

- 3.1.8 Appendix LWC DUF
- 3.1.9 Appendix LWC Service Assurance Plan (with Attachment – Service Assurance Business Rules to Appendix LWC Service Assurance Plan)
- 3.1.10 Appendix LWC Operator Services and Directory Assistance (OS/DA)
- 3.1.11 Appendix LWC Number Portability

4. LWC DESCRIPTION

- 4.1 LWC is only available to CARRIER for use in providing local exchange telecommunications service to its residential, business, and government end users within a Service Area("Eligible End Users") except where, and only to the extent that, CARRIER is required to allow for the resale its local exchange telecommunications services under state or federal law. Eligible End Users being served by CARRIER using LWC are referred to herein as "LWC End Users."
 - 4.1.1 The definition of "Eligible End User" excludes telecommunications carriers (including without limitation CARRIER and its Affiliates for administrative use), and Internet service providers. LWC is not available to serve those excluded end users, and CARRIER shall not use LWC to serve those excluded end users.
 - 4.1.2 LWC may not be used for termination of "pass through" or transit access traffic if such use results in an arrangement that seeks to avoid the appropriate application of switched access charges.
- 4.2 Each LWCAL includes the following, subject to the provisions of the Appendices:
 - 4.2.1 A single NANP telephone number (i.e., NPA-NXX-XXXX) assigned to it, which shall be one either associated with the **SBC-13STATE** Serving Switch (as defined herein) per the Telcordia LERG (Local Exchange Routing Guide), or ported to the Serving Switch as permitted under local number portability ("LWC Number").
 - 4.2.2 One white page directory listing for the LWC Number, inclusion of the LWC Number in **SBC-13STATE**'s Operator Services and Directory Assistance databases, and annual delivery of one Directory to each LWC End User according to **SBC-13STATE** practices for its own customers in the serving area. See also Appendix LWC Operator Services and Directory Assistance (OS/DA).
 - 4.2.2.1 Additional, foreign, enhanced, non-published, non-listed, and other special white page listings are available at the price set forth in LWC Pricing Schedule.
 - 4.2.3 Use of non-dedicated transport for calls originated from the LWCAL that terminate within the local calling scope, any mandatory extended area service calling scope(s) (one-way or two-way), and "1+" intraLATA toll calling scope. All of the foregoing calling scopes shall be determined with respect to **SBC-13STATE**'s retail telecommunications service offerings, the premises of the LWC End User, and the serving **SBC-13STATE** end office switch providing the Basic Analog Switching Functionality used to serve the LWC End User ("Serving Switch").
 - 4.2.4 Use of non-dedicated transport for intraLATA and interLATA toll calls terminated to or originating from the LWCAL, for those toll calls that are handed off between **SBC-13STATE** and a third party carrier at a point other than the LWCAL's Serving Switch.
 - 4.2.5 Use of those vertical features, CLASS features, line class codes that are being used, as of the effective date of this Attachment, by CARRIER to provide mandatory calling scope plans on a retail basis, and other features, functions, and capabilities Loaded and Activated from the switch-vendor-provided generic software of the Serving Switch for use with Basic Analog Switching Functionality. "Loaded" means that it is included in the software installed in the Serving Switch. "Activated" means that the licensing fees are current; that no further license, right to use, or other fee needs to be paid to, and no enabling code or other mechanism or method needs to be obtained from a third party; and that translations and USOCs for use with LWC are in place such that ordering, billing and

provisioning wholesale processes have been implemented (see Section 7, Phased-In Implementation). The Phase II implementation shall not negatively affect the availability of any Basic Analog Switching Functionality feature, line class code, function or capability that was Loaded and Activated prior to that implementation, and which were previously available to CARRIER under this Attachment. Specifically excluded from the foregoing are other line class codes and any features, functions, or capabilities specifically developed by or on behalf of SBC-13STATE that it wishes to reserve exclusively for its use (e.g., "Toll Saver").

- 4.2.5.1 In the event that SBC-13STATE plans to cancel or otherwise discontinue offering, on a retail basis, a retail calling scope that is available to CARRIER under this Section 4.2.5 (excluding Optional EAS, which is specifically addressed by Section 4.2.6), SBC-13STATE shall provide written notice to CARRIER within 30 days after SBC-13STATE's public announcement regarding the planned retail offering. CARRIER shall provide SBC-13STATE with written notice no later than the 60th day after receipt of whether CARRIER wishes to continue to use the supporting line class code(s), and the Parties shall engage in good faith negotiations over the additional terms and conditions, including charges, with respect to CARRIER's continued use and SBC-13STATE's continued maintenance of the supporting line class code(s). Notwithstanding the foregoing in this Section 4.2.5.1, if SBC-13STATE modifies a retail calling scope that is available to CARRIER under this Attachment (excluding Optional EAS, which is specifically addressed by Section 4.2.6) such that the Serving Switch functionality providing that calling scope is affected (including without limitation as a result of a legal and/or regulatory order or other requirement), that retail calling scope shall also be so modified as to CARRIER and its LWC End Users, and implemented in the same time frame as SBC-13STATE's retail offering.
- 4.2.5.2 CARRIER may continue to use, and SBC OKLAHOMA agrees to maintain, the SBC Oklahoma Local Plus® line class codes ("OKLCCs"), which provide for the capability of providing an optional one-way, outward, extended area calling to other customers in SBC OKLAHOMA exchanges that are located within the same LATA where the SBC OKLAHOMA switch providing Basic Analog Switching Functionality for an LWCAL on which an OKLCC is present, is located. Calls included in this plan are dialed using a seven-digit or ten-digit dialing pattern. CARRIER agrees to pay the monthly recurring charge set forth in the LWC Pricing Schedule for each month or partial month that an LWCAL has an OKLCC present. SBC OKLAHOMA agrees to maintain the OKLCCs in all SBC OKLAHOMA circuit end office switches that provide LWC and from which SBC OKLAHOMA previously made Local Plus® available. SBC OKLAHOMA's maintenance includes making changes to the OKLCCs on a switch-by-switch basis when NPA splits or NPA overlays occur, and making changes to the OKLCCs on a switch-by-switch basis when a new NPA-NXX is added or removed from a Local Plus® calling area. The dialing pattern will be maintained so that originating calls that are to be terminated within a Local Plus® calling area will have the same dialing pattern as existed as of September 15, 2003.
- 4.2.6 Use the Serving Switch functionality (e.g., line class code) that provides those optional extended area service calling scopes(s) (one-way or two-way) that are set forth in the LWC Pricing Schedule ("Optional EAS").
- 4.2.6.1 CARRIER may also use non-dedicated transport for calls originated from or terminated to the LWCAL as a result of use of an Optional EAS.
- 4.2.6.2 If AT&T-13STATE cancels, discontinues or otherwise modifies its retail offering that uses an Optional EAS or any mandatory calling scope plan such that the Serving Switch functionality or other methodology used in providing the Optional EAS or mandatory calling scope plan is affected (including without limitation as a result of a legal and/or regulatory order or other requirement), the Optional EAS and/or mandatory calling scope plan

available to CARRIER shall also be so canceled, discontinued, or otherwise modified, and implemented in the same time frame as AT&T-13STATE's retail offering.

- 4.2.7 Use of SS7, CNAM, LIDB, E911, and 800 as required for originating calls from, or terminating calls to, a LWCAL. See also Appendices LWC 800, LWC LIDB and CNAM, and LWC 911/E911 hereof.
- 4.2.8 Use of SBC-13STATE's call routing tables in the Serving Switch for calls originating from the LWC Number in the same manner as calls from SBC-13STATE retail/resale service from that same Serving Switch are routed (local, intraLATA toll, transiting to other telecommunications carriers, transport to IXC POPs).
- 4.2.9 A daily usage feed containing usage records to facilitate billing and intercarrier compensation. Also see Appendix LWC DUF.
- 4.2.10 911/E911 record administration and maintenance. Also see Appendix LWC 911/E911.

5. SCOPE; INTEGRATED OFFERING

- 5.1 This Attachment is applicable to and binding upon both Parties in the states of California, Nevada, Texas, Missouri, Oklahoma, Kansas, Arkansas, Illinois, Wisconsin, Michigan, Indiana, Ohio, and Connecticut, and only applies within the Service Areas.
- 5.2 Consistent with Section 7, CARRIER and SBC-13STATE shall work cooperatively to implement the transition to LWC from the other serving arrangements that CARRIER may have in any SBC-13STATE Service Area.
- 5.3 SBC-13STATE and CARRIER understand and agree that:
 - 5.3.1 this Agreement, including LWC, is offered as a complete, integrated, non-severable packaged offering only;
 - 5.3.2 the provisions of this Agreement have been negotiated as part of an entire, indivisible agreement and integrated with each other in such a manner that each provision is material to every other provision;
 - 5.3.3 that each and every term and condition, including pricing, of this Agreement is conditioned on, and in consideration for, every other term and condition, including pricing, in this Agreement. The Parties agree that they would not have agreed to this Agreement except for the fact that it was entered into on a 13-State basis and included the totality of terms and conditions, including pricing, listed herein;
 - 5.3.4 that SBC-13STATE would not provide LWC but for the Parties' mutual agreement on each and every provision of this Agreement being integrated, non-severable, and indivisible in its entirety;
 - 5.3.5 that neither CARRIER nor SBC-13STATE will be entitled to substitutions and/or modifications to the packaged contractual and network offerings based upon agreements either Party may enter into with third parties (e.g., no "picking and choosing" of selective terms and conditions); and
 - 5.3.6 if any of the scenarios described in Section 23.2 of the Agreement or a similar situation results in any of the provisions of the Agreement (including this Attachment and its appendices and schedules) being offered in a manner that different than they were agreed to by the Parties without all of the other provisions of this Agreement (e.g., tariffing required at different terms and conditions, including pricing), then the Parties acknowledge that Sections 15.2 and/or 15.3 of this Attachment apply.
- 5.4 In entering into this Attachment, each Party agrees to abide by and honor the terms and conditions, including pricing, set forth in this Attachment without challenging its provisions, and that it shall not take any position(s) or seek any provision(s) that are inconsistent with the provisions set forth in this Attachment for so long as this Attachment remains in effect between the Parties. CARRIER further agrees that it shall not seek and/or otherwise initiate, participate (voluntarily) and/or intervene in any pending or future state or federal regulatory, judicial or legislative proceeding relating or applicable to, or which would reasonably be

expected to affect, the LWC product including, without limitation, any docket or proceeding that require(d) that any **SBC-13STATE** ILEC(s) make available LWC (or a similar offering) at prices different than those in this Attachment (e.g., TELRIC rates), for so long as this Attachment remains in effect. On or before the effective date of this Attachment, or as soon as is practicable, CARRIER shall dismiss and/or withdraw from any pending proceeding(s), if any, within the scope of and consistent with the foregoing. The failure to abide by this Section shall be deemed a material breach of this Attachment, except in any State, if any, where this Attachment has been terminated. Nothing contained herein shall preclude CARRIER from membership in any association or organization that itself takes actions inconsistent with this subsection 5.4 so long as such organizations do not represent that the position is supported by CARRIER. CARRIER shall require that such organizations affirmatively acknowledge that such organizations are not representing CARRIER for any matters that CARRIER could not otherwise participate in under this Attachment. Nothing contained herein shall preclude CARRIER from taking any position with respect to the obligations of ILEC(s) that are not affiliates of **SBC-13STATE**.

- 5.5 Each Party and its Affiliates shall support and defend the reasonableness of this Attachment, including without limitation its substantive terms and conditions and the nature of the Attachment, publicly and before and with any federal or state governmental entity (including any regulatory agency, court, or legislature and the representatives of each) and regardless of the nature or status of the forum or proceeding. Included within the foregoing is the obligation of each Party and its Affiliates to support and defend the indivisible nature of this Attachment, including against any attempts that could result in treatment contrary to Section 5.3.

6. PRICING; DISCOUNTS

- 6.1 The prices that shall apply under this Attachment are set forth or referenced in the Agreement, including this Attachment and the attached LWC Pricing Schedule (including service order charges), which is attached and incorporated herein by this reference.
- 6.2 Where the capabilities exists, CARRIER may purchase certain optional AIN-based features set forth on the LWC Pricing Schedule, on a per-LWCAL or per-usage basis as noted. Where Activated and Loaded in the Serving Switch, CARRIER may order business line hunting to serve business LWC End Users, on a per-business LWC Number basis. The prices for these optional enhancements are set forth in the LWC Pricing Schedule.
- 6.3 The prices for LWC may be discounted (subject to pro-rating consistent with the Agreement), subject to this Section 6.3.
- 6.3.1 **Base Rate Discounts.** The monthly recurring LWCAL Base Rate is subject to discounting (subject to Section 6.3.1.5), as follows:
- 6.3.1.1 **D-S-O Discount.** By the D-S-O Discount (as set forth in the LWC Pricing Schedule) per LWCAL during an Application Period, where the average Days Sales Outstanding (D-S-O) is no greater than 30 days over the associated preceding Measurement Period (3-month average DSO) reporting basis across all **SBC-13STATE** for the purchases made under this Attachment.
- 6.3.1.1.1 D-S-O is calculated by using total outstanding receivables divided by total reported current billing (using **SBC-13STATE** Accounts Receivable Management System ("ARMS") end of month report results), times 30 days. This would mean that if all bills are being paid prior to invoice due date, the outcome would be less than 30 days in a given month. As long as the average D-S-O result is less than 30 days monthly, then the average 3 month D-S-O result would also be less than 30 days, when calculating a Measurement Period D-S-O (using 3 months of total receivables divided by 3 months billed charges times 30 days, using the monthly

ARMS results for the Measurement Period). In calculating D-S-O, charges deemed erroneous by both Parties will be excluded.

6.3.1.2 **Volume Discount.** By the applicable Volume Discounts (as set forth herein and the LWC Pricing Schedule) per LWCAL during an Application Period, based upon the total number of LWCALs in service (as determined by **SBC-13STATE** billing system (posted), e.g., not including those only ordered) at the end of the associated preceding Measurement Period. Whether CARRIER is entitled to any Volume Discount(s) for the period from the effective date of this Attachment through and including the first full Application Period hereunder, the Parties agree to use the number of basic analog UNE-Ps that CARRIER has in service (as determined by **SBC-13STATE**'s billing system (posted), e.g., not including those only ordered) at the end of the month immediately preceding that effective date. Any Volume Discount(s) applicable for the second full Application Period shall be determined in accordance herewith using its associated Measurement Period, even if that Measurement Period did not occur entirely after the effective date of this Attachment. Following are the terms and conditions specific to the Volume Discounts (collectively, the "First Volume Discount," the "Second Volume Discount," and the "Third Volume Discount" are referred to as the "Volume Discounts", singularly, as a "Volume Discount"):

6.3.1.2.1 By the First Volume Discount (as set forth herein and the LWC Pricing Schedule) to the LWCAL Base Rate will begin to be provided to CARRIER if and when, at the end of a Measurement Period (as specified in Section 6.3.4 below) which Period occurs wholly after the effective date of this Attachment, CARRIER has at least 100,000 LWCALs in-service at the end of that Measurement Period. If and when the First Volume Discount applies, it will begin to apply in the following Application Period (as specified in Section 6.3.4 below).

6.3.1.2.2 By an additional Second Volume Discount (as set forth herein and the LWC Pricing Schedule) to the LWCAL Base Rate (in addition to the First Volume Discount pursuant to Section 6.3.1.2.1 above) will begin to be provided to CARRIER if and when, at the end of a Measurement Period which Period occurs wholly after the effective date of this Attachment, CARRIER has at least 250,000 LWCALs in-service at the end of that Measurement Period. If and when the Second Volume Discount applies, it will begin to apply in the following Application Period.

6.3.1.2.3 By an additional Third Volume Discount (as set forth herein and the LWC Pricing Schedule) to the LWCAL Base Rate (in addition to the First and Second Volume Discounts to the LWCAL Base Rate pursuant to Sections 6.3.1.2.1 and 6.3.1.2.2 above) will begin to be provided to CARRIER if and when, at the end of a Measurement Period which Period occurs wholly after the effective date of this Attachment, CARRIER has at least 450,000 LWCALs in-service at the end of that Measurement Period. If and when the Third Volume Discount applies, it will begin to apply in the following Application Period.

6.3.1.2.4 Once a Volume Discount begins to apply hereunder, CARRIER must meet continue to meet the requisite threshold required for that Volume Discount at the end of each successor and/or any following Measurement Period(s). If CARRIER fails to meet that requisite threshold for that Volume Discount, CARRIER shall not be entitled to that Volume Discount in the following Measurement Period(s) or following Application Period(s), unless and until CARRIER again meets the requisite threshold required at the end of a Measurement Period for that Volume Discount, which Volume Discount would then begin to be applied prospectively as provided herein.

- 6.3.1.2.5 The Volume Discounts per LWCAL Base Rate that can be achieved cannot exceed the Maximum Volume Discount per LWCAL per month (as set forth herein and in the LWC Pricing Schedule, i.e., CARRIER has at least 450,000 LWCALs in-service at the end of a Measurement Period so it receives the Maximum Volume Discount from the LWCAL Base Rate due to aggregating First, Second, and Third Volume Discounts).
- 6.3.1.2.6 The Parties shall review CARRIER's LWCALs in-service at the end of each Measurement Period(s) under the Agreement to determine the application of any of the Volume Discounts in the following Application Period(s).
- 6.3.1.2.7 Following review of CARRIER's LWCALs in-service for any particular Measurement Period, **SBC-13STATE** will implement the First, Second, and/or Third Volume Discounts, as appropriate, on or before the 30th day of the following Measurement Billing Period(s).
- 6.3.1.2.8 No retail and/or other wholesale purchases (e.g., UNE-Ps/ULS, resale, Centrex, UNE standalone loops) shall be considered with respect to any of the Volume Discounts, including in determining whether CARRIER qualifies for any of the Volume Discounts, as more specifically set forth above.
- 6.3.1.3 Notwithstanding any other provision hereof, in no event shall the cumulative discount to the monthly recurring LWCAL Base Rate exceed the Maximum Discount (as set forth in the LWC Pricing Schedule) per LWCAL per month.
- 6.3.2 **Electronic Service Order Discounts.** The non-recurring Electronic Service Order rate is subject to discounting (subject to Section 6.3.5), as follows:
- 6.3.2.1 **Flow Through Discount.** Where the achieved Flow Through equals or is higher than the Flow Through Objective (as set forth in the LWC Pricing Schedule) for a Measurement Period, the Electronic Service Order rate will be discounted during the following Application Period by the amount of the Flow Through Discount (as shown on the LWC Pricing Schedule).
- 6.3.2.2 **Churn Discount.** Where, for a Measurement Period, the Churn is less than the Churn Percentage (as set forth in the LWC Pricing Schedule) **and** the achieved Flow Through equals or is higher than the Flow Through Objective (as set forth in the LWC Pricing Schedule), the Electronic Service Order Rate will be discounted during the following Application Period by the amount of the Churn Discount (as set forth in the LWC Pricing Schedule).
- 6.3.2.2.1 Notwithstanding the potential discount available to CARRIER for Measurement Period Churn below the specified level or any other provision of this Attachment or this Agreement, the Parties acknowledge that this Attachment is not intended and shall not in any way limit or otherwise have any effect whatsoever on either Party's and/or its respective Affiliates' efforts to market and otherwise sell any telecommunications or information services to the end users and other customers of the other Party and its Affiliates. Irrespective of the Attachment, including the potential Churn Discount, each Party and its Affiliates retain all of their rights and abilities to fully and robustly market and otherwise sell its telecommunications and information service, without regard to any possible effect on the calculation of a Measurement Period Churn hereunder. No allowance shall be made in that calculation based upon any reasons underlying a calculated Measurement Period Churn, including without limitation end users who may migrate from CARRIER to an **SBC-13STATE** retail service.

6.3.3 The calculations pertaining to the D-S-O Discount, the Flow Through Discount, and the Churn Discount will be made using data starting with the first day, and ending on the last day, of a three-month Measurement Period, as set forth below. Any discount earned per those calculations shall then be applied to the charges invoiced during the associated, following Application Period, in accordance with Sections 6.3.1 and 6.3.2 (and their respective subsections).

6.3.4 The Measurement Period(s) and the Application Period(s):

Measurement Period

Sept., Oct., and Nov.

Dec., Jan., and Feb.

March, April, and May

June, July, and August

Application Period

following Jan., Feb., and March

following April, May, and June

following July, August, and September

following Oct., Nov., and Dec.

6.3.5 CARRIER shall be automatically entitled to the Churn Discount per LSR, and to the Flow Through Discount per LSR, for the period from the effective date of this Attachment until the beginning of the first Application Period that occurs hereunder that follows the first full Measurement Period. For such first Application Period and thereafter, whether CARRIER is entitled to any Churn Discount and/or any Flow Through Discount shall be determined in accordance with Section 6.3.2.

6.3.6 CARRIER shall automatically be entitled to the D-S-O Discount per LWCAL for the period from the effective date of this Attachment until the beginning of the first Application Period that occurs hereunder that follows the first full Measurement Period, subject to Section 6.3.1.4. For such first Application Period and thereafter, whether CARRIER is entitled to any D-S-O Discount shall be determined in accordance with Sections 6.3.1.1, subject to Section 6.3.1.3.

6.4 CARRIER shall pay an additional charge(s) per LWCAL that is equal in both amount and frequency (e.g., monthly, non-recurring, usage-based) to any SBC-13STATE tariffed surcharge(s) (whether tariffed on an interstate or intrastate basis) applicable to SBC-13STATE retail or resale end users, which surcharge(s) is for recovering costs incurred in implementing federal, state, or local mandates (including modifications and expansions of existing mandates) that become effective subsequent to October 1, 2004.

6.5 **Bill Claim/ Dispute Charge.** This charge shall be applied to CARRIER each time it submits a billing dispute to which a claim number is assigned through the then-current process and the charges are "sustained" (verified as correct) by SBC-13STATE. SBC-13STATE's then-current Billing Claims Dispute Spreadsheet must be used by CARRIER when raising claims/disputes about its LWC invoices. In those instances where a single Spreadsheet carries multiple disputes based upon the same reason, the Bill Claim/Dispute Charge would be applied once as to those instances only if the disputed charge is sustained.

6.6 **False Technician Dispatch Charge - per incident**

6.6.1 If trouble appears to occur with LWC, CARRIER will first determine whether the trouble is in CARRIER's own equipment and/or facilities or those of the end user customer being served using LWC. If CARRIER determines the trouble is not with such equipment or facilities, CARRIER will issue a trouble report to SBC-13STATE.

6.6.2 CARRIER shall pay the False Technician Dispatch charge, as set forth in the LWC Pricing Schedule, when CARRIER reports suspected LWC trouble and SBC-13STATE personnel is dispatched (e.g., to an outside location, within a SBC-13STATE premises) and the trouble was not caused by SBC-13STATE's LWC.

6.6.3 CARRIER shall pay the False Technician Dispatch charge when SBC-13STATE dispatches personnel and the trouble is in equipment or communications systems provided an entity by other than SBC-13STATE or in detariffed CPE provided by SBC-13STATE, unless covered under a separate maintenance agreement.

- 6.6.4 CARRIER shall pay the False Technician Dispatch charge when the trouble clearance did not otherwise require dispatch, but dispatch was requested for repair verification, and the circuit did not exceed maintenance limits.
- 6.6.5 SBC-13STATE shall not be obligated to dispatch any SBC-13STATE personnel to any location outside of SBC-13STATE's network or premises pursuant to this Attachment.
- 6.6.6 The False Technician Dispatch charge will apply per incident.
- 6.6.7 If CARRIER requests or approves a SBC-13STATE technician to perform services in excess of or not otherwise contemplated by the nonrecurring charges herein, CLEC will pay Maintenance of Service charges for any additional work to perform such services, including requests for installation or conversion outside of normally scheduled working hours at rates under their existing Interconnection Agreement or if such rates do not exist, then at the Interstate Tariff rates. SBC-13STATE shall have no obligation under the Agreement, including without limitation this Attachment, to perform any inside wire work.
- 6.7 **Paper Bill Charge - Applicable Interstate Tariff Rate per incident.** Prior to the effectiveness of this Attachment, CARRIER shall notify SBC-13STATE, via a profile update, which Alternate Bill Media (ABM) (Magnetic Tape, CD-ROM, or NDM Connect Direct feed) CARRIER has selected as its primary billing option. This charge shall apply to any paper bill rendered more than 30 days after CARRIER has been fully enabled by SBC-13STATE to send CARRIER's bills via the initially selected ABM. The charge will apply per monthly bill cycle, per each State, for each paper bill mailed.
- 6.8 **Duplicate Bill Charge - per incident.** This charge shall apply each time CARRIER requests a duplicate production of a bill, whether in the current or any past cycle (as may be available), when the original bill previously rendered by SBC-13STATE does not have any defects that prohibit its processing or use by CARRIER.
- 6.9 **Non-EFT Payment Charge - per incident.** This charge shall apply when CARRIER renders any payment hereunder by manner other than as required by Section 16.19 of this Attachment. By way of example only, payments made via check, cash, or money order are subject to this charge.
- 6.10 **Service Order Expedite Request- per incident.** This charge shall apply to each incident in which CARRIER requests and receives a shorter interval than the standard offered for installation of an LWCAL. The decision on whether to provide a shorter interval (a service order expedite) shall be made solely by SBC-13STATE.

7. PHASED-IN IMPLEMENTATION

- 7.1 The Parties will work cooperatively to implement this Attachment. CARRIER understands and acknowledges that, as of the negotiation of this Attachment, SBC-13STATE's systems (including ordering, provisioning, maintenance, and billing systems) are not yet able to accommodate LWC as a unique and separate product offering. Accordingly, the transition shall be performed in two phases.
- 7.1.1 **Phase I:** Phase I involves using existing UNE classes of service and USOCs with LWC. Beginning within 60 days of the effective date of this Attachment, all of CARRIER's UNE-Ps using basic analog switching to serve Eligible End Users shall be transitioned to, and provided as, LWC with an effective billing date as LWC as of the effective date of this Attachment. SBC-13STATE may (and is planning) to adopt interim measures in order to render a bill to CARRIER for LWC (e.g., using multiple USOCs to bill a single LWC charge) in advance of system changes, and CARRIER shall pay the charges billed using such interim measures. Details regarding any interim measures will be made available to CARRIER. The inability or other failure by SBC-13STATE to bill CARRIER any LWC charge(s) shall not in any event act as a waiver by SBC-13STATE of its right to subsequently bill such LWC charge(s) at the prices and price structures included in this Attachment, or relieve

CARRIER of its obligation to pay those charges when rendered, on a retroactive basis and/or a prospective basis.

- 7.1.2 **Phase II:** Phase II will involve the transition to new LWC-specific class of service (COS) and some new USOCs, when and where **SBC-13STATE** is able to support them. CARRIER acknowledges that this may occur on a State-by-State, region-by-region rollout. After the transition to Phase II, LWC will only be provided under the LWC-specific COS and any new and existing USOCs, to the full extent then-supported by **SBC-13STATE**'s systems. **SBC-13STATE** shall bill, and CARRIER shall pay the prices and charges established hereunder on a retroactive and/or prospective basis (including regardless of any provisions applicable to billing, including time/timing limitations and/or restrictions and processes, that might be set forth in or otherwise applicable under or to the Attachment or such billing). **SBC-13STATE**'s provisioning of LWC is expressly subject to this Section and in no way constitutes a waiver of **SBC-13STATE**'s rights under this Attachment to bill, charge for and collect payment for LWC.
- 7.1.3 The Parties acknowledge and agree that each Party will incur costs in implementing Phase I and Phase II, including the conversions related thereto, and each Party shall bear its own costs, including that **SBC-13STATE** shall not charge CARRIER any service order charges for either of the conversions.

8. SERVICE ASSURANCE PLAN

- 8.1 The purpose of the service assurance plan is to establish warranty levels that represent reasonable performance measure payouts.
- 8.1.1 OSS Interface Ability
 - 8.1.2 Order Confirmation Timelines
 - 8.1.3 Order Completion Notifier Timelines
 - 8.1.4 Percent Missed Due Dates
 - 8.1.5 Installation Quality
 - 8.1.6 Trouble Report Rate
 - 8.1.7 Mean Time to Restore

See also Appendix LWC Service Assurance Plan.

9. PAY-PER-CALLS

- 9.1 CARRIER is solely responsible for 900/976/other similar pay-per-call calls originating from LWCALs and attributable to LWC Numbers, and associated charges. **SBC-13STATE** will provide CARRIER the functionality of blocking calls 900/976 calls on a per-LWCAL basis.

10. CARRIER RECIPROCITY

- 10.1 This Attachment is reciprocal in nature, in that CARRIER is required, upon written request, to provide a LWC-equivalent offering to **SBC-13STATE** (or any of its current or future Affiliate(s) which is a telecommunications carrier providing local exchange service) in any geographic area where CARRIER provides local circuit-switched wireline service over its own facilities (at a minimum, using its own basic analog loops and basic analog switching). The LWC-equivalent offering CARRIER would make available would be provided on the same terms and conditions, including pricing, as **SBC-13STATE** is making LWC available within its Service Areas to CARRIER.

11. WHITE PAGES DIRECTORY LISTINGS

11.1 General White Pages Requirements

11.1.1 SBC-13STATE publishes alphabetical White Pages directories for their respective geographic local service areas. With LWC, CARRIER will be providing local exchange telephone service via LWC to LWC End Users in the same area(s). SBC-13STATE therefore offers to include CARRIER's LWC End Users' listing information in the appropriate SBC-13STATE White Pages directories, at parity with that provided to SBC-13STATE retail end users, as set forth herein.

11.1.2 Subject to SBC-13STATE's practices regarding White Pages directory publishing, as well as to state and/or federal rules and regulations applicable to the provision of telephone directories generally, SBC-13STATE will include in the appropriate SBC-13STATE White Pages directories the primary alphabetical listings of all CARRIER LWC End Users located within the local directory scope. When CARRIER provides its subscriber listing information to SBC-13STATE directory listings database, CARRIER will receive for its LWC End User, one primary listing in corresponding SBC-13STATE White Pages directory and a corresponding listing in SBC-13STATE's Directory Assistance database.

11.1.3 CARRIER will provide accurate subscriber listing information for its LWC End Users to SBC-13STATE via a mechanical or manual feed of the directory listing information to SBC-13STATE's directory listing database. CARRIER agrees to submit all listing information via a mechanized process within six (6) months of the effective date of this Attachment, or upon CARRIER reaching a volume of two hundred listing updates per day, whichever comes first. CARRIER's LWC End User subscriber listings will be filed alphabetically in the directory listing database among SBC-13STATE's end user listings. CARRIER shall furnish to SBC-13STATE, in a form acceptable to both Parties, subscriber listing information pertaining to CARRIER's LWC End Users located within the local directory scope, along with such additional information as SBC-13STATE may require to prepare and print the alphabetical listings of said directory, as set forth in the CLEC Online (<https://clec.sbc.com/clec>) web site. CARRIER will submit listing information within one (1) Business Day of installation, disconnection or other change in service (including change of non-listed or non-published status) affecting the Directory Assistance database or the directory listing of an LWC End User. In addition, for timely inclusion in the published White Pages directory, CARRIER must submit all of its LWC End User listing information intended for publication by the directory close date for that particular White Pages directory.

11.2 Enhanced and Non-Published White Pages Requirements

11.2.1 Where a CARRIER LWC End User desires foreign, enhanced, additional or other special listing treatment in addition to the primary listing to appear in the White Pages directory, CARRIER will be responsible for ordering the desired special listing treatment on a Local Service Requests submitted to the SBC-13STATE Local Service Center. The LSRs for foreign, enhanced, additional or other special listing treatment shall be subject to the same directory close deadlines applicable to that particular White Pages directory. Upon receipt of a timely LSR for such listings, SBC-13STATE will publish the requested listing(s) and begin assessing CARRIER the corresponding monthly recurring charge, which charge shall be charged at a rate equal to the then-current SBC-13STATE retail tariff rate.

11.2.2 Where a CARRIER LWC End user desires not to be listed in the White Pages directory and/or the Directory Assistance database, CARRIER will be responsible for submitting LSR(s) to the SBC-13STATE Local Service Center requesting that the LWC End User listing not be published in SBC-13STATE's White Pages and/or Directory Assistance databases. The LSRs for not publishing White Pages listings will be subject to the same directory close deadlines applicable to that particular White Pages directory. Upon receipt of a timely LSR, SBC-13STATE will make the applicable non-published and/or non-listed designations in the White Pages and/or Directory Assistance databases

and begin assessing CARRIER the corresponding monthly recurring charge, which charge shall be charged at a rate equal to of the then-current **SBC-13STATE** retail tariff rate.

11.3 Third Party Publisher Requests for LWC End User Listings

11.3.1 **SBC-13STATE** agrees to serve on CARRIER's behalf as the single point of contact for all independent and third party directory publishers who seek to include CARRIER's LWC End User listing information in an area White Pages directory, and to handle CARRIER's LWC End User listing information in the same manner as for **SBC-13STATE**'s end user listing information. **SBC-13STATE** further agrees not to charge CARRIER for serving as the single point of contact with independent and third party directory publishers, no matter what number or type of requests are fielded.

11.3.2 In exchange for **SBC-13STATE** serving as the single point of contact and handling all LWC End User listing requests free of any charge separate to CARRIER, CARRIER authorizes **SBC-13STATE** to include and use the published CARRIER LWC End User listing information provided to **SBC-13STATE** pursuant to this Attachment to all requesting independent and third party directory publishers, as well as in **SBC-13STATE**'s White Pages directory. Included in this CARRIER authorization is a release of CARRIER listings to requesting competing carriers as required by Section 271(c)(2)(B)(vii)(II) and Section 251(b)(3) and any applicable State regulations and orders. Also included in this CARRIER authorization is **SBC-13STATE**'s use of CARRIER's LWC End User subscriber listing information in **SBC-13STATE**'s directory assistance, directory assistance related products and services, and directory publishing products and services.

12. TERMINATING TRAFFIC COOPERATION

12.1 The Parties jointly desire to avoid having non-local (e.g., toll) traffic being terminated to CARRIER LWCALs or from CARRIER LWCALs to **SBC-13STATE** in ways that seek to prevent the identification of that traffic as non-local and/or to avoid the application to either Party's non-local intercarrier compensation arrangements, including exchange access rates, to that traffic. The Parties agree to cooperate with one another and jointly work together to identify possible situations where such traffic termination may be occurring, to investigate them where warranted, and, where corrective action is appropriate, to explore options to resolve the matter in question. Nothing in this Attachment requires either Party to obtain from the other the right to unilaterally conduct its own investigations, or prohibits either Party from pursuing alternatives and/or remedial action on its own.

13. INTERCARRIER COMPENSATION RESPONSIBILITIES

13.1 For purposes of traffic compensation matters, CARRIER and **SBC-13STATE** agree that CARRIER shall be considered a facilities-based local exchange carrier in its use of LWC and LWCALs in the same manner as if CARRIER were using the "Unbundled Network Element-Platform" or "UNE-P" (as such has been understood by the Federal Communications Commission) to provide local telephone service to the LWC End Users. CARRIER shall be responsible for any and all compensation owed for traffic originating from, or terminating to, CARRIER's LWCALs. Traffic compensation between CARRIER and **SBC-13STATE** is expressly **not** addressed in this Agreement (including without limitation this Attachment).

13.2 CARRIER shall be solely responsible for establishing traffic compensation arrangements with third parties, including other telecommunications carriers (e.g., ILECs, interexchange carriers, CMRS, CLECs) for traffic originated from, or terminated to, CARRIER's LWCALs. The foregoing includes exchange access charges and reciprocal compensation charges. CARRIER shall indemnify, defend, and hold harmless **SBC-13STATE** against any charges, claims, damages, liabilities and expenses from third parties ("Compensation Losses") arising from traffic originated from and/or terminated to any CARRIER LWCAL. **SBC-13STATE** may provide information on any LWC-related traffic to other telecommunications carriers or any third party as appropriate to resolve traffic issues, including without limitation those involving compensation. CARRIER agrees that **SBC-13STATE** is not required to function as a billing intermediary

for billing and payment of LWC-related traffic exchanged between CARRIER and any third party carrier and/or any other third party. Under no circumstances will **SBC-13STATE** be required to pay any compensation to any third party carrier or to any other third party including, without limitation, a third party carrier for termination of traffic originated from, or terminated to, a LWCAL Number. If needed and to the extent **SBC-13STATE** has any rights to third party compensation rights with respect to any such traffic and traffic compensation matters, **SBC-13STATE** hereby assigns any such third party compensation rights to CARRIER.

- 13.3 Under no circumstances shall **SBC-13STATE** be liable to CARRIER or any third party for any Compensation Losses including, without limitation, intrastate and/or interstate switched access charges, arising out of or related to Voice Over Internet Protocol traffic or any interexchange circuit-switched traffic utilizing in whole or part IP technology terminated to an LWCAL that was delivered to **SBC-13STATE** for termination to an LWCAL over local interconnection trunk groups from a third party carrier.
- 13.4 Nothing in the Agreement (including without limitation this Appendix) affects the right of **SBC-13STATE** to charge any telecommunications carrier or other entity for any entrance facilities and/or interconnection facilities provided by **SBC-13STATE**.
- 13.5 Notwithstanding any other provision of the Agreement including without limitation this Attachment, LWC shall not be available in any State until there is an agreement effective between the Parties for that State which addresses the intercarrier compensation associated with LWC-originated or -terminated traffic which is subject to Section 251 and/or 252.

14. OPERATIONAL ISSUES

- 14.1 **SBC-13STATE** and CARRIER agree to mutually work on evolving the LWC ordering processes to achieve an objective of Flow Through level of 95% of Local Service requests (LSRs) for LWC.
- 14.2 Ordering and Trouble Reporting Interfaces must be electronic via existing and currently supported **SBC-13STATE** versions of OSS interfaces. CARRIER must at all times use the then-most current version of the Electronic Bonding Trouble Administration ("EBTA") GUI and/or the EBTA APP to APP interfaces offered by **SBC-13STATE** for submitting trouble tickets, including as such interfaces may be modified, updated and/or replaced from time to time.

15. LWC-SPECIFIC EVENTS OF DEFAULT

- 15.1 The following shall also be considered an "Event of Default" under the Agreement:
 - 15.1.1 The sale of all, or substantially all, of the assets of CARRIER or any of its Affiliates (including the corporate parent of CARRIER, if any).
 - 15.1.2 A "change of control" of CARRIER or any of its Affiliates (including the corporate parent of CARRIER, if any), with "change of control" defined to include changes in the ownership or control of CARRIER such that the approval of a State commission, or of the Federal Communications Commission, is required. In addition, a "change of control" also includes
 - 15.1.2.1 a change in control of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), whether or not CARRIER is then subject to such reporting requirement; provided, that, without limitation, such a change in control shall be deemed to have occurred if:
 - 15.1.2.1.1 any person (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) (a "Person") is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the CARRIER (not including in the amount of the securities beneficially owned by such person

any such securities acquired directly from CARRIER or its affiliates) representing twenty percent (20%) or more of the combined voting power of CARRIER's then outstanding voting securities; provided, however, that for purposes of this Agreement the term "Person" shall not include (A) CARRIER or any of its subsidiaries, (B) a trustee or other fiduciary holding securities under an employee benefit plan of CARRIER or any of its subsidiaries, (C) an underwriter temporarily holding securities pursuant to an offering of such securities, or (D) a corporation owned, directly or indirectly, by the stockholders of CARRIER in substantially the same proportions as their ownership of stock of CARRIER; and provided, further, however, that for purposes of this paragraph (i), there shall be excluded any Person who becomes such a beneficial owner in connection with an Excluded Transaction (as defined in paragraph (iii) below); or

15.1.2.1.2 the following individuals cease for any reason to constitute a majority of the number of directors then serving: individuals who, on the date hereof, constitute the Board and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest including, but not limited to, a consent solicitation, relating to the election of directors of CARRIER) whose appointment or election by the Board or nomination for election by CARRIER's stockholders was approved or recommended by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on the date hereof or whose appointment, election or nomination for election was previously so approved or recommended; or

15.1.2.1.3 there is consummated a merger or consolidation of CARRIER or any direct or indirect subsidiary thereof with any other corporation, other than a merger or consolidation (an "Excluded Transaction") which would result in the voting securities of CARRIER outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving corporation or any parent thereof) at least 50% of the combined voting power of the voting securities of the entity surviving the merger or consolidation (or the parent of such surviving entity) immediately after such merger or consolidation, or the shareholders of CARRIER approve a plan of complete liquidation of CARRIER, or there is consummated the sale or other disposition of all or substantially all of CARRIER's assets.

15.2 In the event that any federal or state government action (including by a regulatory agency, a court, or a legislature) requires **SBC-13STATE** to: a) provide, modify or otherwise make available this Attachment or any part of this Attachment, or any part of the Agreement applicable to this Attachment, to CARRIER, any other telecommunications carrier, or any other person or entity, or b) permit or otherwise allow CARRIER, any other telecommunications carrier or any other person or entity to obtain any of the provisions of this Attachment as they were agreed to by the Parties without all of the other provisions of this Attachment and all of the provisions of the Agreement that are applicable to this Attachment, including by way of example, at prices or price structure/application arrangements different than agreed to in this Attachment as a whole by the Parties, the Parties both agree, except to the extent prohibited by law, to waive their respective rights to such change in this Attachment and/or the Agreement, including but not limited to waiving any right they may have to obtain the terms available to other carriers, persons or entities as a result of such government action. However, if the Parties are prohibited from legally waiving the effects of such government action, then as between the Parties the procedures of Section 18 (Severability) shall be invoked to address those provisions that were required to be provided, modified, or otherwise made available to CARRIER, any other telecommunications carrier, or any other person or entity. Where the foregoing invocation of Section 18

results in a right to terminate and is the result of a state government action, the right shall arise only in the state in which such action occurred and any termination of this Attachment and, if this Attachment is the sole attachment to the Agreement, the Agreement would be for that state only (unless this Attachment is terminated pursuant to Section 15.3).

- 15.3 Section 15.3 (all references to Section 15.3 expressly includes its subsections) applies in accordance with its provisions, notwithstanding Section 15.2 or any other provision in the Agreement including without limitation this Attachment to the contrary.

15.3.1 SBC-13STATE shall have the right to terminate this Attachment in whole or in part, upon written notice to CARRIER, in the event that any federal action, state, or local government actions in two or more states, (including by a regulatory agency, a court, or a legislature) requires SBC-13STATE to: a) provide, modify or otherwise make available this Attachment or any part of this Attachment, or any part of the Agreement applicable to this Attachment, to any other telecommunications carrier, or any other person or entity, or b) permit or otherwise allow CARRIER, any other telecommunications carrier or any other person or entity to obtain any of the provisions of this Attachment as they were agreed to by the Parties without all of the other provisions of this Attachment, or any part of the Agreement applicable to this Attachment, as they were agreed to by the Parties, including by way of example, at prices or price structure/application or arrangements different than agreed to in this Attachment as a whole by the Parties. If such state government action only occurs in one state, SBC-13STATE shall have the right to terminate the Attachment in that state by written notice to CARRIER. If such government action occurs at the federal level or in two or more states, SBC-13STATE shall have the right to terminate, at its election, the Attachment and, if this Attachment is the sole attachment to the Agreement, the Agreement in its entirety or, alternatively, only in one or more of the affected states, by written notice to CARRIER.

15.3.2 This Attachment and, if this Attachment is the sole attachment to the Agreement, the Agreement shall be null and void, automatically and in its entirety in any single state if this Section 15.3 (in whole or in part) is rejected or held to be illegal, invalid and/or unenforceable, or otherwise not given effect in such state. This Attachment and, if this Attachment is the sole attachment to the Agreement, the Agreement shall be null and void, automatically and in its entirety if either a) by state government action in two or more states, or b) by federal government action, this Section 15.3 (in whole or in part) is rejected or held to be illegal, invalid and/or unenforceable, or otherwise not given effect by such state and/or federal government action(s).

15.3.3 Any termination or invalidation of this Attachment and, if this Attachment is the sole attachment to the Agreement, the Agreement under this Section 15.3 shall be effective as of the day before the effective date of such governmental action that triggered the invalidation or right to terminate, and SBC-13STATE and CARRIER agree to expeditiously adopt and implement a transition plan to avoid or minimize impact on CARRIER LWC End Users.

15.3.4 Each Party understands and acknowledges that (i) any right to terminate under this Section 15.3 becomes available even if this Attachment and the Agreement between the Parties themselves would otherwise be unaffected by the triggering federal, state, or local government action; and (ii) that this Section 15.3 (as well as Section 15.2) is triggered and applies on each occurrence of any federal or state government action described in Sections 15.2, 15.3.1 and/or 15.3.2.

16. BILLING AND PAYMENT OF RATES AND CHARGES AND BILLING DISPUTES

16.1 This Section 16 applies to this Attachment, including without limitation to LWC and the Offerings available under this Attachment and its Appendices and Exhibit(s), in lieu of and notwithstanding anything to the contrary in the Agreement.

16.2 SBC-13STATE shall include all charges under this Attachment on the monthly bill(s) rendered to CARRIER electronically within six (6) Business Days of the Bill Date as defined in Section 16.3 (herein "Invoice").

- 16.2.1 Except as may be specifically permitted in this Attachment, **SBC-13STATE** may backbill CARRIER for amounts found to be unbilled or underbilled six (6) months from the date on which such charges should have been billed to CARRIER, to recover such charges incurred by CARRIER within the six-month period preceding the date of the backbilling.
- 16.3 CARRIER will establish monthly CABS billing dates (Bill Date) for each BAN, which Bill Date will be the same day month to month. A Party which changes, adds or deletes a BAN, which change was not initiated by the billed party, will provide written notification to the other Party's billing notice contact within 7 Business Days of making such change, addition, or deletion of a BAN. Each Party will provide one invoice associated with each BAN.
- 16.4 Monthly bills will be sent to address(es) requested by CARRIER and subject to the capabilities of the applicable billing system.
- 16.5 Remittance in full will be due within thirty (30) days of the Invoice date. Unless otherwise stated, **SBC-13STATE** will render monthly bills for all charges hereunder. In accordance with Section 16.9, interest will apply on overdue amounts. When both Parties agree in writing that an operations failure results in incorrect billing and such charges can be delineated from correct charges, CARRIER will not have to pay nor escrow amounts for such charges deemed erroneous by both Parties.
- 16.6 If CARRIER desires to dispute in good faith any Invoice charges, CARRIER may either pay the Invoice charge then file its dispute in accordance with Section 16.9 or CARRIER must complete all of the following actions before the Payment Due Date, unless otherwise agreed in writing by the Parties:
- 16.6.1 notify **SBC-13STATE** in writing which charges it disputes, including the total amount disputed ("Disputed Amounts"), in accordance with Section 16.7; and
- 16.6.2 pay all undisputed charges to **SBC-13STATE**; and
- 16.6.3 Unless CARRIER pays **SBC-13STATE** the total Disputed Amounts, if CARRIER's total outstanding and unpaid Invoice charges (calculated without regard to any dispute) exceed 5% of the then-current monthly billing under this Attachment, then CARRIER must pay the excess into an interest-bearing escrow account which includes without limitation terms such that the escrow agent cannot release funds deposited into account without written direction from both CARRIER and **SBC-13STATE**, held by a third party escrow agent acceptable to **SBC-13STATE**, and provide evidence to **SBC-13STATE** that CARRIER has met this escrow requirement. Until evidence that the full amount of the outstanding and unpaid Invoice charges that exceed 5% of the then-current monthly billing under this Attachment have been deposited into an escrow account that complies with this Section 16.6.3 is furnished to the **SBC-13STATE**, such Unpaid Charges will not be deemed to be "disputed" under Section 16.6. Failure to meet this escrow requirement when applicable shall permit **SBC-13STATE**, upon 10 days' written notice to CARRIER, in addition to exercising any other rights or remedies it may have under law, to take any or all of the actions set forth in Sections 16.10.1 through 16.10.3.
- 16.7 A good faith billing dispute under this Attachment requires CARRIER to provide a written claim to **SBC-13STATE** to permit **SBC-13STATE** to investigate the merits of the dispute. Such claims must identify the following to the respective **SBC-13STATE** billing and claims group(s) on or before the Payment Due Date: (a) the account number under which the Invoice was rendered; (b) the specific charge that CARRIER believes was billed in error; (c) the Invoice date; and (d) the reason or grounds for the dispute. Disputed amounts will either be paid or escrowed in accordance with Section 16.6.3.
- 16.8 With regard to Section 16.6.1 and 16.7, information regarding Disputed Amounts shall be provided to the applicable **SBC-13STATE** billing and claims group pursuant to that group's requirements, in order to allow prompt processing and resolution of billing disputes. **SBC-13STATE** billing and claims organization has a 30-day target for claims investigation and resolution. If **SBC-13STATE** billing and claims group sustains a billing inquiry/dispute, CARRIER will be assessed a Billing Inquiry/Dispute (Charge Sustained) charge as

indicated in the LWC Pricing Schedule. Disputed Amounts not resolved with the applicable **SBC-13STATE** billing and claims organization may then be pursued by either Party in accordance with the procedures identified in the Dispute Resolution provision set forth in the Agreement.

- 16.9 CARRIER billing inquiries and/or claims of overbilling by **SBC-13STATE** shall be referred to **SBC-13STATE** for investigation within six (6) months of the charge(s)' first appearance on an Invoice to CARRIER. Absent a claim and/or dispute by CARRIER as to a charge within six (6) months from its first appearance on an Invoice to CARRIER, it will be deemed that CARRIER has waived its right to dispute such charges. If the Parties determine that CARRIER was billed incorrectly for items rendered pursuant to this Agreement, a billing adjustment shall be calculated. If a refund to CARRIER is due (CARRIER had paid the disputed charges), an adjustment shall be made for the overcharges and shall be credited to CARRIER within thirty (30) days of the Resolution Date, as defined below. If the refund is credited to CARRIER within thirty (30) days of the Resolution Date, interest will not be applicable. If the refund is not credited within thirty (30) days of the Resolution Date, the interest rate applied will be the lesser of (i) the rate used to compute the Late Payment Charge contained in **SBC-13STATE**'s intrastate access service tariff for that state, or (ii) the highest interest rate permitted by applicable law in that state, in either case compounded daily from the Resolution Date to and including the date that the refund is actually made. The resolution date will be the date upon which Notice is deemed to have been received by CARRIER under the Notice provisions in this Agreement ("Resolution Date"). If the dispute is decided in favor of **SBC-13STATE**, CARRIER shall pay (to the extent not paid, then disputed, as permitted herein) the Resolved Amount, as defined below, to **SBC-13STATE** within thirty (30) days of the Resolution Date. To the extent that the Disputed Amounts have been escrowed and following the Resolution Date are paid directly from that escrow account, CARRIER shall pay **SBC-13STATE** interest on the unpaid amount no longer in dispute ("Resolved Amount") if not paid within thirty (30) days of the Resolution Date. CARRIER shall pay **SBC-13STATE** interest on the Resolved Amount at the lower of (iii) the rate used to compute the Late Payment Charge contained in **SBC-13STATE**'s intrastate access service tariff for that state, or (iv) the highest interest rate permitted by applicable law in that state, in either case compounded daily from the Resolution Date to and including the date that the payment is actually made. Interest shall accrue on any unpaid Resolved Amount that were not escrowed at the lower of (v) the rate used to compute the Late Payment Charge contained in **SBC-13STATE**'s intrastate access service tariff for that state, or (vi) the highest interest rate permitted by applicable law in that state, in either case compounded daily from the Bill Due Date to and including the date that the payment is actually made.
- 16.10 Failure to pay Invoice charges by the Payment Due Date (except for the Disputed Amounts, unless not paid into escrow when required hereunder) shall be grounds for termination of LWC or any other Offering furnished under this Attachment. If CARRIER fails to pay any Invoice charges billed under this Attachment, including any late payment charges or miscellaneous charges ("Unpaid Charges"), by the Payment Due Date (except for the Disputed Amounts, unless not paid into escrow when required hereunder), **SBC-13STATE** may notify CARRIER in writing that it must remit all Unpaid Charges and complete all other actions set forth in Sections 16.6.1 through 16.6.3 within ten (10) days of the receipt of that notice. If by 5:00 p.m. Central Time of the 10th day following receipt of a notice under this Section, CARRIER fails to (a) fully comply with each of Sections 16.6.1 through 16.6.3, or (b) make a payment in accordance with the terms of any mutually agreed payment arrangement then agreed to by the Parties, **SBC-13STATE** may, in addition to exercising any other rights or remedies it may have under law, take any or all of the following actions, without any further notice to CARRIER:
- 16.10.1 suspend acceptance of/reject any application, request or order from CARRIER for new or additional LWCALs or any other Offering hereunder, or any changes or modifications thereto (e.g., adding or deleting any vertical feature to a LWCAL); and/or
- 16.10.2 suspend completion of/cancel any pending application, request or order from CARRIER for new or additional LWCALs or any other Offering hereunder, or any changes or modifications thereto (e.g., adding or deleting any vertical feature to a LWCAL);

- 16.10.3 subject to Section 16.16, discontinue providing LWC or any other Offering furnished under this Attachment.
- 16.11 If by 5:00 p.m. Central Time of the 20th day following receipt of a notice under Section 16.10, CARRIER fails to (a) fully comply with each of Sections 16.6.1 through 16.6.3, or (b) pay the Disputed Amounts (paid though still disputed), or (c) make a payment in accordance with the terms of any mutually agreed payment arrangement then agreed to by the Parties, **SBC-13STATE** may, in addition to exercising any other rights or remedies it may have under law, terminate this Attachment upon 30 days written notice to the CARRIER.
- 16.12 Interest will accrue on overdue charges that are both not paid and not Disputed Amounts, and on Disputed Amounts to the extent not escrowed as required by this Section 16.
- 16.13 Notwithstanding any other provision of this Attachment, **SBC-13STATE**'s exercise of any of its options under this Section 16:
- 16.13.1 will not delay or relieve CARRIER's obligation to pay all charges on each and every Invoice on or before its applicable Payment Due Date, and
- 16.13.2 will exclude any affected application, request, order or service from any otherwise applicable performance interval, and the Service Assurance Plan.
- 16.14 **SBC-13STATE** shall have no liability to CARRIER, its LWC End Users, or any other third party in the event of **SBC-13STATE**'s exercise of any of its options under this Section.
- 16.15 Additional charges may become applicable under this Attachment following discontinuance of LWC and/or any other Offering hereunder.
- 16.16 The Parties shall comply with any applicable laws regarding the discontinuance of LWC or any other offering hereunder. In the event of any inconsistency with any applicable law and this Section, Section 18, Severability, shall not affect the application of this Section to the full extent permitted by law.
- 16.17 **SBC-13STATE** reserves the right to require a deposit to secure the payment of future billings under this Attachment if:
- 16.17.1 CARRIER fails to timely pay bills rendered to it, except such portion of a bill that is subject to a good faith, bona fide dispute and as to which CARRIER has complied with the billing dispute and escrow provisions herein; or
- 16.17.2 In **SBC-13STATE**'s reasonable judgment there has been an impairment of the established credit, financial health, or creditworthiness of CARRIER. Such impairment will be determined from information available from available financial sources. CARRIER shall be considered to be so impaired if it has not maintained a "BBB" or better long-term debt rating, or an "A-2" or better short-term debt rating by Standard & Poors at any point during the effectiveness of this Attachment; or
- 16.17.3 CARRIER admits its inability to pay its debts as they come due, has commenced a voluntary case (or has had an involuntary case commenced against it) under the U.S. Bankruptcy Code or any other law relating to insolvency, reorganization, winding-up, composition or adjustment of debts or the like, has made an assignment for the benefit of creditors or is subject to a receivership or similar proceeding.
- In the event CARRIER fails to submit the required deposit to **SBC-13STATE** within fifteen (15) days after written notice requiring such deposit as permitted by this Section, **SBC-13STATE** may, in addition to exercising any other rights or remedies it may have under law, take any of the actions set forth in Sections 16.10.1 through 16.10.3 without any further notice to CARRIER.
- 16.18 As provided for herein, interest on overdue charges that are not Disputed Amounts, and on Disputed Amounts to the extent not escrowed will be assessed as follows:

- 16.18.1 If billed out of any **SBC-8STATE** billing system other than the **SBC SOUTHWEST REGION 5-STATE** Customer Records Information System (CRIS), interest will accrue from the day following the Payment Due Date until paid at the lesser of (i) the rate used to compute the Late Payment Charge in the applicable **SBC-8STATE** intrastate access services tariff for that State, and (ii) the highest rate of interest that may be charged under applicable law. The method and timing for application of interest to any charge incurred under this Attachment that is billed out of any **SBC-8STATE** billing system other than **SBC SOUTHWEST REGION 5-STATE**'s CRIS will comply with the process set forth in the applicable **SBC-8STATE** intrastate access services tariff for that state.
- 16.18.2 If billed out of **SBC SOUTHWEST REGION 5-STATE**'s CRIS, interest will accrue from the day following the Payment Due Date until paid at the lesser of (i) the rate used to compute the Late Payment Charge contained in the applicable **SBC SOUTHWEST REGION 5-STATE** intrastate retail tariff governing Late Payment Charges to **SBC SOUTHWEST REGION 5-STATE**'s retail End Users that are business End Users in that state, and (ii) the highest rate of interest that may be charged under applicable law. The method and timing for application of interest to any charge incurred under this Attachment that is billed out of **SBC SOUTHWEST REGION 5-STATE**'s CRIS will be governed by the **SBC SOUTHWEST REGION 5-STATE** intrastate retail tariff governing Late Payment Charges to **SBC SOUTHWEST REGION 5-STATE**'s retail End Users that are business End Users in that state.
- 16.18.3 If billed out of any **SBC MIDWEST REGION 5-STATE** billing system, interest will accrue from the Payment Due Date at the lesser of (i) one and one-half percent (1½%) per month and (ii) the highest rate of interest that may be charged under applicable law, compounded daily from the day following the Payment Due Date to and including the date that the payment is actually made and available.
- 16.19 CARRIER shall make all payments to **SBC-12STATE** via electronic funds credit transfers through the Automated Clearing House Association (ACH) network to the financial institution designated by **SBC-12STATE**. Remittance information will be communicated together with the funds transfer via the ACH network. CARRIER must use the CCD+ or the CTX transaction set. CARRIER and **SBC-12STATE** will abide by the National Automated Clearing House Association (NACHA) Rules and Regulations. Each ACH credit transfer must be received by **SBC-12STATE** no later than the Payment Due Date of each bill, or Late Payment Charges will apply. **SBC-12STATE** is not liable for any delays in receipt of funds or errors in entries caused by CARRIER or third parties, including CARRIER's financial institution. CARRIER is responsible for its own banking fees.
- 16.19.1 CARRIER is responsible for any Late Payment Charges resulting from CARRIER's failure to use electronic funds credit transfers through the ACH network.
- 16.19.2 CARRIER must make all payments to **SBC CONNECTICUT** in "immediately available funds." All payments to **SBC CONNECTICUT** must be made using one of the methods set forth in the Connecticut Access Service Tariff approved by the DPUC or via electronic funds credit transfers through the Automated Clearing House Association (ACH) network to the financial institution designated by **SBC CONNECTICUT**. If CARRIER makes payment through funds transfer via the ACH network, remittance information will be communicated together with the funds transfer via the ACH network. If CARRIER makes payment through funds transfer via the ACH network, CARRIER must use the CCD+ or the CTX transaction set. CARRIER and **SBC CONNECTICUT** will abide by the National Automated Clearing House Association (NACHA) Rules and Regulations. Each payment must be received by **SBC CONNECTICUT** no later than the Payment Due Date of each bill or Late Payment Charges will apply. **SBC CONNECTICUT** is not liable for any delays in receipt of funds or errors in entries caused by CARRIER or third parties, including CARRIER's financial institution. CARRIER is responsible for its own banking fees.

- 16.20 If CARRIER requests one or more additional copies of a bill, CARRIER will pay SBC-13STATE a reasonable fee for each additional copy, unless such copy was requested due to failure in delivery of the original bill or correction(s) to the original bill.
- 16.21 Each additional copy of any Invoice provided for billing from SBC-13STATE CABS billing system will incur charges as specified in the applicable Access Service Tariff FCC Alternate Bill Media Section. Prices for bill media choices reflected in the applicable tariff as ICB will be billed as indicated in the LWC Pricing Schedule.

17. FALSE TECHNICIAN DISPATCH

- 17.1 In cases where CARRIER has been assessed a "False Technician Dispatch (CARRIER Fault)" charge as provided for herein, but a subsequent trouble report for the same problem, submitted within 30 days of the initial report, determines that the service problem was due to trouble within the SBC-13STATE network, CARRIER may submit a dispute for that initial "False Technician Dispatch (CARRIER Fault)" charge and will not be subject to a "Bill Inquiry/Dispute (Charges sustained)" charge notwithstanding the fact that the dispute is subsequently sustained (e.g., charge upheld as valid) if, when CARRIER submits the dispute over that initial "False Technician Dispatch (CARRIER Fault)" charge, CARRIER declares that its dispute is being submitted under this Section. If CARRIER does not so declare, the "Bill Inquiry/Dispute (Charges sustained)" charge will apply.

18. SEVERABILITY

- 18.1 Notwithstanding anything else in the Agreement but except as otherwise provided in this Attachment, if any provision of this Attachment (including its Appendices, Exhibits, and Schedules) is rejected or held to be illegal, invalid or unenforceable, the Parties shall negotiate in good faith and diligent efforts to amend this Attachment to replace the unenforceable provision with an enforceable provision that is mutually acceptable and that reflects the intent of the unenforceable provision as closely as possible; provided, however, that failure to reach such mutually acceptable new provisions within ninety (90) days after such rejection or holding shall permit either Party to terminate this Attachment upon 180 days written notice to the other, during which time the Parties shall work cooperatively to establish an orderly transition of LWC End Users to other serving arrangements. In any situation in which the right to terminate under this Section 28.1 is triggered by State government action, the right to terminate shall arise only in the State in which such action occurred and would apply for that State only.

19. END USER FRAUD

- 19.1 SBC-13STATE shall not be liable to CARRIER for any fraud associated with any CARRIER LWC End User's account, including 1+ IntraLATA toll, ported numbers, except as may be specified in the Appendix LWC Alternately Billed Services ("ABS").
- 19.2 The Parties agree to cooperate with one another to investigate, minimize, and take corrective action in cases of fraud involving 1+ IntraLATA toll calls, ABS, and ported numbers. The Parties' fraud minimization procedures are to be cost-effective and implemented so as not to unduly burden or harm one Party as compared to the other.
- 19.3 In cases of suspected fraudulent activity by an LWC End User or on an LWCAL, at a minimum, the cooperation referenced in Section 19.2 will include CARRIER providing to SBC-13STATE, upon request, information concerning such LWC End User and any entity or person who terminate services to that LWC End User or LWCAL without paying all outstanding charges. CARRIER is responsible for securing the LWC End User's permission to obtain such information.

20. LAW ENFORCEMENT

- 20.1 **SBC-13STATE** and CARRIER shall reasonably cooperate with each other in handling law enforcement requests as follows:

20.1.1 Intercept Devices:

20.1.1.1 Local and federal law enforcement agencies periodically request information or assistance from local telephone service providers. When **SBC-13STATE** receives a request associated with an LWC End User, it shall refer such request to CARRIER, unless the request directs **SBC-13STATE** to attach a pen register, trap-and-trace or form of intercept on **SBC-13STATE** facilities, in which case **SBC-13STATE** shall comply with any valid request.

20.1.2 Subpoenas:

20.1.2.1 If **SBC-13STATE** receives a subpoena for information concerning an LWC End User, it shall refer the subpoena to the requesting entity or person with an indication that CARRIER is the responsible company, unless the subpoena requests records for a period of time during which **SBC-13STATE** was the LWC End User's service provider, in which case **SBC-13STATE** will respond to any valid request.

20.1.3 Emergencies:

20.1.3.1 If **SBC-13STATE** receives a request from a law enforcement agency for a temporary number change, temporary disconnect, or one-way denial of outbound calls by its switch for an LWC End User, **SBC-13STATE** will comply with a valid emergency request. However, neither Party shall be held liable for any claims or Losses arising from compliance with such requests on behalf of the LWC End User and CARRIER agrees to indemnify and hold **SBC-13STATE** harmless against any and all such claims or Losses.

21. NETWORK MAINTENANCE AND MANAGEMENT

- 21.1 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.
- 21.2 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.
- 21.3 Where the capability exists, originating or terminating traffic reroutes may be implemented by either Party to temporarily relieve network congestion due to facility failures or abnormal calling patterns. Reroutes shall not be used to circumvent normal trunk servicing. Expansive controls shall be used only when mutually agreed to by the Parties.
- 21.4 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.

22. CUSTOMER INQUIRIES/END USER NOTICES

- 22.1 Except as otherwise provided in this Attachment, CARRIER shall be the primary point of contact for CARRIER's LWC End Users with respect to the services CARRIER provides such LWC End Users.

23. SURVIVAL

- 23.1 In addition to and without affecting the general applicability of the survival provisions elsewhere in the Agreement, including without limitation to this Attachment and its Appendices, the following terms and conditions are specifically agreed by the Parties to continue beyond the termination or expiration of this Agreement: Sections 13 (Intercarrier Compensation Responsibilities), 16 (Billing and Payment of Rates and Charges and Billing Disputes), 19 (End User Fraud), and 25 (Preservation of Legal Positions); LWC APPENDIX LIDB AND CNAM – QUERY, Sections 8 (Limitation of Liability), 9 (Confidentiality), and 11 (Disclaimer of Representations and Warranties); APPENDIX LWC LIDB AND CNAM – SMS, Sections 9 (Confidentiality), 10 (Limitation of Liability), and 11 (Disclaimer of Representations and Warranties).

24. PUBLICITY

- 24.1 **SBC-13STATE** agrees that CARRIER may refer to **SBC-13STATE**, orally and in writing, as CARRIER's "underlying network provider." Any other reference to one Party by the other requires written consent of the first Party.

25. PRESERVATION OF LEGAL POSITIONS

- 25.1 Except as specifically modified by this Attachment with respect to their mutual obligations herein, neither Party relinquishes, and each Party instead fully reserves, any and all legal rights that it had, has and may have to assert any position with respect to any of the matters set forth herein before any state or federal administrative, legislative, judicial or other legal body.
- 25.2 It is the express intent of the Parties that this Attachment is a commercial arrangement that is not subject to Sections 251 and/or 252, or any similar state law. However, in the event that this Attachment is subjected to any of the foregoing and/or is terminated or invalidated pursuant to Sections 15.2 and/or 15.3 it is the express intent and agreement of the Parties that neither of them shall be deemed or otherwise determined to have waived, and each Party shall have hereby expressly reserved, any of the rights, remedies or arguments it may have at law or under the intervening law or regulatory change provisions in any relevant interconnection agreement(s) (including intervening law rights asserted by either Party via written notice predating this Attachment) with respect to any orders, decisions, legislation or proceedings and any remands thereof, including, without limitation, the following actions, which the Parties have not yet fully incorporated into any interconnection agreement(s) between them as of the effective date of this Attachment or which may be the subject of further government review: *Verizon v. FCC*, et. al, 535 U.S. 467 (2002); *USTA, et. al v. FCC*, 290 F.3d 415 (D.C. Cir. 2002) and following remand and appeal, *USTA v. FCC*, 359 F.3d 554 (D.C. Cir. 2004); the FCC's Triennial Review Order, CC Docket Nos. 01-338, 96-98 and 98-147 (FCC 03-36) including, without limitation, the FCC's MDU Reconsideration Order (FCC 04-191) (rel. Aug. 9, 2004) and the FCC's Order on Reconsideration (FCC 04-248) (rel. Oct. 18, 2004), and the FCC's Biennial Review Proceeding; the FCC's Order on Remand (FCC 04-290), WC Docket No. 04-312 and CC Docket No. 01-338 (rel. Feb. 4, 2005) ("TRO Remand Order"); the FCC's Supplemental Order Clarification (FCC 00-183) (rel. June 2, 2000), in CC Docket 96-98; and the FCC's Order on Remand and Report and Order in CC Dockets No. 96-98 and 99-68, 16 FCC Rcd 9151 (2001), (rel. April 27, 2001), which was remanded in *WorldCom, Inc. v. FCC*, 288 F.3d 429 (D.C. Cir. 2002), and as to the FCC's Notice of Proposed Rulemaking as to Intercarrier Compensation, CC Docket 01-92 (Order No. 01-132) (rel. April 27, 2001). The foregoing shall apply with respect to each **SBC-13STATE** States, and shall apply retroactively to prior to the effectiveness of this Attachment, where this Attachment is (i) subjected to Sections 251 and/or 252, or any similar state law, but not terminated or invalidated as may be permitted herein, and then applicable as to any person or entity not a Party to this Attachment, and/or (ii) is so terminated or

invalidated. This provision shall be liberally construed in accordance with its intent, so as to ensure that the respective positions of the Parties with respect to any such orders, decisions, legislation or proceedings and any remands thereof (including under any relevant interconnection agreement(s)), shall not have been affected as a result of or otherwise arising from this Attachment in those states where this Attachment is subjected to Sections 251 and/or 252, or any similar state law, or is so terminated or invalidated.

APPENDIX LWC 800

TABLE OF CONTENTS

1. INTRODUCTION/DESCRIPTION	3
2. GENERAL TERMS AND CONDITIONS.....	3

APPENDIX LWC 800 (Toll Free Calling Database)

1. INTRODUCTION/DESCRIPTION

- 1.1 This Appendix is an integral part of the Private Commercial Agreement for Local Wholesale Complete (LWC) between AT&T-13STATE and CARRIER, and sets forth the terms and conditions for use of the Toll Free Calling Database as part of LWC.
- 1.2 As part of LWC, the use of the Toll Free Calling Database supports the processing of toll free calls (e.g., 800 and 888) originating from a LWCAL where identification of the appropriate carrier (800 Service Provider) to transport the call is dependent upon the full ten digits of the toll free number (e.g., 1+800+NXX+XXXX). Use of the Toll Free Calling Database includes all 800-type dialing plans (i.e., 800, 888, and other codes as may be designated in the future).
- 1.3 Use of the Toll Free Calling Database provides the carrier identification function required to determine the appropriate routing of an 800 or other toll free number based on the geographic origination of the call, from a specific or any combination of NPA/NXX, NPA or LATA call origination detail.

2. GENERAL TERMS AND CONDITIONS

- 2.1 Use of the Toll Free Calling Database provided under the Agreement and this Appendix is only available as part of and use in conjunction with LWC.
- 2.2 Use of the Toll Free Calling Database is offered separate and apart from other network capabilities that may be available for use as part of LWC, e.g., end office 800 (SSP) functionality and (CCS/SS7) signaling. This Appendix is separate from the terms and conditions that may be applicable for such related elements, and in no way shall this Appendix be construed to circumvent the terms and conditions as specified for such related elements. This Appendix is only applicable when CARRIER is purchasing LWC, and then only as part of the LWC being provided (e.g., not for use separately, or with respect to any other offering by AT&T-13STATE).
- 2.3 Each Party reserves the right to modify its network pursuant to other specifications and standards, which may include Telcordia's specifications, defining specific service applications, message types, and formats, that may become necessary to meet the prevailing demands within the U.S. telecommunications industry. All such changes shall be announced in accordance with the then prevailing industry standard procedures. Each Party shall work cooperatively to coordinate any necessary changes.
- 2.4 CARRIER acknowledges and agrees that CCS/SS7 network overload due to extraordinary volumes of queries and/or other SS7 network messages can and will have a detrimental effect on the performance of AT&T-13STATE's CCS/SS7 network and its Toll Free Calling Database. CARRIER further agrees that AT&T-13STATE, at its sole discretion, may employ certain automatic and/or manual overload controls within AT&T-13STATE's CCS/SS7 network to guard against these detrimental effects.
- 2.5 During periods of Toll Free Calling Database system congestion, AT&T-13STATE shall utilize an automatic code gapping procedure to control congestion that may affect the service of all customers of AT&T-13STATE's Toll Free Calling Database. For example, during an overload condition, the automatic code gapping procedures shall tell AT&T-13STATE's Toll Free Calling Database when to begin to drop one out of three queries received. This code gapping procedure shall be applied uniformly to all users of AT&T-13STATE's Toll Free Calling Database. AT&T-13STATE reserves the right to manually invoke the automatic code gapping procedure to control congestion.
- 2.6 CARRIER shall not use any Toll Free Calling Database information to copy, store, maintain or create any table or database of any kind or for any purpose.

APPENDIX LWC ALTERNATELY BILLED SERVICES “ABS”

TABLE OF CONTENTS

1. INTRODUCTION/DESCRIPTION	3
2. DAILY USAGE FILE (DUF) RATED MESSAGES	3
3. INTERCARRIER PAYMENT OF ABS CHARGES AS A DISCOUNTED PURCHASE OF ACCOUNTS RECEIVABLE	4
4. BLOCKING ABS TRAFFIC	4
5. TAXES ON ABS CHARGES	5
6. BILLING END USERS AND RESPONDING TO END USER INQUIRIES	5
7. MISCELLANEOUS TERMS AND CONDITIONS	5

APPENDIX LWC ALTERNATELY BILLED SERVICES "ABS"

1. INTRODUCTION/DESCRIPTION

- 1.1 This Appendix is an integral part of the Private Commercial Agreement for Local Wholesale Complete (LWC) between AT&T-13STATE and CARRIER, and sets forth the terms and conditions for "Alternately Billed Services" or "ABS" (as defined herein). The ABS terms and conditions provided under the Agreement and this Appendix are only available as part of and use in conjunction with LWC. This Appendix is only applicable when CARRIER is purchasing LWC, and then only as part of the LWCAL being provided (e.g., not for use separately, or with respect to any other offering by AT&T-13STATE).
- 1.2 "Alternately Billed Services" or "ABS" means a service that allows either Party's end users to bill calls to accounts that may not be associated with the originating line, and includes all of the following call types terminated to or from an LWCAL:
 - Local and intraLATA toll Collect calls,
 - Local and intraLATA toll Bill-to-Third-Number calls, and
 - Local and intraLATA toll Calling Card calls.
- 1.3 ABS calls can flow in either direction, for example, either originated by an AT&T-13STATE end user and terminating to a CARRIER's LWCAL, or originated on a CARRIER's LWCAL and terminating to an AT&T-13STATE end user. The Agreement and this Appendix therefore cover each Party's obligation to pay the other Party on an Inter-carrier basis for ABS calls to or from either Party's end users when CARRIER is purchasing LWC.
 - 1.3.1 ABS does not include any interLATA long distance charges assessed by an Interexchange Carrier (IXC), or any 900, 976 or other Information Services charges.
- 1.4 Because ABS traffic occurring up to and including the termination date of the Agreement will be billed and paid on an Inter-carrier basis in the month following the termination date or later, the Parties acknowledge and agree that they will carry out this Appendix until the ABS traffic subject to it has been billed and paid on an Inter-carrier basis, and will use commercially reasonable efforts to conclude all Inter-carrier ABS billing, payments and/or credits no later than the 30th day following the termination date of the Agreement.

2. DAILY USAGE FILE (DUF) RATED MESSAGES

- 2.1 AT&T-13STATE will record usage of all ABS traffic on LWCALs. The recorded ABS minutes of use will be transmitted to the CARRIER electronically on the Daily Usage File (DUF). See DUF and OSS LWC Appendices.
- 2.2 The ABS traffic will be expressed as "rated message," meaning the tariff rates applied to the individual call.
 - 2.2.1 For ABS calls originating on the AT&T-13STATE network and terminating to CARRIER's LWCALs, the rates for the ABS rated message will be as found in the applicable AT&T-13STATE tariffs, as those tariffs may be amended from time to time.
 - 2.2.2 For ABS calls originating by CARRIER's LWCALs and terminating to an AT&T-13STATE end user, the rates for the ABS rated message will be as found in the applicable CARRIER tariffs, as those tariffs may be amended from time to time.

- 2.3 AT&T-13STATE also records and transmits usage for third party local exchange carriers' ABS traffic accepted by either Party's end users. AT&T-13STATE will pass through, in either direction, all third party traffic without re-rating the messages.

3. **INTERCARRIER PAYMENT OF ABS CHARGES AS A DISCOUNTED PURCHASE OF ACCOUNTS RECEIVABLE**

- 3.1 On a reciprocal basis, each Party hereby agrees to purchase from the other Party all of the other Party's ABS charges in a monthly Discounted Purchase of Accounts Receivable transaction. The Parties agree that the Discounted Purchase of Accounts Receivable permits the purchasing Party to own outright the other Party's ABS charges, and to collect those ABS charges as if they were its own, without recourse or further adjustment.
- 3.2 The reciprocal Purchase of Accounts Receivable Discount shall be 20% of the gross amount of ABS charges for that month, without adjustments of any kind.
- 3.2.1 The gross amount of ABS charges shall consist of the monthly total of all ABS rated messages received from the Party selling the ABS Accounts Receivables via DUF transmissions for that month.
- 3.2.1.1 When the Party selling the ABS Accounts Receivables is AT&T-13STATE, the gross ABS amount may also include any third party LEC charges for ABS which AT&T-13STATE paid to third party LEC.
- 3.2.1.2 When the Party selling the ABS Accounts Receivables is CARRIER, the gross amount will consist of all rated messages sent via a mutually agreeable industry standard mechanism (e.g., the "Return DUF" or other mutually acceptable electronic interface).
- 3.2.2 The Purchase of Accounts Receivable Discount shall be applied on a monthly basis. The resulting 80% net ABS amount shall be due and owing on the Bill Due Date.
- 3.3 Once the Purchase of Accounts Receivable Discount is applied to a given monthly ABS bill, the purchasing Party will thereafter not adjust, deduct, debit, or otherwise attempt to recourse back to the selling Party any ABS charges.
- 3.4 Settlement Calculation for Amount Due
- Gross ABS Billings Sent to Billing Party (+)
 - Minus Discount for Purchase of Accounts Receivable (-)
 - Minus any mutually agreed adjustments for that month (-)
 - Equals Net Purchase of Accounts Receivable ($a - b - c = d$)
 - Late Payment Charges, if any (+)
 - Amount Due Party Selling Accounts Receivable ($d + e = f$)
- 3.5 Sample Calculation
- \$200,000.00 sent (for 50,000 calls)
 - Minus \$40,000.00 for Discount for Purchase of Accounts Receivable
 - Minus \$1,000.00 in mutually agreed adjustments
 - Equals \$159,000.00 Net Purchase of Accounts Receivable
 - Plus \$0.00 Late Payment Charge
 - Amount Due \$159,000.00

4. **BLOCKING ABS TRAFFIC**

- 4.1 On a line by line basis, CARRIER may establish Toll Billing Exception (TBE) blocking at the terminating end of an LWCAL for collect and/or bill to third number calls. TBE blocking is subject to applicable

ordering processes and service order charges as specified elsewhere in the Agreement for each specific State.

5. TAXES ON ABS CHARGES

- 5.1 The Party selling the ABS traffic as the Purchase of Accounts Receivable shall not add on any sales taxes, municipal fee surcharges, or other similar taxes to the ABS charges it sends to the Billing Party on either the Daily Usage Feed or the monthly ABS invoice.
- 5.2 When invoicing an end user, the Party Purchasing the Accounts Receivable shall be responsible for collection from the end user and/or payment to the appropriate taxing agency of all sales taxes, municipal fees, or other taxes of any nature, including interest and penalties, that may apply to end user charges billed under this Appendix.

6. BILLING END USERS AND RESPONDING TO END USER INQUIRIES

- 6.1 At its sole discretion, either Party may bill its end users for ABS calls transmitted by the other Party.
- 6.2 Nothing in this Appendix shall be construed as permission to use the other Party's corporate name, the name under which it is "doing business as," the company logo, trademarks, or service marks, or otherwise suggest that the ABS charges, once purchased as an Accounts Receivable, still belong to the originating network.
- 6.3 Each Party is responsible for answering inquiries or handling disputes from its own end users regarding the ABS charges contained on a bill.

7. MISCELLANEOUS TERMS AND CONDITIONS

- 7.1 This document contains the complete agreement between the Parties and supersedes all prior settlement agreements, negotiations and discussions between the Parties pertaining to ABS traffic for the term of the Agreement and this Appendix.

APPENDIX LWC LIDB AND CNAM – SMS