

## APPENDIX DATA EXCHANGE FOR THE DISTRIBUTION OF INTRALATA MESSAGE DETAIL AND/OR THE SETTLEMENT OF INTRALATA MESSAGE REVENUE

This Appendix is for the Settlement of Non-Calling Card and Third Number Settlement ("CATS") System Messages ("Appendix").

WHEREAS, the Parties desire to settle all Non-CATS Messages as set forth in this Appendix; and

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the Parties hereby agree as follows:

### 1. DEFINITIONS

- 1.1 "AT&T CALIFORNIA" - As used herein, AT&T CALIFORNIA means Pacific Bell Telephone Company d/b/a AT&T California (and previously referred to as "SBC California"), the applicable AT&T-owned ILEC doing business in California.
- 1.2 "AT&T CALIFORNIA Calling Card Messages" means messages where (i) the charges are billed to a telecommunications line number based calling card issued by AT&T CALIFORNIA, (ii) the Transporting LEC is Customer, and (iii) the originating number and the line number on the calling card are located in the same Bellcore Client Company territory.
- 1.3 "AT&T CALIFORNIA Collect Messages" means messages where the charges are billed to the called end user who is a AT&T CALIFORNIA Subscriber and where the Transporting LEC is Customer.
- 1.4 "AT&T CALIFORNIA Non-CATS Messages" means AT&T CALIFORNIA Collect Messages, AT&T CALIFORNIA Calling Card Messages and/or AT&T CALIFORNIA Third Number Billed Messages as those terms are defined herein.
- 1.5 "AT&T CALIFORNIA Subscriber" means an end user who has authorized AT&T CALIFORNIA to provide the end user with local exchange service or who has billed an intraLATA call to a telecommunications calling card issued by AT&T CALIFORNIA.
- 1.6 "AT&T CALIFORNIA Third Number Billed Messages" means messages where (i) the charges are billed to a AT&T CALIFORNIA Subscriber's telephone number that is not the originating or terminating telephone number, (ii) the Transporting LEC is Customer, and (iii) the originating and billed telephone numbers are located in the same Bellcore Client Company territory.
- 1.7 "Bellcore Client Company" means AT&T CALIFORNIA and any Bell Operating Company as defined in Section 153 of the Communications Act of 1934, as amended.
- 1.8 "CMDS Host" means the Bellcore Client Company that is a CMDS direct participant that acts on behalf of a LEC to distribute end user message detail through CMDS and, where applicable, to settle end user message detail through BOC CATS.
- 1.9 "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. Records included in this process are intraLATA Calling Card Messages and/or Third Number Billed Messages that originate in one Bellcore Client Company territory and is billable to an end user in another Bellcore Client Company territory.
- 1.10 "Centralized Message Data System I" ("CMDS") means the industry-wide data collection system located in Missouri, which handles the daily exchange of toll message details between CMDS participating telephone companies (also known as CMDS direct participants). AT&T CALIFORNIA is a CMDS direct participant.
- 1.11 "Customer Calling Card Messages" means messages where (i) the charges are billed to a telecommunications line number based calling card issued by Customer, (ii) the Transporting LEC is AT&T

CALIFORNIA, and (iii) the originating number and the line number on the calling card are located in the same Bellcore Client Company territory.

- 1.12 **"Customer Collect Messages"** means messages where the charges are billed to the called end user who is a Customer Subscriber and where the Transporting LEC is AT&T CALIFORNIA.
- 1.13 **"Customer Non-CATS Messages"** means Customer Collect Messages, Customer Calling Card Messages and/or Customer Third Number Billed Messages as those terms are defined herein.
- 1.14 **"Customer Subscriber"** means an end user who has authorized Customer to provide the end user with local exchange service in California or who has billed an intraLATA call to a telecommunications calling card that is based on a California telephone number issued by the Customer.
- 1.15 **"Customer Third Number Billed Messages"** means messages where (i) the charges are billed to a Customer Subscriber's telephone number that is not the originating or terminating telephone number, (ii) the Transporting LEC is AT&T CALIFORNIA, and (iii) the originating and billed telephone numbers are located in the same Bellcore Client Company territory.
- 1.16 **"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.
- 1.17 **"Local Exchange Carrier" ("LEC")** means a carrier authorized to provide local, exchange access and intraLATA toll services.
- 1.18 **"Transporting LEC"** means the LEC on whose network an end user originates a call.

## 2. SCOPE OF AGREEMENT

- 2.1 This Appendix specifies the rights and obligations of the Parties with respect to (i) the distribution and/or settlement of Customer Non-CATS Messages where AT&T CALIFORNIA and (ii) the settlement of AT&T CALIFORNIA Non-CATS Messages where Customer is the Transporting LEC.
- 2.2 This Appendix includes the following Exhibits which are incorporated herein by this reference:
  - 2.2.1 Exhibit A - Rate Schedule
  - 2.2.2 Exhibit B - Non-CMDS Outcollect Report
- 2.3 Except as expressly provided otherwise, the definitions set forth in Section 1 above shall govern all parts of this Appendix.

## 3. DESCRIPTION OF SERVICES

- 3.1 AT&T CALIFORNIA shall forward Customer Non-CATS Messages to Customer. AT&T CALIFORNIA shall forward Rejected Messages and Unbillable Messages as defined in Section 4.4 below, to Customer. All message detail shall be EMI industry standard format and shall be exchanged at agreed upon intervals.
  - 3.1.1 Customer shall obtain a dedicated RAO code. The RAO code will be used to exchange messages between Customer and AT&T CALIFORNIA. Customer shall inform AT&T CALIFORNIA whether Customer is designating itself or an agent for receipt of Customer's messages by completing AT&T CALIFORNIA's "Technical Requirements" packet. Thereafter, Customer may change its designation only by completing a new AT&T CALIFORNIA "Technical Requirement" packet. Customer may not designate more than one entity to receive its Messages under this Appendix. If Customer has executed a Meet Point Billing ("MPB") agreement with AT&T CALIFORNIA and has informed AT&T CALIFORNIA of Customer's designation under this Appendix, Customer may not make a different designation under the Appendix, and the designation under the MPB agreement will apply to the Messages governed hereunder. Customer expressly understands that all of its Messages – both under this Appendix and its MPB agreement – must be directed to a single entity.

- 3.2 This Appendix does not cover the distribution, settlement or billing of 900/976 calls transported by AT&T CALIFORNIA pursuant to Schedule Cal. P.U.C. Nos. A.9.5.3 and A.9.5.2 ("California 900/976 Messages") that originate from a Customer Subscriber's telephone number. Customer shall block access of its Subscribers to California 900/976 numbers. Customer shall be liable for the value of all completed California 900/976 Messages originating from a Customer Subscriber's telephone number. AT&T CALIFORNIA shall include the value of all such completed California 900/976 Messages in the Net Amount Due calculation set forth in Section 4.5 below.
- 3.3 Customer shall forward AT&T CALIFORNIA Non-CATS Messages to AT&T CALIFORNIA. Customer shall forward Unbillable Messages as defined in Section 4.2 below, to AT&T CALIFORNIA. All message detail shall be EMI industry standard format and shall be exchanged at agreed upon intervals.
- 3.4 AT&T CALIFORNIA and Customer shall exercise good faith efforts to bill and collect all amounts due from its Subscribers for messages distributed under this Appendix. AT&T CALIFORNIA and Customer warrant that the billing and collection for messages distributed under this Appendix shall be at a performance level no less than the party uses for the billing of its own local exchange services, which in no event shall be inconsistent with generally accepted industry standards of operation for the provision of billing and collection services. AT&T CALIFORNIA and Customer further agree that the billing and collection process for messages distributed under this Appendix shall comply with all relevant legal, regulatory and legislative authorities.
- 3.5 The exchange of message detail between AT&T CALIFORNIA and Customer shall be based on any mutually acceptable medium.

#### 4. SETTLEMENT ARRANGEMENT

- 4.1 For Customer Non-CATS Messages billed to Customer Subscribers that AT&T CALIFORNIA forwards to Customer, AT&T CALIFORNIA shall calculate the amount due based on the following formula:

Rated Value of Customer Non-CATS Messages

- Rejected/Unbillable Messages
- Customer Billing Charge

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= Amount Due AT&T CALIFORNIA

- 4.2 As used in Subsection 4.1 above the following terms are defined as set forth below:

4.2.1 Rated Value of Customer Non-CATS Messages means the total computed charges for Customer Non-CATS based on the Transporting LEC's schedule of rates.

4.2.2 Rejected Messages means the rated value of Customer Non-CATS Messages that failed to pass the edits within the CMDS system and were returned to AT&T CALIFORNIA.

4.2.3 Unbillable Messages means the rated value of Customer Non-CATS Messages that were not billable to a Customer Subscriber because of missing information in the billing record or other billing error, not the result of an error by Customer or Customer's CMDS Host, that are returned in a timely fashion to AT&T CALIFORNIA through CMDS.

4.2.4 Customer Billing Charge means the Customer per message billing rate, as set forth in Exhibit A, times the number of Customer Non-CATS Messages forwarded by AT&T CALIFORNIA to CMDS.

- 4.3 For AT&T CALIFORNIA Non-CATS messages billed to AT&T CALIFORNIA Subscribers that Customer forwards to AT&T CALIFORNIA, Customer shall calculate the amount due based on the following formula:

Rated Value of AT&T CALIFORNIA Non-CATS Messages

- Unbillable Messages
- AT&T CALIFORNIA Billing Charge

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= Amount Due Customer

- 4.4 As used in Subsection 4.3 above the following terms are defined as set forth below:
- 4.4.1 Rated Value of AT&T CALIFORNIA Non-CATS Messages means the total computed charges for AT&T CALIFORNIA Non-CATS Messages based on Customer's schedule of rates.
- 4.4.2 Unbillable Messages means the rated value of AT&T CALIFORNIA Non-CATS Messages that were not billable to a AT&T CALIFORNIA Subscriber because of missing information in the billing record or other billing error, not the result of an error by AT&T CALIFORNIA, that are returned by AT&T CALIFORNIA in a timely fashion to Customer.
- 4.4.3 AT&T CALIFORNIA Billing Charge means the AT&T CALIFORNIA per message billing rate, as set forth in Exhibit A, times the number of AT&T CALIFORNIA Non-CATS Messages received by AT&T CALIFORNIA.
- 4.5 Within 15 business days following the end of each calendar month, AT&T CALIFORNIA shall provide Customer with a Non-CMDS Outcollect Report in the form of Exhibit B. The report shall include the following information:
- Customer Non-CATS Messages (by number and associated rated value) forwarded by AT&T CALIFORNIA;
  - Customer Non-CATS Messages (by number and associated rated value) returned to AT&T CALIFORNIA as Rejected or Unbillable Messages;
  - Amount Due AT&T CALIFORNIA, as set forth in Subsection 4.1 above.
- 4.6 Customer shall have 30 days from receipt of the Non-CMDS Outcollect Report to pay the Net Amount Due penalty free. Payments shall be made by check unless otherwise agreed by the Parties.
- 4.6.1 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.
- 4.6.2 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 AT&T CALIFORNIA received after the payment date-times a late factor. The late factor shall be a 0.05% 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.
- 4.6.3 Should Customer dispute any portion of the amount due, Customer shall notify AT&T CALIFORNIA 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.

**EXHIBIT A**  
**RATE SCHEDULE**

|                         |                    |
|-------------------------|--------------------|
| Customer Billing Charge | \$ .05 per message |
|-------------------------|--------------------|

|   |                    |
|---|--------------------|
| <u>AT&amp;T CALIFORNIA</u> Billing Charge | \$ .05 per message |
|---|--------------------|

## EXHIBIT B

Billed By Company (e.g. XYZ)

NON-CMDS OUTCOLLECTS

(LC46 Report)

OCN:-----

Effective 3/1

|   | INTERSTATE       |          |                  |        | INTRASTATE       |             |                  |          |
|---|------------------|----------|------------------|--------|------------------|-------------|------------------|----------|
|   | INTRA<br># Msgs. | \$'s     | INTER<br># Msgs. | \$'s   | INTRA<br># Msgs. | \$'s        | INTER<br># Msgs. | \$'s     |
| Revenue Exch. Rcds                            |                  |          |                  |        |                  |             |                  |          |
| - Collectibles                                | 10               | 50.00    | 0                | 0      | 1000             | 10,000.00   | 10               | 10.00    |
| - Billing and<br>Collection (.05 per message) |                  | (\$ .50) |                  |        |                  | (\$ 50.00)  |                  | (\$ .50) |
| Recording Services                            | 15               |          | 11               |        | 22               |             | 19               |          |
| Sub-Total                                     | 26               | \$52.00  | 11               | 0      | 1032             | \$10,010.00 | 29               | \$9.50   |
| Msg. Processing charge @<br>.014 per msg.     |                  | \$ .26   |                  | \$ .11 |                  | \$ 10.32    |                  | \$ .29   |
| Total   |                  | \$52.26  |                  | \$ .11 |                  | \$10,020.32 |                  | \$ 9.79  |
|   | #<br>Messages    | MOU      | #<br>Messages    | MOU    | #                | MOU         | #<br>Messages    | MOU      |
| Access/Interconnection                        |                  |          |                  |        |                  |             |                  |          |
| - CABS – MOU                                  | 50               | 100      | 0                | 0      | 850              | 19,450      | 5                | 60       |
| - CABS Cancel                                 | 2                |          | 0                | 0      | 35               | 120         | 0                |          |
| End User Billing                              |                  |          |                  |        |                  |             |                  |          |
| - 800 Service                                 | 1                |          | 0                | 0      | 72               | 15          | 2                | 0        |
| - Errored Returns                             | 50               |          |                  |        |                  |             |                  |          |
| - Other Services                              | 0                | 0        | 0                | 0      | 60               | 45          |                  |          |

## NOTES:

- Assumption is that all settlements will be handled as Net-Settlements
- One report will be created for each tape transmitted and a copy will be sent with each tape.
- A monthly summary will be created. Work effort 8852.