedures and/or standards not covered by this Agreement or any commission-ordered tariff, the Parties will negotiate terms and conditions to implement such additional testing, procedures and/or standards. Additional charges may apply if any agreed-to changes require SWBT to expend additional time and expense.

#### 7.4 Acceptance Testing Billing

7.4.1 CLEC will be billed for Acceptance Testing upon the effective date of this Agreement for loops that are installed correctly by the committed interval without the benefit of corrective action due to acceptance testing. In any calendar month after the first sixty (60) days of the agreement, CLEC may indicate that it believes that SWBT is failing to install loops with loop continuity and ordered conditioning eighty percent (80%) of the time within the committed intervals.

7.4.1.1 If sampling establishes that SWBT is correctly provisioning loops with continuity and ordered conditioning eighty percent (80%) of the time, SWBT may continue charging for Acceptance Testing for all loops that are properly installed the first time. If SWBT is not correctly provisioning loops eighty percent (80%) of the time, or greater, then CLEC will not be billed for Acceptance Testing for the next 90 days. Immediately after the effective date of this agreement, the Parties will negotiate in good faith to agree to a method for sampling 100 random install orders; provided, however, the Parties agree that none of the orders included in



such sampling shall be orders placed within the first thirty (30) days of CLEC's entry into any Metropolitan Statistical Area ("MSA").

7.4.1.1.1 ISDN Loops that have trouble tickets (that are SWBT's fault) opened within 10 business days will be considered failures.

7.4.1.1.2 Loops that are successfully installed as a result of corrective action taken after acceptance testing will be considered failures.

7.4.1.2 In any calendar month after the 90 day no charge period, SWBT may request that another random sample of 100 install orders be reviewed. If the sample determines SWBT is provisioning loops correctly eighty percent (80%) of the time or greater, billing will resume.

7.4.1.3 Even if SWBT is in period which it may bill for Acceptance Testing, SWBT will not bill for the Acceptance Testing for loop installs that did not pass, the first time, the test parameters defined by this Agreement for xDSL loops. SWBT will not bill for loop repairs when the repair was SWBT problem.

7.4.1.4 Beginning October 1, 2000, SWBT delivery commitment changes to 90%.

7.4.2 The charges for Acceptance Testing shall be \$33.51 as specifically listed in Section 13.4.8(A) of the FCC Tariff No. 73. CLEC will use the USOC(s) UBCX+ for basic time. If requested by CLEC, Overtime or Premium time charges will apply for Acceptance Testing requests in off-hours at overtime time charges calculated at one and one half times the standard price and premium time being calculated at two times the standard price. If the tariff rate changes, the parties will negotiate in good faith to determine if the tariff rate changes should apply to acceptance testing.

#### 7.4.3 Repairs

7.4.3.1 The parties will negotiate in good faith to arrive at terms and conditions for acceptance testing on repairs

### 8.0 Service Quality and Maintenance

8.1 SWBT will not guarantee that the local loop(s) ordered will perform as desired by CLEC for xDSL-based or other advanced services, but will guarantee basic metallic loop parameters, including continuity and pair balance. CLEC-requested testing by SWBT beyond these parameters will be billed on a time and materials basis at Access Tariff 73 rates.

8.2 Maintenance, other than assuring loop continuity and balance, on unconditioned or partially conditioned loops in excess of 12,000 feet, will only be provided on a time and material basis as set out elsewhere in this Agreement. On loops where

CLEC has requested that no conditioning be performed, SWBT's maintenance will be limited to verifying loop suitability based on POTS design. For loops having had partial or extensive conditioning performed at CLEC's request, SWBT will verify continuity, the completion of all requested conditioning, and will repair at no charge to CLEC any gross defects which would be unacceptable based on current POTS design criteria and which do not result from the loop's modified design.

- 8.3 Each xDSL-Capable Loop offering provided by SWBT to CLEC will be at least equal in quality and performance as that which SWBT provides to itself or to an affiliate.

**9.0 Spectrum Management**

- 9.1 CLEC will advise SWBT of the Power Spectral Density ("PSD") mask approved or proposed by T1.E1 that reflects the service performance parameters of the technology to be used. The CLEC, at its option and without further disclosure to SWBT, may provide any service compliant with that PSD mask so long as it stays within the allowed service performance parameters. At the time of ordering a xDSL-capable loop, CLEC will notify SWBT as to the type of PSD mask CLEC intends to use on the ordering form, and if and when a change in PSD mask is made, CLEC will notify SWBT as set forth in Section 4.3 above. CLEC will abide by standards pertinent for the designated PSD mask type.
- 9.2 SWBT shall not implement, impose or maintain any spectrum management, selective feeder separation, or binder group management program. SWBT may not segregate or reserve loop binder groups, pair ranges or pair complements exclusively for the provisioning of ADSL and/or POTS services to the exclusion of other xDSL technologies. SWBT may not segregate xDSL technologies into designated loop binder groups, pair ranges or pair complements without prior Commission review and approval. SWBT will release loop binder groups, pair ranges or pair complements that may have already been marked, identified or designated as "ADSL and POTS only," and will remove any such mark, identification or designation that may already have been made in SWBT's electronic or paper-based OSS or records, including LFACS. SWBT will remove any restrictions, and will not impose future restrictions, on use of loop pairs for non-ADSL xDSL services, either through designations in the LFACS and LEAD databases or by the rules in LFACS limiting deployment of non-ADSL xDSL services to certain loop pair ranges. SWBT will not deny requests for loops based on spectrum management issues.
- 9.3 In the event that a loop technology without national industry standards for spectrum management is deployed, SWBT and CLECs shall jointly establish long-term competitively neutral spectral compatibility standards and spectrum management rules and practices so that all carriers know the rules for loop technology deployment. The standards, rules and practices shall be developed to

maximize the deployment of new technologies within binder groups while minimizing interference, and shall be forward-looking and able to evolve over time to encourage innovation and deployment of advanced services. These standards are to be used until such time as national industry standards exist. CLECs that offer xDSL-based service consistent with mutually agreed-upon standards developed by the industry or by the Commission in the absence of industry agreement, may order local loops based on agreed-to performance characteristics. SWBT will assign the local loop consistent with the agreed-to spectrum management standards.

- 9.4 In the event that the FCC or the industry establishes long-term standards and practices and policies relating to spectrum compatibility and spectrum management that differ from those established in this Agreement, SWBT and CLEC agree to comply with the FCC and/or industry standards, practices and policies and will establish a mutually agreeable transition plan and timeframe for achieving and implementing such industry standards, practices and policies. In such case, SWBT will manage the spectrum in a competitively neutral manner consistent with all relevant industry standards regardless of whether the service is provided by a CLEC or by SWBT, as well as competitively neutral as between different xDSL services. Where disputes arise, SWBT and CLEC will put forth a good faith effort to resolve such disputes in a timely manner. As a part of the dispute resolution process, SWBT will, upon request from a CLEC, disclose within 3-5 business days information with respect to the number of loops using advanced services technology within the binder group and the type of technology deployed on those loops so that the involved parties may examine the deployment of services within the affected loop plant, if any.
- 9.5 Within thirty (30) days after general availability of equipment conforming to applicable industry standards or the mutually agreed upon standards developed by the industry in conjunction with the Commission or FCC, if SWBT and/or CLEC is providing xDSL technologies deployed under Section 4.0 above, or other advanced services for which there is no standard, then SWBT and/or CLEC must begin the process of bringing its deployed xDSL technologies and equipment into compliance with such standards at its own expense.

## **10.0 Collocation**

- 10.1 The Parties acknowledge and agree that upon approval of this Agreement by the Missouri PSC, CLEC will purchase collocation under the rates, terms and conditions set forth in the Missouri Physical Collocation Appendix.

**11.0 Rates for xDSL Capable Loops and Associated Charges, Billing and Payments of Rates and Charges**

11.1 SWBT's rates for xDSL-capable loops are:

	<u>Recurring</u>	<u>Nonrecurring</u>	
		Initial	Additional
<u>2-Wire xDSL Loop</u>			
Zone 1	\$ 12.71	\$ 19.55	\$ 8.32
Zone 2	\$ 18.64	\$ 19.55	\$ 8.32
Zone 3	\$ 19.74	\$ 19.55	\$ 8.32
Zone 4	\$ 16.41	\$ 19.55	\$ 8.32
<u>2-Wire Digital Loop</u>			
<u>(e.g., ISDN/IDSL)</u>			
Zone 1	\$ 25.79	\$ 43.33	\$ 22.67
Zone 2	\$ 37.89	\$ 43.33	\$ 22.67
Zone 3	\$ 52.60	\$ 43.33	\$ 22.67
Zone 4	\$ 37.30	\$ 43.33	\$ 22.67
<u>4-Wire xDSL Loop</u>			
Zone 1	\$ 17.81	\$ 21.58	\$ 8.32
Zone 2	\$ 31.82	\$ 21.58	\$ 8.32
Zone 3	\$ 55.04	\$ 21.58	\$ 8.32
Zone 4	\$ 27.07	\$ 21.58	\$ 8.32

## 11.2 SWBT's rates for Loop Make-Up Information are:

Loop Make-Up Information (as defined in section 5.4)	
- Mechanized/query	\$ 15.00 <sup>5</sup>
Loop Make-Up Information (as defined in section 5.4)	
- Manual	\$ 15.00 <sup>6</sup>
Detailed Make-up Information - Manual	TBD

## 11.3 SWBT's rates for Cross Connects.

xDSL Cross Connect Charge - Standard - Non-Shielded:

	<u>Recurring</u>	<u>Nonrecurring</u>	<u>Additional</u>
		<u>Initial</u>	
2-wire Analog (w/o test)	\$ 0.31	\$ 19.96	\$ 12.69
4-wire Analog (w/o test)	\$ 0.63	\$ 25.38	\$ 17.73
2-wire Digital (w/o test)	\$ 0.31	\$ 19.96	\$ 12.69

xDSL Cross Connect Charge - Shielded:

2-wire xDSL	\$ 0.80	\$ 19.96	\$ 12.69
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Note: There is no requirement that a CLEC order shielded cross-connects. Shielded cross-connects are only available for 2-wire xDSL loops used to provision PSD #5.

SWBT's rates for cross-connects above are final and are not interim or subject to retroactive true-up.

## 11.4 SWBT's rate for Loop Conditioning.

SWBT will make "clean loops" available for all xDSL services and use by all xDSL providers. When a CLEC orders an xDSL loop, SWBT will make available for use on a nondiscriminatory basis loops that do not need conditioning. If no "clean loops" are available for use, then the conditioning charges stated below apply. SWBT's retail and/or advanced services affiliate

<sup>5</sup> Pursuant to the Missouri Arbitration Order Case No. TO-2000-322, this price will change to \$0.00 on August 1, 2000.

<sup>6</sup> Effective August 1, 2000, manual loop make-up information will be priced at the rate of \$84.15.

shall not be given preferential access to clean loops, nor shall such clean loops be reserved exclusively for ADSL services.

The conditioning charges, listed below, are interim and are applicable to every xDSL loop greater than 12,000 feet in length but less than 17,500 feet in length, in which the CLEC requests the removal of bridged tap, load coils, and/or repeaters. The interim charges will be in effect only until the effective date of the Missouri Public Service Commission's order establishing permanent conditioning charges in Case No. TO-2000-322, TO-2001-439 or another appropriate case established by the Commission. Upon the effective date of the Missouri Public Service Commission's order establishing permanent conditioning rates, those permanent rates will replace the interim rates set forth below. The interim rates set forth below are subject to true up to the permanent rates established in Case No. TO-2000-322, TO-2001-439 or another appropriate case established by the Commission. Any refund or additional charges due as a result of true up shall be paid within thirty days of the effective date of the Commission's order adopting permanent rates. The time period subject to true up shall be limited to six months, retrospectively from the effective date of the Commission's final order adopting permanent conditioning rates, but shall not include any period prior to the effective date of this agreement with CLEC.

	<u>Nonrecurring</u>	
	Initial	Additional (Same time & same location)
Removal of Repeater	\$ 0.00	\$ 0.00
Removal of Bridged Tap and Repeater	\$ 0.00	\$ 0.00
Removal of Bridged Tap	\$ 0.00	\$ 0.00
Removal of Bridged Tap & Load Coil	\$ 0.00	\$ 0.00
Removal of Load Coil	\$ 0.00	\$ 0.00

The conditioning charges, listed below, are interim and are applicable to every xDSL loop, at or in excess of 17,500 feet in length, in addition to the applicable rates for loops less than 17,500 feet but longer than 12,000 feet in length that requires the specific conditioning listed. The interim charges will be in effect only until the effective date of the Missouri Public Service Commission's order establishing permanent conditioning charges in Case No. TO-2000-322, TO-2001-439 or another appropriate case established by the Commission. Upon the effective date of the Missouri Public Service Commission's order establishing permanent conditioning rates, those permanent rates will replace the interim rates set forth below. The interim rates set forth below are subject to true up to the permanent rates established in Case No. TO-2000-322, TO-2001-439 or another appropriate case established by the Commission. Any refund or additional charges due as a result of true up shall be paid within thirty days of the effective

date of the Commission's order adopting permanent rates. The time period subject to true up shall be limited to six months, retrospectively from the effective date of the Commission's final order adopting permanent conditioning rates, but shall not include any period prior to the effective date of this Agreement with CLEC.

	<u>Nonrecurring</u>	
	Initial	Additional <sup>7</sup>
Removal of Repeater	\$ 0.00	\$ 0.00
Removal of Bridged Tap	\$ 0.00	\$ 0.00
Removal of Load Coil	\$ 0.00	\$ 0.00

- 11.5 SWBT will provide CLEC a monthly bill that includes all charges incurred by and credits and/or adjustments due to CLEC for those unbundled elements and other service offerings ordered, established, utilized, discontinued or performed pursuant to this Attachment.
- 11.6 Except as otherwise specifically provided elsewhere in this Agreement, the Parties will pay all rates and charges due and owing under this Attachment within thirty (30) days of receipt of an invoice. Except as otherwise specifically provided in this Agreement, interest on overdue invoices will apply at the six (6) month Commercial Paper Rate applicable on the first business day of each calendar year.

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<sup>7</sup> must be at same location and performed at the same time

**ATTACHMENT 26: LEGITIMATELY RELATED PROVISIONS**

The parties expressly agree not to challenge that the following sections of the Missouri 271 Agreement are "legitimately related" for the purpose of Section 252(i) of the Federal Telecommunication Act of 1996. The Agreement is expressly limited to the item(s) or section(s) into which CLEC MFNs under Section 252(i). For example, if CLEC wants to MFN into only the Performance Measures section, SWBT and CLEC would be agreeing not to challenge that the Performance Measures Attachment 17, including the performance remedy plan, is "legitimately related" to the General Terms and Conditions specified below and to this Attachment 26. There would be no agreement as to any of the other named sections.

The following Sections from the General Terms and Conditions (GT&C) are "legitimately related" to each and every item(s) and section(s) of the Missouri 271 Agreement: GT&C §§ 2.1, 4.1, 4.1.1, 4.1.2, 4.2, 4.2.1, 18.1, 18.2, 18.3, 31.1, and 43.1. Section 7.1.1 of the General Terms and Conditions also is legitimately related to Attachment 25. This Attachment 26 is "legitimately related" to each and every item(s) and section(s) of the Missouri 271 Agreement. The prices as set forth in Appendix Pricing UNE Schedule of Prices are "legitimately related" to each and every item(s) and section(s) of the Missouri 271 Agreement to which they apply.



ITEM REQUESTED	"LEGITIMATELY RELATED PROVISIONS"	
UNEs	Attachments 6-10 & Appendices	GT&C specified above & Attachment 26
Resale	Attachments 1-5 & Appendices	GT&C specified above, and applicable prices & Attachment 26
Interconnection	Attachment 11 & Appendices	GT&C specified above, and applicable prices & Attachment 26
Reciprocal Compensation	Attachment 12 & Appendix	GT&C specified above, and applicable prices & Attachment 26
Performance Measures	Attachment 17, including Performance Remedy Plan and Appendices	GT&C specified above & Attachment 26
DSL	Attachment 25	GT&C specified above, and applicable prices & Attachment 26
Ancillary Functions	Attachment 13 and Appendices	GT&C specified above, and applicable prices & Attachment 26
Number Portability	Attachment 14 and Appendix	GT&C specified above, and applicable prices & Attachment 26
E 911	Attachment 15	GT&C specified above, and applicable prices & Attachment 26
Network Security & Law Enforcement	Attachment 16	GT&C specified above, and applicable prices & Attachment 26
Mutual Exchange of Directory Listing Information	Attachment 18	GT&C specified above, and applicable prices & Attachment 26
White Pages – Other	Attachment 19	GT&C specified above, and applicable prices & Attachment 26
Clearinghouse	Attachment 20	GT&C specified above, and applicable prices & Attachment 26
Numbering	Attachment 21	GT&C specified above, and applicable prices & Attachment 26
DA – Facilities Based	Attachment 22	GT&C specified above, and applicable prices & Attachment 26
OS – Facilities Based	Attachment 23	GT&C specified above, and applicable prices & Attachment 26
Recording – Facilities Based	Attachment 24 and Appendices	GT&C specified above, and applicable prices & Attachment 26

**ATTACHMENT 27: ALTERNATELY BILLED TRAFFIC**

This Attachment 27: Alternately Billed Traffic ("ABT") sets forth the terms and conditions for the exchange of record detail and settlement of revenues for all MCI Local CATS Messages, MCI Local Non-CATS Messages and SWBT Non-CATS Messages.

**1.0 Definitions**

- 1.1 Except as expressly provided otherwise, the definitions set forth in Section 1 shall govern all parts of this Attachment.
- 1.2 Telcordia Client Company means SWBT and any Bell Operating Company as defined in Section 153 of the Communications Act of 1934, as amended.
- 1.3 CMDS Host means the Telcordia Client Company that acts on behalf of a LEC to distribute and settle end user message detail through CMDS to other participating LECs.
- 1.4 Calling Card and Third Number Settlement ("CATS") means that part of CMDS which is a mechanized computer process used to maintain records regarding intercompany settlements through which revenues collected by the billing company are distributed to the originating company.
- 1.5 Centralized Message Data System I ("CMDS") means the industry-wide data collection system located in Kansas City, Missouri, which handles the daily exchange of toll message details between participating telephone companies. CMDS toll message detail is defined as Collect, Calling Card and Third Number Billed Messages that are originated in one company and billed by another company.
- 1.6 Foreign State Taxes means state and/or local taxes levied by a taxing authority on a message where the message originates in one state, but is billed to an MCI Local Subscriber or SWBT Subscriber with a service address in another state.
- 1.7 MCI Local CATS Messages means intralata and local messages transported by another provider of local exchange service but which are billed to a billing number belonging to a MCI Local Subscriber and the billing number is in a different Telcordia Client Company territory from the originating and terminating telephone numbers.
- 1.8 MCI Local Collect Messages means intralata and local messages where the charges are billed to the called end user who is a MCI Local Subscriber and where the Transporting LEC is SWBT or any other LEC for whom SWBT is the CMDS Host.
- 1.9 MCI Local Non-CATS Messages means MCI Local Collect Messages and/or MCI Local Third Number Billed Messages as those terms are defined herein.

Legend:

**\* Represents language which resulted from Arbitration Docket TO-2002-222**

- 1.10 MCI Local Subscriber means an end user who has authorized MCI Local to provide the end user with local exchange service and Customer provides the local exchange service through SWBT's tariffed local access services.
- 1.11 MCI Local Third Number Billed Messages means intralata or local messages where (i) the charges are billed to a MCI Local Subscriber's telephone number that is not the originating or terminating telephone number, (ii) the Transporting LEC is SWBT or any other LEC for whom SWBT is the CMDS Host, and (iii) the originating and billed telephone numbers are located in the same Telcordia Client Company territory.
- 1.12 Local Access and Transport Area ("LATA") are those designated areas approved by the United States District Court for the District of Columbia in United States of America v. American Telephone and Telegraph Company, et al., Civil Action Nos. 74-1698 and 82-0192.
- 1.13 Local Exchange Carrier ("LEC") means a carrier authorized to provide local, exchange access and intraLATA toll services.
- 1.14 SWBT Calling Card Messages means intralata and local messages where (i) the charges are billed to a telecommunications line number based calling card issued by SWBT or a LEC for whom SWBT is the CMDS Host, (ii) the Transporting LEC is MCI Local, and (iii) the originating number and the line number on the calling card are located in the same Telcordia Client Company territory.
- 1.15 SWBT Collect Messages means intralata or local messages where the charges are billed to the called end user who is a SWBT Subscriber and where the Transporting LEC is MCI Local.
- 1.16 SWBT Non-CATS Messages means SWBT Collect Messages, SWBT Calling Card Messages and/or SWBT Third Number Billed Messages as those terms are defined herein.
- 1.17 SWBT Subscriber means an end user who has authorized SWBT or a LEC for whom SWBT is the CMDS Host to provide the end user with local exchange service or who has billed an intraLATA call to a telecommunications calling card issued by SWBT or by a LEC for whom SWBT is the CMDS Host.
- 1.18 SWBT Third Number Billed Messages means intralata or local messages where (i) the charges are billed to a SWBT Subscriber's telephone number that is not the originating or terminating telephone number, (ii) the Transporting LEC is MCI Local, and (iii) the originating and billed telephone numbers are located in the same Telcordia Client Company territory.
- 1.19 Transporting LEC means the LEC providing the local exchange service on the line on which the call originates.

Legend:

**\* Represents language which resulted from Arbitration Docket TO-2002-222**

**2.0 Scope of Attachment**

- 2.1 This Attachment specifies the rights and obligations of the Parties with respect to (i) the distribution, billing, collection and settlement of MCI Local CATS and MCI Local Non-CATS Messages billed to an MCI Local Subscriber and (ii) the distribution, billing, collection and settlement of SWBT Non-CATS Messages billed to a SWBT Subscriber.
- 2.2 The Parties agree that only MCI Local CATS Messages, MCI Local Non-CATS Messages, and SWBT Non-CATS Messages (definitions set forth in Section 1) that consist of the following message types are authorized and will be processed under the terms of this Attachment:
- 2.2.1 Appropriately validated operator assisted local and intralata toll calls for (1) collect calls; (2) third number billed calls or (3) calling card calls.
  - 2.2.2 Appropriately validated direct dialed local or intralata toll calls billed through a calling card.
  - 2.2.3 Appropriately validated means the Transporting LEC shall query and wait for an affirmative response from a line information database ("LIDB") on all collect, third number billed and calling card calls before completing the call. Only LIDB validated calls shall be accepted for billing.
- 2.3 Any other message types or charges not specified in Section 2.2 are not authorized without the written approval of the respective billing Party and will not be processed under the terms of this Attachment ("Unauthorized Messages"). These message types or charges include, but are not limited to:
- 2.3.1 Direct dialed intralata or interlata long distance toll messages including international toll calls;
  - 2.3.2 Charges for pre-paid calling cards, calling cards or debit card or any fee associated with pre-paid calling cards, calling cards or debit cards. This does not include traditional toll usage charges associated with calling card messages authorized under Section 2.2.1 above;
  - 2.3.3 Pay-per-call, 900 access, 976 access or any NXX designated or reserved by SWBT to transport pay-per-call 500 access, 700 access messages;
  - 2.3.4 Pre-subscribed 800 pay-per-call Service charges;
  - 2.3.5 Pay-per-call messages offered over international dialed access;
  - 2.3.6 Charges, which in whole or part, relate or reasonably give the appearance of relating to goods or services provided outside of the message or provide references to other

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**\* Represents language which resulted from Arbitration Docket TO-2002-222**

telephone numbers. These include, but are not limited to, services offered over the Internet;

- 2.3.7 Charges for information provided outside the message;
- 2.3.8 Messages which have been previously billed to the MCI Local or SWBT Subscriber;
- 2.3.9 Charges for collect calls associated with pay-per-call (Information Services), including the transport of such calls;
- 2.3.10 Intentionally omitted;
- 2.3.11 Messages which when initially received by the billing Party are over 90 days old;
- 2.3.12 Charges for information regarding credit cards, credit repair or monitoring or any information related to a Subscriber's credit record;
- 2.3.13 Charges for information regarding sweepstakes and/or giveaways;
- 2.3.14 Charges for services which may result in excessive MCI Local Subscriber complaints;
- 2.3.15 Charges for 800 services to an originating Subscriber;
- 2.3.16 Charges for cellular services and/or charges to phone numbers assigned to cellular services.
- 2.3.17 Charges or fees for products or services offered on the Internet;
- 2.3.18 Charges that consist of combined individual call records and/or other charges to produce bulk-billed services.
- 2.4 The Parties agree that any Unauthorized Messages that are submitted shall be recoured to the Transporting LEC. In addition, if in the sole judgment of the receiving Party, the other party has engaged in a pattern or practice of submitting Unauthorized Messages, the receiving party can reject and recourse all messages to the non-receiving Party after providing 30 days written notice.
- 2.5 This Attachment includes the following Exhibits that are incorporated herein by this reference:

Exhibit A - Rate Schedule

Legend:

**\* Represents language which resulted from Arbitration Docket TO-2002-222**

### **3.0 Description of Services**

- 3.1 Any Alternately Billed Traffic received by SWBT and billable to MCI end users shall be in EMI industry standard format and will be sent to MCI using the Daily Usage File (DUF).
- 3.2 MCI Local shall recourse any Rejected Messages, Unbillables Messages, Adjusted Messages or Uncollectible Messages, as defined in Section 9.2 below, through CMDS or via a feed of records, as mutually agreed to by the Parties.
- 3.3 MCI Local shall provide revenue settlement for MCI Local CATS Messages and MCI Local Non-CATS Messages; provided, however, that revenue settlement for MCI Local Non-CATS Messages shall only be provided by MCI Local for those LECs that SWBT has executed an agreement covering the settlement of Non-CATS Messages. SWBT shall provide MCI Local with a list of all such LECs upon commencement of the Attachment and as required ongoing to notify MCI Local of any additions or deletions of LECs to the list.
- 3.4 This Attachment does not cover the distribution, settlement or billing of 900/976 or pay-per-call messages transported by SWBT that originate from a MCI Local Subscriber's telephone number. As a part of provisioning local access service for MCI Local, SWBT shall block access of MCI Local Subscribers to all 900/976 or pay-per-call numbers transported by SWBT, unless otherwise directed by MCI Local.
- 3.5 SWBT shall timely forward unrated SWBT Non-CATS Messages to MCI Local via a daily feed of call detail records agreed upon by the Parties. MCI Local may rate SWBT Non-CATS Messages and forward to SWBT via a feed of call detail records agreed upon by the parties. All message detail shall be in EMR industry standard format agreed upon by the Parties and shall be exchanged at agreed upon intervals.
- 3.6 SWBT shall recourse any Rejected Messages, Unbillable Messages, Adjusted Messages and Uncollectible Messages, as defined in Section 9.4 below, via a feed of records agreed upon by the Parties.
- 3.7 SWBT shall provide revenue settlement for SWBT Non-CATS Messages; provided, however, that revenue settlement for SWBT Non-CATS Messages shall only be provided by SWBT for themselves and for those LECs that SWBT has executed an agreement covering the settlement of Non-CATS Messages.

### **4.0 Purchase of Accounts Receivable**

- 4.1 MCI Local shall purchase SWBT's Accounts Receivable that arise from MCI Local CATS and MCI Local Non-CATS Messages that are included in bills rendered by MCI Local. MCI Local's purchase of accounts receivable shall be with full recourse (i.e. debit rated value of Rejected Messages, Unbillable Messages, Adjusted Messages and Uncollectible Messages back to SWBT). SWBT and MCI Local agree that under the

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terms of this Attachment, the purchase of SWBT's Accounts Receivables is a revenue neutral process to MCI Local, and that the settlement procedures defined in Section 9 of this Attachment, which are utilized for the Purchase of SWBT's Account Receivable result in a revenue neutral process for MCI Local.

- 4.2 SWBT shall purchase MCI Local's Account Receivable that arise from SWBT Non-CATS Messages that are included in bills rendered by SWBT, or other LECs for whom SWBT provides CMD5 Hosting. SWBT's purchase of accounts receivable shall be with full recourse (i.e. debit rated value of Rejected Messages, Unbillable Messages, Adjusted Messages and Uncollectible Messages back to MCI Local). SWBT and MCI Local agree that under the terms of this Attachment, the purchase of MCI Local's Accounts Receivables is a revenue neutral process to SWBT, and that the settlement procedures defined in Section 9 of this Attachment, which are utilized for the Purchase of MCI Local's Account Receivable result in a revenue neutral process for SWBT.

**5.0 Billing of Messages During Interim Period by MCI Local**

- 5.1 MCI Local is currently assessing the feasibility of system development that is needed to render billing for MCI Local CATS Messages and MCI Local Non-CATS Messages within the monthly invoice rendered to MCI Local Subscribers.
- 5.2 Until such time as the system development has been completed, tested and implemented ("Interim Period"), MCI Local may choose to bill such messages through a third party billing vendor ("Vendor"). The following processes, procedures and obligations will apply during the Interim Period for MCI Local:
- 5.2.1 MCI Local will render and mail a separate bill for each MCI Local subscriber with such messages. Other local charges, such as monthly service fees and local long distance charges for MCI Local Subscribers will not be included in the separate invoices produced by Vendor.
- 5.2.2 MCI Local CATS Messages and MCI Local Non-CATS Messages will be segregated within the Vendor-produced invoice for each unique service provider utilized by the MCI Local subscriber. The invoices will indicate that MCI Local is billing the services on behalf of the LEC.
- 5.2.3 Any messages that contain data errors within the traffic records or do not pass up front edits established by MCI Local and Vendor, or cannot be identified to a valid MCI Local Subscriber, will be recoured to SWBT as Rejected or Unbillable Messages.
- 5.2.4 Intentionally Omitted.
- 5.2.5 If MCI Local chooses to bill these messages through a Vendor, MCI Local will require Vendor to provide inquiry services for MCI Local Subscribers who may have questions about their charges. MCI Local will provide crediting and adjustment

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guidelines for Vendor to follow when handling MCI Local Subscriber inquiries about such invoices.

## **6.0 Billing of Messages During Post-Development Period by MCI Local**

- 6.1 If the aforementioned system development (Section 5) is completed, tested and implemented ("Post Development Period"), MCI Local will produce invoicing for MCI Local Subscribers which can also include MCI CATS Messages and MCI Non-CATS Messages within the same invoice and billing envelope.
- 6.2 The following processes, procedures and obligations will apply during the Post-Development Period for MCI Local:
  - 6.2.1 MCI Local will use good faith efforts to produce and mail a monthly bill for each MCI Local Subscriber with such messages. Such messages will be included within the same invoice and billing envelope where MCI Local Subscribers are billed for other charges, including but not limited to monthly service fees and local long distance charges. The MCI Local Subscriber invoice will show a single balance due.
  - 6.2.2 MCI Local CATS Messages and MCI Local Non-CATS Messages will be segregated within the invoice for each unique service provider utilized by the MCI Local subscriber. The respective section header or page header will indicate the service provider's name and, at the option of the service provider, include the logo.
  - 6.2.3 Any messages that contain data errors within the traffic records, do not pass up front edits established by MCI Local, or cannot be identified to a valid MCI Local Subscriber account, will be recoured to SWBT as Rejected or Unbillable Messages.
  - 6.2.4 SWBT will be responsible for including an identifier, agreed upon by the Parties, within the traffic record that identifies the originating service provider for all MCI Local CATS and MCI Local Non-CATS Messages. Any such messages that do not contain the identifier will be recoured to SWBT as Rejected or Unbillable Messages.
  - 6.2.5 MCI Local will provide inquiry services for MCI Local Subscribers who may have questions about their charges. MCI Local will generally utilize its standard crediting and adjustment guidelines, as may be in effect from time to time, when handling MCI Local Subscriber inquiries about such charges. Notwithstanding the above, MCI Local, at its sole discretion, may determine at anytime, to adjust MCI Local CATS Messages and MCI Local Non-CATS Messages. Any adjustments or credits will be recoured to SWBT as Adjusted Messages.
  - 6.2.6 MCI Local shall perform treatment and collection functions. SWBT acknowledges that MCI Local exercises judgment in determining when or whether to deny local service and is not required to deny service at the earliest possible opportunity. Treatment and collection functions may be limited by law and regulatory requirements.

Legend:

**\* Represents language which resulted from Arbitration Docket TO-2002-222**



6.2.7 MCI Local will generally utilize its standard treatment and collection procedures, as may be in effect from time to time, as the general guideline, in collecting the balance due. Notwithstanding the above, MCI Local, at its sole discretion, may determine at anytime, to adjust MCI Local CATS and MCI Local Non-CATS Messages and recourse said messages to SWBT as Adjusted Messages or as Uncollectible Messages rather than deny local service.

6.2.8 SWBT acknowledges that Federal or State laws may preclude MCI Local from denying local access service for an MCI Local Subscriber's failure to pay for MCI Local CATS Messages and MCI Local Non-CATS Messages. SWBT acknowledges that MCI Local will apply end user payments first to MCI Local charges and other deniable charges, which if not paid, may result in the loss of local access service.

#### **7.0 Billing of Messages During Interim Period by SWBT**

7.1 During the Interim Period, SWBT may choose to bill SWBT Non-CATS Messages through a third party billing vendor ("Vendor"). The following processes, procedures and obligations will apply during the Interim Period for SWBT:

7.1.1 SWBT will render and mail a separate bill for each SWBT Local subscriber with such messages. Other local charges, such as monthly service fees and local long distance charges for SWBT Local Subscribers will not be included in the separate invoices produced by Vendor.

7.1.2 SWBT Non-CATS Messages will be segregated within the Vendor-produced invoice for each unique service provider utilized by the SWBT Local subscriber. The invoices will indicate that SWBT Local is billing the services on behalf of the MCI Local.

7.1.3 Any messages that contain data errors within the traffic records or do not pass up front edits established by SWBT and Vendor, or cannot be identified to a valid SWBT Subscriber, will be recoured to MCI Local as Rejected or Unbillable Messages.

7.1.4 MCI Local will be responsible for including an identifier, agreed upon by the Parties, within the traffic record that identifies the originating service provider for all SWBT Non-CATS Messages. Any such messages that do not contain the identifier will be recoured to MCI Local as Rejected or Unbillable Messages.

7.1.5 If SWBT chooses to bill these messages through a Vendor, SWBT will require Vendor to provide inquiry services for SWBT Subscribers who may have questions about their charges. SWBT will provide crediting and adjustment guidelines for Vendor to follow when handling SWBT Subscriber inquiries about such invoices.

Legend:

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**8.0 Billing of Messages During Post-Development Period by SWBT**

- 8.1 During the Post-Development Period, SWBT will produce invoicing for SWBT Subscribers which can also include SWBT Non-CATS Messages within the same invoice and billing envelope.
- 8.2 The following processes, procedures and obligations will apply during the Post-Development Period for SWBT:
- 8.2.1 SWBT will use good faith efforts to produce and mail a monthly bill for each SWBT Subscriber with such messages. Such messages will be included within the same invoice and billing envelope where SWBT Subscribers are billed for other charges, including but not limited to monthly service fees and local long distance charges. The SWBT Subscriber invoice will show a single balance due.
- 8.2.2 SWBT Non-CATS Messages will be segregated within the invoice for each unique service provider utilized by the SWBT subscriber. The respective section header or page header will indicate the MCI Local name and, at the option of the MCI Local, include the logo.
- 8.2.3 Any messages that contain data errors within the traffic records, do not pass up front edits established by SWBT, or cannot be identified to a valid SWBT Subscriber account, will be recoured to MCI Local as Rejected or Unbillable Messages.
- 8.2.4 MCI Local will be responsible for including an identifier, agreed upon by the Parties, within the traffic record that identifies the originating service provider for all SWBT Non-CATS Messages. Any such messages that do not contain the identifier will be recoured to MCI Local as Rejected or Unbillable Messages.
- 8.2.5 SWBT will provide inquiry services for SWBT Subscribers who may have questions about their charges. SWBT will generally utilize its standard crediting and adjustment guidelines, as may be in effect from time to time, when handling SWBT Subscriber inquiries about such charges. Notwithstanding the above, SWBT, at its sole discretion, may determine at anytime, to adjust SWBT Non-CATS Messages. Any adjustments or credits will be recoured to MCI Local as Adjusted Messages.
- 8.2.6 SWBT shall perform treatment and collection functions. MCI Local acknowledges that SWBT exercises judgment in determining when or whether to deny local service and is not required to deny service at the earliest possible opportunity. Treatment and collection functions may be limited by law and regulatory requirements.
- 8.2.7 SWBT will generally utilize its standard treatment and collection procedures, as may be in effect from time to time, as the general guideline, in collecting the balance due. Notwithstanding the above, SWBT, at its sole discretion, may determine at anytime, to adjust SWBT Non-CATS Messages and recourse said messages to MCI Local as Adjusted Messages or as Uncollectible Messages rather than deny local service.

Legend:

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- 8.2.8 MCI Local acknowledges that Federal or State laws may preclude SWBT from denying local access service for an SWBT Subscriber's failure to pay for SWBT Non-CATS Messages. MCI Local acknowledges that SWBT will apply end user payments first to SWBT charges and other deniable charges, which if not paid, may result in the loss of local access service.

## 9.0 Settlement Arrangement

- 9.1 MCI Local shall provide settlement for MCI Local CATS and MCI Local Non-CATS Messages billed to MCI Local Subscribers that SWBT forwards to MCI Local as set forth in Section 3.1. MCI Local shall provide a Purchase of Accounts Receivable Statement ("PARS") to SWBT monthly setting forth the Amount Due MCI Local based on the following calculation:

- a) Gross Billings Sent (+)
- b) Rejected Messages (-)
- c) Accepted Messages (a-b=c)
- d) Applicable Taxes (+)
  - Federal
  - State
  - Local
  - Other
- e) Surcharges (+)
- f) Unbillable Messages (-)
- g) Adjusted Messages (-)
- h) Uncollectible Messages (-)
- i) Miscellaneous (+/-)
- j) Net Purchase of Accounts Receivable (c+d+e-f-g-h+/-i=j)
- k) Late Payment Charge (+)
- l) MCI Local Billing & Collection Charges (-)
- m) Amount Due SWBT (j+k-l=m)

- 9.2 As used in Section 9.1 above, the following terms are defined as set forth below:

- 9.2.1 Gross Billings Sent means the total rated charges for MCI Local CATS and MCI Local Non-CATS Messages sent to MCI Local by SWBT, based on the Transporting LECs schedule of rates including applicable Foreign State Taxes. Settlement of Non-CATS Messages is contingent on the conditions set forth in Section 3.1 above being satisfied.
- 9.2.2 Rejected Messages means the rated value of MCI Local CATS and MCI Local Non-CATS Messages that failed to pass the MCI Local established edits and were recoured to SWBT.

Legend:

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- 9.2.3 Accepted Messages is the summation of Gross Billings Sent minus any Rejected Messages.
- 9.2.4 Applicable Taxes means the amount of applicable federal, state, or local sales, use, excise or other taxes and tax like charges imposed on or with respect to SWBT's charges (excluding Foreign State Taxes).
- 9.2.5 Surcharges means the amount of applicable surcharge as determined and directed by SWBT, and calculated, applied, billed and collected by MCI Local.
- 9.2.6 Unbillable Messages means the rated value of Accepted Messages that were not billable to a valid MCI Local Subscriber account, not the result of an error by MCI Local, that are recoured to SWBT.
- 9.2.7 Adjusted Messages means the rated value of Accepted Messages or portion thereof that is adjusted by MCI Local, as a result of a dispute or claim by an MCI Local Subscriber and is recoured to SWBT. Reasons for disputes or claims by MCI Local Subscribers can include, but are not limited to incorrect rating, denial of knowledge, poor connection, or fraudulent usage.
- 9.2.8 Uncollectible Messages means the rated value of Accepted Messages billed by MCI Local to subscribers that are unpaid and have been recoured to SWBT.
- 9.2.9 Miscellaneous means any miscellaneous debits or credits (as appropriate) that are not covered by any of the specific categories listed in this Section 9.2.
- 9.2.10 Net Purchase of Accounts Receivable is the summation of Accepted Messages plus Applicable Taxes, plus Surcharges, minus Unbillable Messages, minus Adjusted Messages, minus Uncollectible Messages and plus or minus Miscellaneous charges or adjustments.
- 9.2.11 Late Payment Charge means any interest charges that may be due by MCI Local to SWBT as a result of a late payment as set forth in Section 10.4.
- 9.2.12 MCI Local Billing & Collection Charges means the per item rates, as set forth in Exhibit A, times the number of applicable volume items resulting from the Gross Billings Sent.
- 9.2.13 Amount Due SWBT is the summation of Net Purchase of Accounts Receivable plus Late Payment Charge and minus MCI Local Billing & Collection Charges.
- 9.3 SWBT shall provide settlement for SWBT Non-CATS Messages billed to SWBT Subscribers that MCI Local forwards to SWBT as set forth in Section 3.5. SWBT shall provide a Purchase of Accounts Receivable Statement ("PARS") to MCI Local monthly setting forth the Amount Due MCI Local based on the following calculation:

Legend:

**\* Represents language which resulted from Arbitration Docket TO-2002-222**

- a) Gross Billings Sent (+)
- b) Rejected Messages (-)
- c) Accepted Messages (a-b=c)
- d) Applicable Taxes (+)
  - Federal
  - State
  - Local
  - Other
- e) Surcharges (+)
- f) Unbillable Messages (-)
- g) Adjusted Messages (-)
- h) Uncollectible Messages (-)
- i) Miscellaneous (+/-)
- j) Net Purchase of Accounts Receivable (c+d+e-f-g-h+/-i=j)
- k) Late Payment Charge (+)
- l) SWBT Billing & Collection Charges (-)
- m) SWBT Settlement Charge (-)
- n) Amount Due MCI Local (j+k-l-m=n)

9.4 As used in Section 9.3 above the following terms are defined as set forth below:

- 9.4.1 Gross Billings Sent means the total rated charges for SWBT Non-CATS Messages sent to SWBT by MCI Local, based on MCI Local's schedule of rates including applicable Foreign State Taxes. Settlement of Non-CATS Messages is contingent on the conditions set forth in Section 3.5 above being satisfied.
- 9.4.2 Rejected Messages means the rated value of SWBT Non-CATS Messages that failed to pass the SWBT established edits and were recoured to MCI Local.
- 9.4.3 Accepted Messages is the summation of Gross Billings Sent minus any Rejected Messages.
- 9.4.4 Applicable Taxes means the amount of applicable federal, state, or local sales, use, excise or other taxes and tax like charges imposed on or with respect to MCI Local's charges (excluding Foreign State Taxes).
- 9.4.5 Surcharges means the amount of applicable surcharge as determined and directed by MCI Local, and calculated, applied, billed and collected by SWBT.
- 9.4.6 Unbillable Messages means the rated value of Accepted Messages that were not billable to a valid SWBT Subscriber account, not the result of an error by SWBT, that are recoured by SWBT to MCI Local.
- 9.4.7 Adjusted Messages means the rated value of Accepted Messages or portion thereof that is adjusted by SWBT, as a result of a dispute or claim by a SWBT Subscriber and is recoured to MCI Local. Reasons for disputes or claims by SWBT Subscribers can

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include, but are not limited to incorrect rating, denial of knowledge, poor connection, or fraudulent usage.

- 9.4.8 Uncollectible Messages means the rated value of Accepted Messages billed by SWBT to subscribers that are unpaid, have been debited to final write-off by SWBT and have been returned by SWBT to MCI Local.
- 9.4.9 Miscellaneous means any miscellaneous debits or credits (as appropriate) that are not covered by any of the specific categories listed in this Section 9.4.
- 9.4.10 Net Purchase of Accounts Receivable is the summation of Accepted Messages plus Applicable Taxes, plus Surcharges, minus Unbillable Messages, minus Adjusted Messages, minus Uncollectible Messages, and plus or minus Miscellaneous charges or adjustments.
- 9.4.11 Late Payment Charge means any interest charges that may be due by SWBT to MCI Local as a result of a late payment as set forth in Section 10.4.
- 9.4.12 SWBT Billing & Collection Charges means the per item rates, as set forth in Exhibit A, times the number of applicable volume items resulting from the Gross Billings Sent.
- 9.4.13 SWBT Settlement Charge means the SWBT per message settlement charge, set forth in Exhibit A, times the number of SWBT Non-CATS Messages received by SWBT where the billed end user is a local subscriber to a LEC other than SWBT and for whom SWBT is the CMDS Host.
- 9.4.14 Amount Due MCI Local is the summation of Net Purchase of Accounts Receivable plus Late Payment Charge and minus SWBT Billing & Collection Charges and minus SWBT Settlement Charge.
- 9.5 Within 15 business days following the end of each calendar month:
- 9.5.1 MCI Local shall provide SWBT with a PARS that calculates the Amount Due SWBT as set forth in Section 9.1.
- 9.5.2 SWBT shall provide MCI Local with a PARS that calculates the Amount Due MCI Local as set forth in Section 9.3.

## **10.0 Settlement Due Date**

- 10.1 If the Amount Due SWBT, as set forth in the PARS is a positive number, MCI Local shall pay the Amount Due SWBT by the last day of the month following the calendar month of activity. If the Amount Due SWBT is a negative number, SWBT shall pay MCI Local the Amount Due SWBT within 30 days of the receipt of the PARS. Payment will be made by wire transfer unless otherwise agreed to by the Parties.

Legend:

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- 10.2 If the Amount Due MCI Local, as set forth in the PARS is a positive number, SWBT shall pay the Amount Due MCI Local by the last day of the month following the calendar month of activity. If the Amount Due MCI Local is a negative number, MCI Local shall pay SWBT within 30 days of the receipt of the PARS. Payments will be made by wire transfer unless otherwise agreed to by the Parties.
- 10.3 If the due date falls on a Saturday, Sunday or bank holiday, the due date shall be the first non-holiday day following such Saturday, Sunday or bank holiday.
- 10.4 Any payment received after the due date shall be subject to a Late Payment Charge. The Late Payment Charge shall be the portion of the Amount Due SWBT or the Amount due MCI Local, whichever is applicable, that is received after the payment date, multiplied by a late factor. The late factor shall be a 0.033% daily charge, not compounded, or as otherwise mandated by regulatory or governmental authorities. Any Late Payment Charge shall be included in the next applicable payment.
- 10.5 Should either Party dispute any portion of the amount due, the Party shall notify the other Party in writing of the nature and basis of the dispute as soon as possible and prior to the due date. The Parties shall use their best efforts to resolve the dispute prior to the due date.

#### **11.0 Data Retention**

- 11.1 MCI Local shall be responsible for retaining backup copies of SWBT Non-CATS Messages that have been received from SWBT, rated by MCI Local, and sent to SWBT as described in Section 3.5, for a minimum retention period of 90 days from the date the rated records were originally sent to SWBT ("MCI Local Transmission Date").
- 11.1.1 If rated SWBT Non-CATS Message data is determined to be lost, damaged, destroyed or otherwise unreadable within 90 days of the MCI Local Transmission Date, then:
- 11.1.1.1 SWBT will attempt, if possible to recover the EMR record detail and process the messages.
- 11.1.1.2 In the event data cannot be recovered by SWBT, SWBT will request a back-up tape or transmission from MCI Local.
- 11.1.2 If for any reason SWBT chooses not to bill and collect traffic that can be recovered through back-up provided by MCI Local within 90 days of the MCI Local Transmission Date; or if it is determined that data was lost, damaged, destroyed or unreadable due to SWBT errors or omissions and it has been more than 90 days since the MCI Local Transmission Date, then:

Legend:

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- 11.1.2.1 SWBT shall pay MCI Local for the rated value of SWBT Non-CATS Messages less an estimated amount for rejects, unbillables, adjustments, uncollectibles and B&C charges. If the actual rated value of the messages is unknown or cannot be determined, an estimated value will be determined by utilizing the average transmission amount from the most recent 3 months.
- 11.2 SWBT shall be responsible for retaining backup copies of MCI Local CATS Messages and MCI Local Non-CATS Messages that have been rated and sent to MCI Local as described in Section 3.1, for a minimum retention period of 90 days from the date the data was originally sent to MCI Local ("SWBT Transmission Date").
  - 11.2.1 If MCI Local CATS Message and MCI Local Non-CATS Message data is determined to be lost, damaged, destroyed or otherwise unreadable within 90 days after the SWBT Transmission Date, then:
    - 11.2.1.1 MCI Local will attempt, if possible to recover the EMR record detail and process the messages.
    - 11.2.1.2 In the event data cannot be recovered by MCI Local, MCI Local will request a back-up tape or transmission from SWBT.
  - 11.2.2 If for any reason MCI Local chooses not to bill and collect traffic that can be recovered through backup provided by SWBT within 90 days of the SWBT Transmission Date; or if it is determined that data was lost, damaged, destroyed or unreadable due to MCI Local errors or omissions and it has been more than 90 days since the SWBT Transmission Date, then:
    - 11.2.2.1 MCI Local shall pay SWBT for the rated MCI Local CATS and MCI Local Non-CATS Messages less an estimated amount for rejects, unbillables, adjustments, uncollectibles and B&C charges. If the actual rated value of the messages is unknown or cannot be determined, an estimated value will be determined by utilizing the average transmission amount from the most recent 3 months.
- 11.3 SWBT shall be responsible for retaining backup copies of non-rated SWBT Non-CATS Message detail that is to be sent to MCI Local, as set forth in Section 3.5, for a minimum retention period of 12 months from the original traffic date.
  - 11.3.1 If it is determined within 90 days of the original traffic date that SWBT Non-CATS Message data was never sent to MCI Local, was lost, damaged or destroyed, or was otherwise unreadable by MCI Local , then:
    - 11.3.1.1 SWBT will attempt to recover (where applicable) the unrated SWBT Non-CATS Message detail and forward to MCI Local via the procedures outlined in Section 3.5.

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- 11.3.1.2 In the event unrated SWBT Non-CATS Message detail cannot be recovered by SWBT and forwarded to MCI Local, then SWBT shall pay MCI Local for the estimated rated value of SWBT Non-CATS Messages less an estimated amount for rejects, unbillables, adjustments, uncollectibles and B&C charges. The estimated value of the unrecoverable messages will be determined by utilizing the average transmission amount from the most recent 3 months.
- 11.3.2 If it is determined more than 90 days after the original traffic date, that unrated SWBT Non-CATS Messages were never forwarded to MCI Local; or were lost, damaged or destroyed due to SWBT's error or omission; or otherwise unreadable by MCI Local due to SWBT's error or omission, then:
- 11.3.2.1 SWBT shall pay MCI Local for the estimated rated value of SWBT Non-CATS Messages less an estimated amount for rejects, unbillables, adjustments, uncollectibles and B&C charges. The estimated value of the messages will be determined by utilizing the average transmission amount from the most recent 3 months.

## **12.0 Compensation for Transporting LECs**

To the extent contemplated by this Attachment, SWBT shall compensate the Transporting LECs for messages originating outside of Customer's network.

## **13.0 SWBT Settlement with CMDS Hosted LECs**

That portion of the Amount Due SWBT and Amount Due MCI Local, calculated as set forth in Sections 9.1 and 9.3, attributable to LECs for which SWBT is the CMDS Host, shall be settled between SWBT and the LECs as set forth in the agreement under which SWBT provides the CMDS Hosting Service to the LEC.

## **14.0 Taxes**

- 14.1 SWBT shall, in conjunction with the services provided under this Attachment for SWBT Non-CATS Messages:
- 14.1.1 Determine and calculate, bill to and collect from SWBT Subscribers, and remit to MCI Local, all applicable federal, state, or local sales, use, excise or other taxes and tax like charges imposed on or with respect to MCI Local's charges, including MCI Local-computed surcharges (hereinafter the above referenced taxes and charges are collectively referred to as "Tax(es)").
- 14.1.2 SWBT shall be responsible for determining the tax exempt status of any End User. It is recognized that SWBT is merely acting as MCI Local's agent with respect to billing and collecting Taxes hereunder. SWBT shall not be entitled to retain or receive from MCI Local any statutory fee or share of Taxes to which the party collecting such Taxes is entitled under applicable law.

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- 14.1.3 MCI Local shall file all applicable returns due for Taxes with the appropriate taxing authority and pay or remit the applicable Taxes due to the appropriate taxing authority.
- 14.1.4 Any communications from SWBT Subscribers relating to Taxes shall be the responsibility of MCI Local. All determinations as to the removal, addition, or adjustment of Taxes to be billed SWBT Subscribers also shall be the responsibility of MCI Local.
- 14.1.5 All communications with taxing authorities regarding Taxes applicable to MCI Local's charges shall be the responsibility of MCI Local.
- 14.1.6 Notwithstanding any other provision of this Attachment to the contrary, SWBT shall provide MCI Local one report of all Taxes collected on behalf of MCI Local for each taxing jurisdiction on a regular basis, but no less than monthly, in a machine readable medium in a format prescribed by MCI Local within 30 days after MCI Local provides SWBT the specifications for the report.
- 14.1.7 MCI Local will indemnify and hold SWBT harmless from and against any liability resulting from any Taxes, penalties and interest relating to or arising out of MCI Local's failure to pay any Tax or file any return as required by law.
- 14.1.8 MCI Local shall, at its option and expense (including, if required by a taxing authority, paying any Tax, penalty and interest prior to final resolution of the issue), have the right to seek administrative relief, a ruling, judicial review (original or appellate level) or other appropriate review (in a manner deemed appropriate by MCI Local), as to the applicability of any Tax, penalty or interest, or to protest any assessment and direct any legal challenge to such assessment, but shall be liable hereunder for any amount of Tax ultimately determined to be due.
- 14.1.9 Notwithstanding Section 14.1.7 above, such indemnity is conditioned upon SWBT providing MCI Local sufficient notification of any proposed assessment of additional Taxes, penalty or interest to afford MCI Local the opportunity to seek administrative relief, a ruling, judicial review (original and appellate) or other appropriate review of the applicability of any Tax prior to the assessment of additional Taxes.
- 14.1.10 When requested by MCI Local and at MCI Local's expense, SWBT shall cooperate or participate with MCI Local in any proceeding, protest or legal challenge, and if SWBT's participation is not requested by MCI Local, SWBT may participate (but not control), at its own expense, in any such proceeding, protest or legal challenge.
- 14.1.11 Any consideration for the billing and collection services provided to MCI Local by SWBT under this Attachment is exclusive of all federal, state and local sales, use or other taxes of a similar nature imposed on billing and collection services ("B&C taxes"). MCI Local will pay any applicable B&C taxes (except any taxes or tax-

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related surcharges based on SWBT's income, net worth, franchise or property, which shall be borne solely by SWBT), provided that such B&C taxes are due by law from a purchaser of the services and properly invoiced. If MCI Local provides SWBT with a duly authorized direct pay or exemption certificate, SWBT will exempt MCI Local in accordance with law, effective on the date that SWBT receives the certificate.

14.2 MCI Local shall, in conjunction with the services provided under this Attachment for MCI CATS Messages and MCI Local Non-CATS Messages:

- 14.2.1 Determine and calculate, bill to and collect from MCI Local Subscribers, and remit to SWBT, all applicable federal, state, or local sales, use, excise or other taxes and tax like charges imposed on or with respect to SWBT charges, including SWBT Local-computed surcharges (hereinafter the above referenced taxes and charges are collectively referred to as "Tax(es)").
- 14.2.2 MCI Local shall be responsible for determining the tax exempt status of any MCI Local Subscriber. It is recognized that MCI Local is merely acting as SWBT's agent with respect to billing and collecting Taxes hereunder. MCI Local shall not be entitled to retain or receive from SWBT any statutory fee or share of Taxes to which the party collecting such Taxes is entitled under applicable law.
- 14.2.3 SWBT shall file all applicable returns due for Taxes with the appropriate taxing authority and pay or remit the applicable Taxes due to the appropriate taxing authority.
- 14.2.4 Any communications from MCI Local Subscribers relating to Taxes shall be the responsibility of SWBT. All determinations as to the removal, addition, or adjustment of Taxes to be billed MCI Local Subscribers also shall be the responsibility of SWBT.
- 14.2.5 All communications with taxing authorities regarding Taxes applicable to SWBT's charges shall be the responsibility of SWBT.
- 14.2.6 Notwithstanding any other provision of this Attachment to the contrary, MCI Local shall provide SWBT one report of all Taxes collected on behalf of SWBT for each taxing jurisdiction on a regular basis, but no less than monthly, in a machine readable medium in a format prescribed by SWBT within 30 days after SWBT provides MCI Local the specifications for the report.
- 14.2.7 SWBT will indemnify and hold MCI Local harmless from and against any liability resulting from any Taxes, penalties and interest relating to or arising out of SWBT's failure to pay any Tax or file any return as required by law.
- 14.2.8 SWBT shall, at its option and expense (including, if required by a taxing authority, paying any Tax, penalty and interest prior to final resolution of the issue), have the right to seek administrative relief, a ruling, judicial review (original or appellate level)

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or other appropriate review (in a manner deemed appropriate by SWBT), as to the applicability of any Tax, penalty or interest, or to protest any assessment and direct any legal challenge to such assessment, but shall be liable hereunder for any amount of Tax ultimately determined to be due.

- 14.2.9 Notwithstanding Section 14.2.7 above, such indemnity is conditioned upon MCI Local providing SWBT sufficient notification of any proposed assessment of additional Taxes, penalty or interest to afford SWBT the opportunity to seek administrative relief, a ruling, judicial review (original and appellate) or other appropriate review of the applicability of any Tax prior to the assessment of additional Taxes.
- 14.2.10 When requested by SWBT and at SWBT's expense, MCI Local shall cooperate or participate with SWBT in any proceeding, protest or legal challenge, and if MCI Local's participation is not requested by SWBT, MCI Local may participate (but not control), at its own expense, in any such proceeding, protest or legal challenge.
- 14.2.11 Any consideration for the billing and collection services provided to SWBT by MCI Local under this Attachment is exclusive of all federal, state and local sales, use or other taxes of a similar nature imposed on billing and collection services ("B&C taxes"). SWBT will pay any applicable B&C taxes (except any taxes or tax-related surcharges based on MCI Local's income, net worth, franchise or property, which shall be borne solely by MCI Local), provided that such B&C taxes are due by law from a purchaser of the services and properly invoiced. If SWBT provides MCI Local with a duly authorized direct pay or exemption certificate, MCI Local will exempt SWBT in accordance with law, effective on the date that MCI Local receives the certificate.

## **15.0 Audits and Examinations**

- 15.1 As used herein "Audit" shall mean a comprehensive review of services performed under this Attachment; "Examination" shall mean an inquiry into a specific element or process of services performed under this Attachment. Upon 60 days written notice by the requesting party ("Requesting Party") to the other party ("Non-Requesting Party"), the Requesting Party shall have the right to audit and examine, during normal business hours and at reasonable intervals to be mutually determined, the Non-Requesting Party's records, books and documents, as may reasonably contain information relevant to the operation of this Attachment; provided, however, neither Party may perform more than one Audit and more than one Examination of the other Party under this Attachment in any 12-month period. Within the above-described 60-day period, the Parties shall reasonably agree upon the scope of the Audit or Examination, the documents to be reviewed, and the time, place and manner in which the Audit or Examination shall be performed.
- 15.2 Each Party shall bear its own expenses occasioned by the Audit or Examination, provided that the expense of any special data extraction shall be borne by the Requesting Party.

Legend:

**\* Represents language which resulted from Arbitration Docket TO-2002-222**

Within the above-described 60-day period, the Parties may also agree that, in lieu of an Audit or Examination by the Requesting Party, the Non-Requesting Party shall conduct an internal review and provide the Requesting Party with the results of that review; as a further alternative, the Requesting Party may request that an Audit or Examination be conducted by an outside auditor. In the event of such outside Audit or Examination, the Requesting Party shall pay the fee of the outside auditor. In the event that the Non-Requesting Party requests that the Audit or Examination be performed by an outside auditor, the Requesting Party shall select and instruct such outside auditor in accordance with the above agreed-to procedures, and the costs shall be borne by the Non-Requesting Party.

- 15.3 Where the Parties agree that an Audit or Examination discloses error(s), any corrective action be undertaken within thirty (30) days of written notice of such errors(s). All information received or reviewed by the Requesting Party or its authorized representative in connection with the Audit or Examination is to be considered confidential and is not to be distributed, provided or disclosed in any form to anyone not involved in the Audit or Examination or the resolution of its findings (which may include any dispute resolution proceedings, including but not limited to mediation or judicial proceedings), nor is said information to be used for any other purposes. All information received or reviewed by the Requesting Party or its authorized representative in connection with any Audit or Examination that the Requesting Party desires to distribute, provide or disclose in any dispute resolution proceeding shall be subject to protective arrangements as reasonably agreed to by the Parties. The Non-Requesting Party reserves the right to require any non-employee who is involved directly or indirectly in any Audit or Examination or the resolution of its findings as described above to execute a non-disclosure agreement satisfactory to the Non-Requesting Party.

## 16.0 Confidentiality and Publicity

- 16.1 The Parties acknowledge that this Attachment contains commercially confidential information that may be considered proprietary by either or both Parties.
- 16.2 The types or categories of information intended to be covered by and protected under these paragraphs, without marking, are specifically designated by each Party below:
- 16.2.1 MCI Local Confidential Information (which does not require marking) includes:
- 16.2.1.1 MCI Local Subscriber PIC Identification;
- 16.2.1.2 MCI Local billing records in the electronic format submitted to SWBT for billing and MCI Local specific reports regarding such records provided by SWBT to MCI Local pursuant to this Attachment;
- 16.2.1.3 MCI Local's Subscriber traffic and usage data;
- 16.2.1.4 Advance MCI Local tariff filings provided to SWBT;

Legend:

**\* Represents language which resulted from Arbitration Docket TO-2002-222**

- 16.2.1.5 MCI Local specifications provided to SWBT in connection with billing and collection services;
- 16.2.1.6 Communications between SWBT and MCI Local relating to MCI Local's Subscribers;
- 16.2.1.7 Communications between MCI Local and its Subscribers;
- 16.2.1.8 Purchase of Accounts Receivable details
- 16.2.2 SWBT Confidential Information (which does not require marking) includes:
  - 16.2.2.1 SWBT Subscriber PIC Identification;
  - 16.2.2.2 SWBT billing records in the electronic format submitted to MCI Local for billing and SWBT specific reports regarding such records provided by MCI Local to SWBT pursuant to this Attachment;
  - 16.2.2.3 SWBT's Subscriber traffic and usage data;
  - 16.2.2.4 Advance SWBT tariff filings provided to MCI Local;
  - 16.2.2.5 SWBT specifications provided to MCI Local in connection with billing and collection services;
  - 16.2.2.6 Communications between MCI Local and SWBT relating to SWBT's Subscribers;
  - 16.2.2.7 Communications between SWBT and its Subscribers;
  - 16.2.2.8 Purchase of Accounts Receivable details
- 16.3 Confidential Information also includes information not specifically categorized above but which contains confidential information and has been identified or marked as such at the time it is disclosed to the other Party.
- 16.4 Except for information not subject to the terms and conditions herein because of its prior disclosure or permitted or consented disclosure as described below, Confidential Information of one Party ("Disclosing Party") that is possessed by the other Party ("Receiving Party"), shall be treated in accordance with the following terms and conditions.
- 16.5 The Receiving Party shall put in place and strictly enforce (using all of its prerogatives, including dismissal of contractors) procedures to ensure that its employees, contractors or agents are aware of and fulfill the obligations under this Section 16 to hold the Disclosing Party's Confidential Information in confidence.

Legend:

**\* Represents language which resulted from Arbitration Docket TO-2002-222**

- 16.6 Confidential Information described above shall, consistent with the terms herein, be held in confidence by the Receiving Party and its employees, contractors or agents, shall be treated with the same degree of care as the Receiving Party would treat its own Confidential Information and, consistent therewith, shall not be disclosed to third persons but may be disclosed to agents who have a need for it; shall be used only for the purposes stated herein; and may be used or disclosed for other purposes only upon such terms and conditions as may be mutually agreed upon by the Parties in writing.
- 16.7 Each Party agrees to give notice to the other Party of any demand to disclose or provide Confidential Information of said other Party to any Third Party, under lawful process, prior to disclosing or furnishing such Confidential Information, and the Receiving Party agrees to reasonably cooperate if the Disclosing Party deems it necessary to seek protective arrangements.
- 16.8 Notwithstanding any other provision of this Attachment to the contrary, Confidential Information shall not be deemed confidential or proprietary and the Receiving Party shall have no obligation to prevent disclosure of such Confidential Information if such Confidential Information:
- 16.8.1 Is already known to the Receiving Party;
  - 16.8.2 Is or becomes publicly known, through publication, inspection of the product, or otherwise and through no wrongful act of Receiving Party;
  - 16.8.3 Is received from a Third Party without similar restriction and without breach of this Section 16;
  - 16.8.4 Is independently developed, produced, or generated by Receiving Party;
  - 16.8.5 Is furnished to a Third Party by the Disclosing Party without a similar restriction on the Third Party's rights; or
  - 16.8.6 Is approved for release by written authorization of the Disclosing Party.
- 16.9 Upon request, the Receiving Party will return all Confidential Information to the Disclosing Party or destroy all such Confidential Information. If the Receiving Party elects to destroy the Confidential Information, they shall notify the Disclosing Party in writing within thirty (30) days that the Confidential Information has in fact been destroyed.
- 16.10 The obligations to maintain confidentiality of received Confidential Information set forth in this Section 16 shall survive expiration of the Agreement by a further term of three years.

Legend:

**\* Represents language which resulted from Arbitration Docket TO-2002-222**

- 16.11 Except as otherwise provided in this Agreement, neither Party shall publish or use the other Party's name, language, pictures or symbols from which the other Party's name may be reasonably inferred or implied in any advertising, promotion or any publicity matter relating to services provided under this Agreement without the express written permission of the other Party.

Legend:

**\* Represents language which resulted from Arbitration Docket TO-2002-222**



**Attachment 27: Alternately Billed Traffic**  
**Exhibit A – Rate Schedule**

**MCI Local Billing & Collection Charges**

Message Processing \$0.05 per Accepted Message

**SWBT Billing & Collection Charges**

Message Processing \$0.05 per Accepted Message

**SWBT Settlement Charge**

Settlement Processing \$0.016 per SWBT Non-CATS message\*

\* where billed end user is a local subscriber to a LEC other than SWBT for whom SWBT is the CMDS Host.

Legend:

**\* Represents language which resulted from Arbitration Docket TO-2002-222**

**AMENDMENT  
SUPERSEDING CERTAIN RECIPROCAL COMPENSATION,  
INTERCONNECTION AND TRUNKING TERMS**

This Amendment Superseding Certain Reciprocal Compensation, Interconnection and Trunking Terms (Amendment) is applicable to this and any future Interconnection Agreement between Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company d/b/a Ameritech Michigan, The Ohio Bell Telephone Company, Wisconsin Bell Inc. d/b/a Ameritech Wisconsin, Nevada Bell Telephone Company d/b/a SBC Nevada Bell Telephone Company, Pacific Bell Telephone Company d/b/a SBC Pacific Bell Telephone Company, The Southern New England Telephone Company, and Southwestern Bell Telephone, L.P. d/b/a Southwestern Bell Telephone Company and any of its future affiliates or subsidiaries which are the Incumbent Local Exchange Carrier (hereinafter "ILEC") and Brooks Fiber Communications of Arkansas, Inc., Brooks Fiber Communications of Bakersfield, Inc., Brooks Fiber Communications of Connecticut, Inc., Brooks Fiber Communications of Fresno, Inc., Brooks Fiber Communications of Michigan, Inc., Brooks Fiber Communications of Missouri, Inc., Brooks Fiber Communications of Nevada, Inc., Brooks Fiber Communications of Ohio, Inc., Brooks Fiber Communications of Oklahoma, Inc., Brooks Fiber Communications of Sacramento, Inc., Brooks Fiber Communications of San Jose, Inc., Brooks Fiber Communications of Stockton, Inc., Brooks Fiber Communications of Texas, Inc., Brooks Fiber Communications of Tulsa, Inc.; MCImetro Access Transmission Services LLC, f/n/a MCImetro Access Transmission Services, Inc. or MCI Access Transmission Services, Inc. or MCImetro ATS, Inc.; MCI WORLDCOM Communications, Inc., f/k/a MFS Communications Company, Inc. or MFS Intelenet of Connecticut, Inc. or WorldCom Technologies, Inc. or MCI WorldCom Technologies, Inc., and any of its future affiliates or subsidiaries which are a Certified Local Exchange Carrier (hereinafter "CLEC") in: California, Nevada, Texas, Missouri, Oklahoma, Kansas, Arkansas, Illinois, Wisconsin, Michigan, Indiana, Ohio, or Connecticut through May 31, 2004, whether negotiated, arbitrated, or arrived at through the exercise of Section 252 (i) "Most Favored Nation" (MFN) rights. ILEC and CLEC may be referred to individually as "Party" or collectively as the "Parties".

WHEREAS, ILEC and CLEC entered into an interconnection agreement pursuant to Sections 251 and 252 of the Communications Act of 1934, as amended (the "Act") that was approved by the state commission (the "ICA"); and

WHEREAS, for the states of California, Nevada, Texas, Missouri, Oklahoma, Kansas, Arkansas, Illinois, Wisconsin, Michigan, Indiana, Ohio or Connecticut the Parties wish to amend, modify and supersede certain compensation, interconnection and trunking provisions of the ICAs that are addressed in this Amendment and also incorporate the terms of this Amendment in future interconnection agreements between the Parties in such states through May 31, 2004.

NOW, THEREFORE, for and in consideration of the premises, mutual promises and covenants contained in this Amendment, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows: