

## APPENDIX OUT OF EXCHANGE TRAFFIC

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## APPENDIX OUT OF EXCHANGE TRAFFIC

### 1. DEFINITIONS

- 1.1 This Appendix sets for the terms and conditions necessary for the exchange of Out of Exchange Traffic (as defined in Section 1.2) and InterLATA Local Traffic exchanged pursuant to an FCC approved or court ordered InterLATA boundary waiver.
- 1.2 **SBC Communications Inc. (SBC)** means the holding company which directly or indirectly owns the following ILECs: Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, Nevada Bell Telephone Company d/b/a SBC Nevada, The Ohio Bell Telephone Company d/b/a SBC Ohio, Pacific Bell Telephone Company d/b/a SBC California, The Southern New England Telephone Company d/b/a SBC Connecticut, Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin.
- 1.3 **SBC-2STATE** - As used herein, **SBC-2STATE** means **SBC CALIFORNIA** and **SBC NEVADA**, the applicable SBC-owned ILEC(s) doing business in California and Nevada.
- 1.4 **SBC-12STATE** - As used herein, **SBC-12STATE** means **SBC SOUTHWEST REGION 5-STATE**, **SBC MIDWEST REGION 5-STATE** and **SBC-2STATE** the applicable SBC-owned ILEC(s) doing business in Arkansas, California, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas and Wisconsin.
- 1.5 **SBC CALIFORNIA** - As used herein, **SBC CALIFORNIA** means Pacific Bell Telephone Company d/b/a SBC California, the applicable SBC-owned ILEC doing business in California.
- 1.6 **SBC MIDWEST REGION 5-STATE** - As used herein, **SBC MIDWEST REGION 5-STATE** means Illinois Bell Telephone Company d/b/a SBC Illinois, Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana, Michigan Bell Telephone Company d/b/a SBC Michigan, The Ohio Bell Telephone Company d/b/a SBC Ohio, and/or Wisconsin Bell, Inc. d/b/a SBC Wisconsin, the applicable SBC-owned ILEC(s) doing business in Illinois, Indiana, Michigan, Ohio and Wisconsin.
- 1.7 **SBC NEVADA** - As used herein, **SBC NEVADA** means Nevada Bell Telephone Company d/b/a SBC Nevada, the applicable SBC-owned ILEC doing business in Nevada.
- 1.8 **SBC SOUTHWEST REGION 5-STATE** - As used herein, **SBC SOUTHWEST REGION 5-STATE** means Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas the applicable above listed ILEC(s) doing business in Arkansas, Kansas, Missouri, Oklahoma and Texas.
- 1.9 For purposes of this Appendix only, “**Out of Exchange LEC (OE-LEC)**” means **<SmartCom Telephone, L.L.C.>** operating within **SBC-12STATE**'s incumbent local exchange area and provides telecommunications services utilizing NPA-NXXs identified to reside in a Third Party Incumbent LEC's local exchange area.
- 1.10 For purposes of this Appendix only, “**Out of Exchange Traffic**” is defined as Local Calls, ISP-bound traffic, transit traffic, or intraLATA traffic to or from a non-SBC ILEC exchange area.

### 2. INTRODUCTION

- 2.1 For purposes of this Appendix, OE-LEC intends to operate and/or provide telecommunications services outside of **SBC-12STATE** incumbent local exchange areas and desires to interconnect OE-LEC's network with **SBC-12STATE**'s network(s).
- 2.2 For purposes of this Appendix, OE-LEC agrees to interconnect with **SBC-12STATE** pursuant to Section 251(a) of the Act.

- 2.3 The underlying Interconnection Agreement sets forth the terms and conditions pursuant to which SBC-12STATE agrees to provide CLEC with access to unbundled network elements (UNEs) under Section 251(c)(3) of the Act, Collocation under Section 251(c)(6) of the Act, Interconnection under Section 251(c)(2) of the Act and/or Resale under Section 251(c)(4) of the Act in SBC-12STATE's incumbent local exchange areas for the provision of CLEC's Telecommunications Services. The Parties acknowledge and agree that SBC-12STATE is only obligated to make available UNEs and access to UNEs under Section 251(c)(3) of the Act, Collocation under Section 251(c)(6) of the Act, Interconnection under Section 251(c)(2) of the Act and/or Resale under Section 251(c)(4) of the Act to CLEC in SBC-12STATE's incumbent local exchange areas. SBC-12STATE has no obligation to provide such UNEs, Collocation, Interconnection and/or Resale to CLEC for the purposes of CLEC providing and/or extending service outside of SBC-12STATE's incumbent local exchange areas. In addition, SBC-12STATE is not obligated to provision UNEs or to provide access to UNEs under Section 251(c)(3) of the Act, Collocation under Section 251(c)(6) of the Act, Interconnection under Section 251(c)(2) of the Act and/or Resale under Section 251(c)(4) of the Act and is not otherwise bound by any 251(c) obligations in geographic areas other than SBC-12STATE's incumbent local exchange areas. Therefore, the Parties understand and agree that the rates, terms and conditions set forth in SBC-12STATE's current Interconnection Agreement, and any associated provisions set forth elsewhere in CLEC's current Interconnection Agreement (including but not limited to the rates set forth in this Agreement associated with UNEs under Section 251(c)(3) of the Act, Collocation under Section 251(c)(6) of the Act, Interconnection under Section 251(c)(2) of the Act and/or Resale under Section 251(c)(4) of the Act), shall apply only to the Parties and be available to CLEC for provisioning telecommunication services within an SBC-12STATE incumbent local exchange area(s) in the State in which CLEC's current Interconnection Agreement with SBC-12STATE has been approved by the relevant state Commission and is in effect.

### 3. NETWORK MANAGEMENT

- 3.1 Each Party to this Appendix will be responsible for the accuracy and quality of its data as submitted to the respective Parties involved. Where SS7 connections exist, each Party will include the Calling Party Number (CPN) that truly and accurately reflect the location of the end user that originated and/or dialed the call in the information transmitted to the other for each call being terminated on the other's network. If one Party is passing CPN but the other Party is not properly receiving CPN, the Parties will work cooperatively to correct the problem. Where SS7 connections exist and the percentage of calls passed with CPN is greater than ninety percent (90%), all calls without CPN exchanged between the Parties will be billed as either Local Calls, ISP-bound traffic, FX Traffic, Optional EAS Traffic, or intraLATA Toll Traffic in direct proportion to the minutes of use (MOU) of calls exchanged with CPN. If the percentage of calls passed with CPN is less than ninety percent (90%), all calls passed without CPN will be billed as intraLATA switched access.
- 3.2 The Parties will work cooperatively to implement this Appendix. The Parties will exchange appropriate information (for example, maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the Government, escalation processes, etc.) to achieve this desired result.
- 3.3 Each Party will administer its network to ensure acceptable service levels to all users of its network services. Service levels are generally considered acceptable only when End Users are able to establish connections with little or no delay encountered in the network. Each Party will provide a 24-hour contact number for network traffic management issues to the other's surveillance management center.
- 3.4 Each Party maintains the right to implement protective network traffic management controls, such as "cancel to", "call gapping" or 7-digit and 10-digit code gaps, to selectively cancel the completion of traffic over its network, including traffic destined for the other Party's network, when required to protect the public-switched network from congestion as a result of occurrences such as facility failures, switch

congestion or failure or focused overload. Each Party shall immediately notify the other Party of any protective control action planned or executed.

- 3.5 Where the capability exists, either Party may implement originating or terminating traffic reroutes to temporarily relieve network congestion due to facility failures or abnormal calling patterns. Reroutes shall not be used to circumvent normal trunk servicing. Such alternative routing shall be used only when mutually agreed to by the Parties
- 3.6 The Parties shall cooperate and share pre-planning information regarding cross-network call-ins expected to generate large or focused temporary increases in call volumes to prevent or mitigate the impact of these events on the public-switched network, including any disruption or loss of service to the other Party's End Users. Facsimile (FAX) numbers must be exchanged by the Parties to facilitate event notifications for planned mass calling events.
- 3.7 The Parties agree that, unless otherwise mutually negotiated, the quality of such network connections shall be equal to that of the existing facilities that are jointly provided by each Party.
- 3.8 Joint planning and forecasting responsibilities shall be governed by the underlying agreement.

#### 4. NETWORK CONNECTIONS FOR OUT OF EXCHANGE TRAFFIC

- 4.1 OE-LEC represents that it operates as a CLEC within SBC-12STATE exchange areas and has a Point of Interconnection ("POI") located within SBC-12STATE exchange areas for the purpose of providing telephone exchange service and exchange access in such SBC-12STATE exchange areas. Based upon the foregoing, the Parties agree that SBC-12STATE's originating traffic will be delivered to OE-LEC's existing POI arrangements in the LATA where the traffic originates in accordance with the POI requirements set forth in this Agreement. SBC-12STATE will accept OE-LEC's Out of Exchange Traffic at its tandem switch over local interconnection facilities that currently exist or may exist in the future between the Parties to or from OE-LEC's out of exchange areas to or from SBC-12STATE's end offices. When such Out of Exchange Traffic is Local Calls and ISP-bound traffic that is exchanged between the end users of OE-LEC and SBC-12STATE, the Parties agree to establish a Direct Final ("DF") end office trunk group when traffic levels exceed one DS1 (24 DS0s) to or from an SBC-12STATE End Office. When such Out of Exchange Traffic is Transit Traffic as defined in the underlying Agreement, OE-LEC agrees to establish a Direct End Office Trunk group ("DEOT") to any third party carrier's end office when traffic levels exceed one DS1 (24 DS0s) to or from that end office.
- 4.2 The Parties agree, that at a minimum, OE-LEC shall establish a trunk group for Local Calls, ISP-bound traffic and IntraLATA traffic from OE-LEC to each SBC-12STATE serving tandem in a LATA. This requirement may be waived upon mutual agreement of the parties.
- 4.3 Transport facilities for 911, mass calling, OS/DA and Meet Point trunking are the responsibility of OE-LEC from OE-LEC to the serving tandem or platform that provides each such service type.
- 4.4 OE-LEC shall route originating Local Calls, ISP-bound traffic, and IntraLATA Toll Calls to the serving tandem as defined by the tandem owner in the LERG.
- 4.5 If SBC-12STATE is not the serving tandem as reflected in the LERG, the OE-LEC may route Local Calls, ISP-Bound Traffic and/or IntraLATA traffic destined for End Office that subtend an SBC-12STATE tandem directly to the serving SBC-12STATE tandem or End Office, as described by Bellcore Notes On The Networks, upon mutual agreement of the Parties. Such tandem routing of other traffic types may be considered and effected upon mutual agreement of the Parties.
- 4.6 Except as otherwise provided in this Appendix, the Parties understand and agree that SBC-12STATE, upon ten (10) calendar days notice to OE-LEC, may block any traffic that is improperly routed by OE-LEC over any trunk groups to SBC-12STATE and/or which is routed outside of the mutual agreement of the Parties.

- 4.7 SBC-12STATE shall not compensate any Third Party local exchange carrier and/or Telecommunications Carrier for any traffic that is inappropriately routed to SBC-12STATE (as reflected in the LERG). Any compensation due SBC-12STATE for such misrouted traffic shall be paid by OE-LEC. The appropriateness of such routing and the correct SBC-12STATE serving tandems are reflected by SBC-12STATE in the LERG. This also includes traffic that is destined to End Offices that do not subtend SBC-12STATE tandem. SBC-12STATE shall provide notice to OE-LEC pursuant to the Notices provisions of this Agreement that such misrouting has occurred. In the notice, OE-LEC shall be given thirty (30) calendar days to cure such misrouting or such traffic will be blocked.
- 4.8 Neither Party shall deliver traffic destined to terminate at the other Party's End Office via a Third Party ILEC's End Office or Tandem.
- 4.9 Connection of a trunk group from OE-LEC to SBC-12STATE's tandem(s) will provide OE-LEC accessibility to End Offices, IXCs, LECs, WSPs and NXXs which subtend that tandem(s). Connection of a trunk group from one Party to the other Party's End Office(s) will provide the connecting Party accessibility only to the NXXs served by that individual End Office(s) to which the connecting Party interconnects. Direct End Office Trunk groups that connect the Parties End Office(s) shall provide the Parties accessibility only to the NXXs that are served by that End Office(s).
- 4.10 SBC-12STATE will open OE-LEC NPA-NXX codes, rated to or identified to reside in non-SBC-12STATE exchange areas, in SBC-12STATE Tandems and End Offices in accordance with the terms and conditions of the underlying agreement.

## 5. LOCAL CALL COMPENSATION

- 5.1 The compensation arrangement for Local Call(s) exchanged between the Parties shall be as set forth in the underlying Agreement.

## 6. TRANSIT TRAFFIC COMPENSATION

- 6.1 The terms and conditions for Transit Traffic exchanged between the Parties shall be as set forth in the underlying Agreement.
- 6.2 In SBC SOUTHWEST REGION 5-STATE the transiting rate is outlined in Appendix Pricing as Transiting-Out of Region.
- 6.3 In the SBC MIDWEST REGION 5-STATE, SBC CALIFORNIA and SBC NEVADA the transiting rate is outlined in Appendix Pricing as Transiting Service.

## 7. INTRASTATE INTRALATA INTERCOMPANY TRAFFIC

- 7.1 The compensation arrangement for Intrastate IntraLATATraffic exchanged between the Parties shall be as set forth in the underlying Agreement.

## 8. MEET-POINT-BILLING (MPB) and SWITCHED ACCESS TRAFFIC COMPENSATION

- 8.1 Inter-carrier compensation for Switched Access Traffic shall be on a MPB basis as described in the underlying Agreement.

## 9. INTERLATA LOCAL TRAFFIC

- 9.1 SBC Region will exchange SBC Region InterLATA local traffic that is covered by an FCC approved or court ordered InterLATA boundary waiver. SBC Region will exchange such traffic using two-way DF trunk groups (i) via a facility to OE-LEC's POI in the originating LATA, or (ii) via a facility meet point arrangement at or near the exchange area boundary ("EAB"), or (iii) via a mutually agreed to meet point facility within the SBC Region exchange area covered under such InterLATA waiver. If the exchange where the traffic is terminating is not an SBC Region exchange, SBC Region shall exchange such traffic using a two-way DF trunk group (i) via a facility to OE-LEC's POI within the originating LATA or

- (ii) via a mutually agreed to facility meet point arrangement at or near the EAB. SBC Region will not provision or be responsible for facilities located outside of SBC Region exchange areas
- 9.2 The Parties agree that the associated traffic from each SBC-12STATE End Office will not alternate route.
- 9.3 OE-LEC must provide SBC-12STATE a separate ACTL and Local Routing Number (LRN) specific to each InterLATA local calling arrangement covered by an FCC approved or court ordered InterLATA boundary waiver.
- 9.4 Except as otherwise provided in this Appendix, the Parties understand and agree that SBC-12STATE, upon ten (10) calendar days notice to OE-LEC, may block any traffic that is improperly routed by OE-LEC over any trunk groups to SBC-12STATE and/or which is routed outside of the mutual agreement of the Parties.
- 9.5 SBC-12STATE shall not compensate any Third Party local exchange carrier and/or Telecommunications Carrier for any traffic that is inappropriately routed to SBC-12STATE (as reflected in the LERG). Any compensation due SBC-12STATE for such misrouted traffic shall be paid by OE-LEC. The appropriateness of such routing and the correct SBC-12STATE serving tandems are reflected by SBC-12STATE in the LERG. This also includes traffic that is destined to End Offices that do not subtend SBC-12STATE tandem. SBC-12STATE shall provide notice to OE-LEC pursuant to the Notices provisions of this Agreement that such misrouting has occurred. In the notice, OE-LEC shall be given thirty (30) calendar days to cure such misrouting or such traffic will be blocked.
- 9.6 SBC-12STATE will open OE-LEC NPA-NXX codes, rated to or identified to reside in non-SBC-12STATE exchange areas, in SBC-12STATE Tandems and End Office(s) in accordance with the terms and conditions of the underlying agreement.
- 9.7 The compensation arrangement for InterLATA Local Traffic shall be governed by the compensation terms and conditions for Local Calls in the underlying agreement.

## 10. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

- 10.1 Every interconnection, service and network element provided hereunder, shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection, service or network element. Without limiting the general applicability of the foregoing, the following terms and conditions of the General Terms and Conditions are specifically agreed by the Parties to be legitimately related to, and to be applicable to, each interconnection, service and network element provided hereunder: definitions; interpretation, construction and severability; notice of changes; general responsibilities of the Parties; effective date, term and termination; fraud; deposits; billing and payment of charges; non-payment and procedures for disconnection; dispute resolution; audits; disclaimer of representations and warranties; limitation of liability; indemnification; remedies; intellectual property; publicity and use of trademarks or service marks; no license; confidentiality; intervening law; governing law; regulatory approval; changes in End User local exchange service provider selection; compliance and certification; law enforcement; no third party beneficiaries; disclaimer of agency; relationship of the Parties/independent contractor; subcontracting; assignment; responsibility for environmental contamination; force majeure; taxes; non-waiver; network maintenance and management; signaling; transmission of traffic to third parties; customer inquiries; expenses; conflicts of interest; survival; scope of agreement; amendments and modifications; and entire agreement.