

APPENDIX FGA

TABLE OF CONTENTS

1. INTRODUCTION.....	3
2. DEFINITIONS	3
3. UNDERTAKING OF THE PARTIES	4
4. ADMINISTRATION OF INTERCARRIER COMPENSATION	5
5. MINUTES OF USE (MOUS) DEVELOPMENT	5
6. CALCULATION OF REVENUE DISTRIBUTION	6
7. COMPENSATION AMOUNTS, MONTHLY STATEMENTS AND PAYMENTS.....	6
8. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS.....	7
EXHIBIT A.....	8
EXHIBIT B.....	9

APPENDIX FGA

1. INTRODUCTION

- 1.1 This Appendix sets forth the terms and conditions under which CLEC and the applicable SBC Communication Inc. (SBC) owned Incumbent Local Exchange Carrier (ILEC) will compensate each other for the joint provision of Feature Group A (FGA) Switched Access Services and/or FGA-Like services, including the Open End (Foreign Exchange) of interLATA Foreign Exchange (FX) or interLATA FX-like service. For purposes of this Agreement the terms Feature Group A (FGA) Switched Access Services and/or FGA-like, interLATA Foreign Exchange (FX) and interLATA FX-like services may be used interchangeably, unless referenced distinctly. Notwithstanding the provisions of this Appendix, the Parties may agree to waive compensation for FGA service if they expect such service to be de minimus. In that event, the provisions of this Appendix will not apply.
- 1.2 SBC Communications Inc. (SBC) means the holding company which owns the following ILECs: Illinois Bell Telephone Company, Indiana Bell Telephone Company Incorporated, Michigan Bell Telephone Company d/b/a/ Ameritech Michigan, Nevada Bell Telephone Company d/b/a SBC Nevada Bell Telephone Company, The Ohio Bell Telephone Company, Pacific Bell Telephone Company, The Southern New England Telephone Company, Southwestern Bell Telephone, L.P. d/b/a Southwestern Bell Telephone Company and/or Wisconsin Bell, Inc. d/b/a Ameritech Wisconsin.
- 1.3 SBC-13STATE - As used herein, SBC-13STATE means the applicable above listed ILEC(s) doing business in Arkansas, California, Connecticut, Illinois, Indiana, Kansas, Michigan, Missouri, Nevada, Ohio, Oklahoma, Texas, and Wisconsin.

2. DEFINITIONS

- 2.1 “**Subscriber Access Lines**” means a communication facility provided under a general and/or exchange service tariff extended from an End User premise to a Central Office Switch which may be used to make and receive exchange service calls, intrastate toll service or interstate toll service calls.
- 2.2 “**Feature Group A (FGA) Switched Access Service**” means FGA Switched Access Service includes all facilities and services rendered in furnishing FGA switched access service, both in local traffic area and LATA wide calling areas (interLATA FX includes only the local traffic area), in accordance with the schedule or charges, regulations, terms and conditions stated in the interstate or intrastate tariffs of the Parties.

- 2.3 **“Open End or Foreign Exchange”** means the exchange from which the FGA or foreign service is rendered. That is, the exchange from which the FGA or foreign exchange service obtains switched access to other End Users.
- 2.4 **“The Primary Company”** denotes the Party with the Primary office(s). For interLATA FX and or interLATA FX-like services, the Party with Open End will be considered the Primary Company.
- 2.5 **“The Primary Office”** means an office which: (1) directly or jointly connects to an Interexchange Carrier and/or End User; and (2) provides joint FGA switched access, or FX, service to that Interexchange Carrier and/or End User allowing calls to or from End Offices of the other Party.
- 2.6 **“The Secondary Company”** denotes the Party with the secondary office(s).
- 2.7 **“The Secondary Office”** means any office involved in providing joint FGA switched access to an Interexchange Carrier and/or End User through the switching facilities of the Primary Office.
- 2.8 **“Access Minutes or Minutes of Use (MOUs)”** means those minutes of use as described in Part 69 of the Federal Communications Commissions Rules, and are limited to those FGA and FX MOUs which originate and/or terminate in the Secondary Office(s) covered by this Appendix.
- 2.9 **“Currently Effective Tariff Rate”** means the approved FGA Switched Access tariff rate effective on the first day of the month for which compensation is being calculated.

3. UNDERTAKING OF THE PARTIES

- 3.1 The Primary Company will compensate the Secondary Company only to the extent that it has not already been compensated under its interstate or intrastate access service tariffs or other settlement/contract arrangements. This Appendix is subject to applicable tariffs.
- 3.2 To the extent any applicable FGA Switched Access tariff is revised, such company will notify the other of all tariff rate revisions, affecting this Appendix which the FCC or other appropriate regulatory authority allows to take effect, at least thirty (30) days in advance of their effective date. Compensation will be based on the revised rates forty-five (45) days after the effective date of the tariff revisions. However, if such company fails to notify the billing company of a new rate within thirty (30) days of its effective date, the billing company may delay implementation of the new rate until the next month's compensation cycle, and will not be required to adjust the previous bills retroactively.

- 3.3 Each Party will furnish to the other such information as may reasonably be required for the administration, computation and distribution of compensation, or otherwise to execute the provisions of this Appendix.

4. ADMINISTRATION OF INTERCARRIER COMPENSATION

- 4.1 The Primary Company will be responsible for the administration, computation and distribution of the FGA access compensation due the Secondary Company.

5. MINUTES OF USE (MOUS) DEVELOPMENT

- 5.1 The Primary Company will calculate the amount of FGA compensation due the Secondary Company, by determining the amount of FGA and FX MOUs attributable to each Secondary Company as described below. The Primary Company will then multiply the MOUs by the rates in the applicable FGA Switched Access tariff to determine the compensation amounts tentatively due the Secondary Company, subject to adjustments for uncollectibles as outlined in Section 6.3.

5.2 Terminating MOUs Development

- 5.2.1 Actual monthly premium (charged at equal access End Office) and non-premium (charged at non-equal access End Offices) terminating FGA and FX access MOUs for each office in the LATA or a FGA or FX access area will be measured by the Primary Company.

- 5.2.2 Where the Primary Company cannot measure or identify the terminating FGA or FX MOUs by End Office, terminating MOUs will be total unmeasured MOUs allocated to the LATA or FGA or FX access area. In this event, terminating FGA MOUs will be distributed based upon the ratio of the Secondary Company's subscriber access lines, as identified in Exhibits A and B, which are attached hereto and made a part hereof, to the total subscriber access lines in the FGA access area as determined by the Primary Company. Terminating FX MOUs, however, will be distributed based upon the ratio of the Secondary Company's subscriber access lines, as identified in Exhibit A, which is attached hereto and made a part hereof, to the total subscriber access lines in the FX access area as determined by the Primary Company.

5.3 Originating MOUs Development

- 5.3.1 The Primary Company will derive and distribute monthly originating FGA access MOUs to each Secondary Company's End Office in the local calling area, as identified in Exhibit A, which is attached hereto and made a part hereof, based upon a ratio of each Party's subscriber access lines to the total subscriber access lines in the local traffic area of the FGA customer as determined by the Primary Company.

- 5.3.2 The Parties recognize that since originating non-local traffic calling area calls to the FGA service area are rated and billed as intraLATA toll, such usage is assumed to be minimal. Therefore, originating FGA access MOUs will not be distributed to end offices outside a local calling area.

6. CALCULATION OF REVENUE DISTRIBUTION

- 6.1 The amount of premium or non-premium compensation due each Party each month will be equal to the sum of Originating and Terminating premium or non-premium compensation for each End Office. This compensation will be calculated by the Primary Company by multiplying each of the applicable FGA switched access tariff rate elements (except the Local Transport element described below) by the appropriate MOU calculation under Sections 5.2.1 and 5.2.2.
- 6.2 Local Transport compensation will be determined for each company by multiplying each of the applicable FGA switched access tariff rate elements by the appropriate MOUs (as calculated under Sections 5.2.1 and 5.2.2) by the Secondary Company's percentage ownership of facilities agreed on by the Parties and set out in Exhibit B, which is attached hereto and made a part hereof.
- 6.3 The amount of compensation due the Secondary Company maybe reduced due to uncollectibles attributable to FGA Access billing experienced by the Primary Carrier.

7. COMPENSATION AMOUNTS, MONTHLY STATEMENTS AND PAYMENTS

- 7.1 The Primary Company, each month, will calculate and prepare a monthly compensation statement reflecting the compensation amounts for FGA access service due the Secondary Company.
- 7.2 The monthly compensation statement will show, for each Secondary Office, separately:
- 7.2.1 The total number of non-premium or premium terminating MOUs and associated compensation amounts.
- 7.2.2 The total number on non-premium or premium originating MOUs and associated compensation amounts.
- 7.2.3 The total compensation due the Secondary Company, by rate element.
- 7.2.4 The number of terminating MOUs recorded by the Primary Company.
- 7.2.5 The number of access lines used to prorate originating usage pursuant to Section 5.3 contained herein.

7.2.6 The percent ownership factor, if any, used to prorate Local Transport revenues.

7.2.7 Adjustments for uncollectibles.

7.3 Within sixty (60) calendar days after the end of each billing period, the Primary Company will remit the compensation amount due the Secondary Company. Where more than one compensation amount is due, they may be combined into a single payment.

8. APPLICABILITY OF OTHER RATES, TERMS AND CONDITIONS

8.1 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.

EXHIBIT A

Local Calling Area Locations for Originating and Terminating

Feature Group A Access Service

Primary Office
Company

Secondary Office Company

CLLI CODE NPA-NXX
ACCESS LINE

CLLI CODE

NPA-NXX

EXHIBIT B

Location for LATA Wide Termination

of Feature Group A Access Service in

Non-Local Calling Areas

SECONDARY OFFICE COMPANY

CLLI CODE	NPA-NXX	Access Line	Transport Facilities	% Ownership of LATA
-----------	---------	-------------	----------------------	------------------------