

INVOICING

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1. INTRODUCTION

- 1.1 This Appendix sets forth the terms and conditions by which the Parties shall render and pay bills for all services provided pursuant to this Agreement, including but not limited to Resale, unbundled Network Elements, Reciprocal Compensation, Interconnection and Collocation.
- 1.2 The Parties agree to participate in and comply, whenever possible, with the Ordering and Billing Forum (OBF) and the Telecommunications Industry Forum (TCIF) guidelines. However, due to system limitations and/or new product developments SBC MISSOURI may proceed ahead of industry guidelines as necessary or choose not to implement. Neither Party waives its rights as participants in such forums or in the implementation of the guidelines.
- 1.3 Intentionally Omitted.
- 1.4 To the extent that there are no OBF guidelines or CABS BOS outputs governing the formatting of certain data, such data will be issued in a format mutually agreed to by the Parties.
- 1.5 For purposes of this Appendix Invoicing, the Party rendering a bill shall be the "Billing Party" and the Party receiving the bill shall be the "Billed Party."

2. TRANSMISSION OF BILLS AND CREDITS

- 2.1 The Parties will meet during the implementation of this Agreement to negotiate the means of transmissions unless arrangements exist for transmission of billing information.
- 2.2 Where technically feasible, each Party will transmit billing information and data to the other in an electronic format. Upon transmission failure, the Billed Party will notify the Billing Party within 10 (ten) business days invoice date and the Billing Party will re-transmit the bill at its own cost, provided the transmission failure was caused by the Billing Party's systems or actions. In the event of such a transmission failure, the Bill Due Date shall be extended by the number of days elapsing between the transmission failure and the successful re-transmission. In emergency situations where transmissions have failed, when media transmittal has to be used to convey a bill, the Parties will generate media to be transported to each other via a courier. The Parties will have no responsibility to return media delivered to each other. The Parties shall use media packaging that is sufficient to ensure that the media is protected and useable when the other Party receives it.
- 2.3 For enhancements to transmissions of existing and new bills, the Parties shall use test and production data that will be developed between the Parties. The Parties will mutually agree upon the file (block size, record length, etc.).
- 2.4 The Parties will share contingency procedures and policies that will be used to manage billing disruptions.
- 2.5 The Parties shall provide each other a single point of contact ("SPOC"), for SBC MISSOURI the SPOC will be MCI's designated account manager for handling any questions or problems regarding bills that may arise during the implementation and performance of the obligations of this Appendix Invoicing. The SBC MISSOURI SPOC will be available via a single telephone number (not through an answering center).

- 2.6 Each Party will establish monthly billing dates ("Bill Date") for each bill type, which Bill Date will be the same day from month to month. Each Party will provide the other Party at least thirty (30) calendar days' written notice prior to changing, adding or deleting any bill type. All bills must be received by the recipient no later than ten (10) calendar days from the Bill Date or at least twenty (20) calendar days prior to the payment due date, whichever is earlier. Any bill received on a Saturday, Sunday or bank holiday will be deemed received the next business day. If either Party fails to receive billing data and information within the time period specified above, the payment due date will be extended by the number of days the bill is late.
- 2.7 The Parties will render and transmit to each other accurate and timely bills.
- 2.8 Credits. If the Billed Party disputes charges pursuant to Section 6.0 et seq., of this Appendix Invoicing and the dispute is resolved in favor of the Billed Party, the Billing Party shall credit the Billed Party for the amount of the dispute(s) ("Disputed Amounts"), along with interest charges as defined in the Late Payment Charges section 5.0 et seq., below, no later than the second Bill Due Date after the resolution of the dispute or as otherwise agreed by the Parties, The Billing Party shall limit any such credit(s) associated with the dispute consistent with the Stake Date limitations set forth below.
- 2.9 The Parties will reimburse or credit each other for incorrect charges including, but not limited to, overcharges, services ordered or requested but not delivered and service interruption which cause the purchased service to be unavailable. All requests for reimbursement or credit under this section shall be submitted by the Billed Party to the Billing Party through the claims process set forth in section 6.7 below.
- 2.10 The Billing Party making a credit may issue the credit in the "Other Charges and Credits" portion of the applicable Billing Account Number (BAN), unless the Parties agree to pay by electronic funds transfer via ACH network, wire transfer, check, or other mutually agreed means.

3. REMITTANCE AND PAYMENT OF BILLS OTHER THAN FOR RECIPROCAL COMPENSATION

- 3.1 Except for Reciprocal Compensation billing, which is set forth separately in Section 4 below, and unless otherwise stated, each Party will render monthly bill(s) to the other for Resale Services, unbundled Network Elements, and Collocation, and all functions, facilities, products and services provided in the Agreement at the rates set forth in the applicable Appendix Pricing, or as otherwise agreed to by the Parties.
- 3.2 Subject to the terms of this Appendix, each Party shall remit payment the other Party as set out below:
- 3.2.1 Remittance in full of all undisputed bills are due thirty (30) calendar days after each Bill Date (the "Bill Due Date") and shall be paid in accordance with the terms of this Appendix Invoicing. If the Bill Due Date is a Saturday, Sunday, or has been designated a bank holiday, payment will be due the next business day. Late payment charges, if any, will be assessed in accordance with the requirements in this Appendix.
- 3.2.2 The Billed Party shall make all payments to the Billing Party by electronic funds credit transfers through the Automated Clearing House ("ACH") network to the financial

institution designated by the Billing Party. Remittance information will be communicated together with the funds transfer via the ACH network. Both Parties must use the CCD+ or the CTX transaction set. Both Parties will abide by National Automated Clearing House Association (NACHA) rules and regulations. Each ACH credit transfer must be received no later than the Bill Due Date, or any agreed-to extension thereof, of each bill or Late Payment Charges will apply. The Billing Party is not liable for any delays in receipt of funds or errors in entries caused by the Billed Party or third parties, including the Billed Party's financial institution. Each Party is responsible for its own banking fees.

3.2.3 The Parties acknowledge that processing of payments not made via electronic funds credit transfers through the ACH network may be delayed. For those bills it receives electronically, the Billed Party shall be responsible for any Late Payment Charges resulting from failure to use electronic funds credit transfers through the ACH network. If the Billing Party makes a bill available electronically but the Billed Party chooses not to receive that particular bill electronically (i.e., requests that the bill be provided in hard copy only), the Billing Party shall not be excused from the requirement to make payment through the ACH network.

3.3 The Billed Party shall pay in full all undisputed billed charges. However, nothing in this Appendix Invoicing shall be construed to limit either Party's ability to file claims at the Local Service Center and/or seek Dispute Resolution in accordance with the terms of this Agreement.

3.4 Intentionally Omitted.

4. INTENTIONALLY OMITTED

5. LATE PAYMENT CHARGES

5.1 A late payment charge shall be applied, if: (i) no payment is received by the Billing Party by the Bill Due Date or any agreed-to extension thereof; (ii) a partial payment of the amount due is received by the Billing Party after the Bill Due Date; or (iii) payment or partial payment is received by the Billing Party in funds that are not immediately available to the Billing Party.

5.1.1 If any charge incurred under this Agreement billed out of CRIS or RBS is past due, the unpaid amounts shall accrue interest from the Bill Due Date at an amount equal to the intrastate retail tariff governing Late Payment Charges to SBC MISSOURI' retail business end users customers in SBC MISSOURI

5.1.2 If any charge incurred under this Agreement for Services billed out of CABS is past due, the unpaid amounts shall accrue interest from the Bill Due Date at an amount equal to the intrastate access tariff governing Late Payment Charges in

6. LIMITS ON BILLING DISPUTES

6.1 Stake Dates. In order to achieve greater certainty in the billing and bill auditing processes, the Parties have agreed to limit contractually how far back a claim of underbilling or overbilling can go, called setting "Stake Dates." To achieve this certainty, the Parties mutually agree that the Stake Dates shall apply regardless of whether the applicable billing before the Stake Date was in error or not, and regardless of whether statutory or common law limitations would permit a claim to go

farther back in time. As used herein, therefore, "Stake Date" shall mean the point in time before which no adjustments, credits, refunds, reimbursements, or other billing true ups will apply, based on the filing of claims and Bill Dates (defined as the Invoice Date provided on the paper or electronic bill) set forth herein except as set forth in Section 6.2 below and Section 8.

- 6.2 Filing Claims. If any portion of an amount due to the Billing Party under this Agreement is subject to a bona fide dispute between the Parties, the Billed Party (Disputing Party) shall give written notice to the Billing Party of the amounts it disputes ("Disputed Amounts") and include in such written notice the specific details and reasons for disputing each item provided. The Billed Disputing Party should utilize any existing and preferred form provided by the Billing Party to communicate disputes to the Billing Party, as set forth in section 6.7 below. In the event that the Billed Party cannot reasonably identify the specific circuit or bill detail and the reason or nature of the dispute at the time it opens a dispute, the Billed Party may still open the dispute (with written notice that further documentation is forthcoming), but shall provide all specific circuit or bill detail and the reason or nature of the dispute within thirty (30) days of opening the dispute. The Billing Party shall apply any credit(s) associated with the dispute consistent with the Stake Date limitations set forth below for resolving such dispute.
- 6.3 Appendix Collocation. The Stake Date for Collocation billing shall be one hundred twenty (120) days from the date the dispute is filed.
- 6.4 Appendix Compensation. The Parties agree that, except as may be set forth by Applicable Law, there shall be no Stake Date for those charges billed pursuant to Appendix Reciprocal Compensation of this Agreement.
- 6.5 Other Services. The Stake Date for services other than those described in section 6.3 and 6.4 above shall be provided pursuant to this Agreement and shall be twelve (12) months from the date the dispute is filed.
- 6.6 Transmission Failure. Neither Party may dispute a charge that beyond the applicable Stake Date, unless there has been a transmission failure for a bill transmitted electronically. In the event of such a transmission failure, the Bill Due Date shall be extended by the number of days elapsing between the transmission failure and the successful re-transmission.
- 6.7 Claims Process for Billing Disputes.
- 6.7.1 Disputes Filed by MCI. When submitting disputes, MCI agrees to use the SBC MISSOURI "13-State Billing Claims Dispute Form" or another mutually agreed-to format and shall submit the claims form to the appropriate SBC MISSOURI local service center ("LSC") or MCI account team, as agreed by the Parties. For each dispute, MCI shall furnish SBC MISSOURI with the information reasonably necessary to determine the nature and scope of the dispute. Such information shall include, as applicable, (i) the date of the bill in question, (ii) Consolidated Billing Accounts (CBA), Enhance Summary Billing Accounts, BAN, or invoice number of the bill in question, (iii) telephone number, circuit ID number or trunk number in question, (iv) any USOC information relating to the item questioned, (v) amount billed, (vi) amount in question and (vii) the reason that MCI disputes the billed amount. Where applicable (e.g., the dispute applies to specific rate element(s) impacting the entire BAN), MCI may furnish summary information rather than circuit-level detail. Upon receipt of a claims form, SBC MISSOURI may request additional information from MCI that may reasonably be necessary to resolve the dispute but shall

not deny MCI's claim until MCI has had the opportunity to provide the requested information. MCI shall provide such additional information within thirty (30) days of receipt of SBC MISSOURI's request, unless the Parties agree to a different period. Any denial by SBC MISSOURI of a dispute submitted by MCI shall be made in writing and directed to the attention of the MCI contact who filed the dispute. Any proposed changes to the 13-State Billing Claims Dispute Form may be submitted to the 13-State CLEC User Forum for consideration; however, SBC MISSOURI reserves the right to modify the 13-State Billing Claims Dispute Form as needed for internal process purposes.

- 6.7.2 Disputes Filed by SBC MISSOURI. When submitting disputes, SBC MISSOURI agrees to use MCI's preferred claims dispute form or another mutually agreed-to format and shall submit the claims form to the appropriate MCI billing contact listed on the invoice. For each dispute, SBC MISSOURI shall furnish MCI with the information reasonably necessary to determine the nature and scope of the dispute. Such information shall include, as applicable, (i) the date of the bill in question, (ii) CBA, ESBA, BAN, or invoice number of the bill in question, (iii) telephone number, circuit ID number or trunk number in question, (iv) any USOC information relating to the item questioned, (v) amount billed, (vi) amount in question and (vii) the reason that SBC MISSOURI disputes the billed amount. Where applicable (e.g., the dispute applies to specific rate element(s) impacting the entire BAN), SBC MISSOURI may furnish summary information rather than circuit-level detail. Upon receipt of a claims form, MCI may request additional information from SBC MISSOURI that may reasonably be necessary to resolve the dispute but shall not deny SBC MISSOURI's claim until SBC MISSOURI has had the opportunity to provide the requested information. SBC MISSOURI shall provide such additional information within thirty (30) days of receipt of MCI's request, unless the Parties agree to a different period. Any denial by MCI of a dispute submitted by SBC MISSOURI shall be made in writing and directed to the attention of the SBC MISSOURI contact who filed the dispute.

7. LIMITS ON BACKBILLING

- 7.1 If charges for services provided pursuant to this Agreement are found to be unbilled or underbilled, or need to be revised, adjusted, or otherwise rebilled, these amended or new invoices shall be

- 7.2 collectively referred to as "backbilling." The Billing Party shall be limited to backbilling in accordance with the "Backbill Stake Dates" set forth below.
- 7.3 Appendix Collocation. The Backbill Stake Date for Collocation billing shall be one hundred twenty (120) days from the date the charges were incurred.
- 7.4 Appendix Compensation. The Parties agree that there shall be no Backbill Stake Date for those charges billed pursuant to Appendix Reciprocal Compensation of this Agreement.
- 7.5 The Backbill Stake Date for services other than those described in section 7.2 and 7.3 above shall be provided pursuant to this Agreement and shall be twelve (12) months from the date the charges were incurred.
- 7.6 Intentionally Omitted.
- 7.7 In the event that the Billing Party cannot reasonably identify the specific circuit or bill detail at the time it submits a backbill, the Billing Party may still submit the backbill (with written notice that further documentation is forthcoming), but shall provide all specific circuit or bill detail within thirty (30) days of submitting the backbill.

8. EXCEPTIONS

- 8.1 This section describes exceptions to the Stake Dates outlined in sections 6.0 and 7.0, and to the "Pay and Dispute" approach outlined in section 3.3. The Parties agree, however, that this section does not create exceptions to any other requirements of this Appendix, including the claims filing process outlined in section 6.2 and 6.7.
- 8.2 Regulatory Required True Up. Anything to the contrary in this Appendix Invoicing notwithstanding, both Parties shall be entitled to seek a billing true up based on an applicable and effective order of the FCC, the Commission, a legislative body or a judicial body of competent jurisdiction. Without limiting the applicability of the foregoing, an example of this Stake Date exception is where a rate increase or surcharge is ordered, approved or allowed on a retroactive basis by the Commission or the FCC or by a court of competent jurisdiction.

9. ADDITIONAL COPIES OF BILLS

- 9.1 Upon request of the Billed Party, the Billing Party shall provide the other with one (1) additional copy, per invoice cycle, of bills at no charge.

10. OSS BILLING

- 10.1 With respect to all current OSS billing interfaces covered by this Appendix, the Parties will comply with the final version of the SBC MISSOURI Uniform and Enhanced OSS ("Uniform POR") once approved by the FCC.
- 10.2 SBC MISSOURI shall provide proper notice of interface phase out as required by the Change Management process. The Parties acknowledge that Change Management processes may be affected by the final Uniform and Enhanced OSS Plan of Record (POR) once approved by FCC.

- 10.3 To achieve enhanced system functionality (e.g. Bill info, Daily Usage Extract as quickly as possible, the Parties acknowledge that they may deploy interfaces with requirements developed in advance of industry guidelines. Thus, subsequent modifications may be necessary to comply with emerging guidelines. The Parties are individually responsible for evaluating the risk of developing their respective systems in advance of guidelines and agree to support their own system modifications to comply with new requirements.
- 10.4 The IS Call Center for the SBC MISSOURI region provides a technical support function for current OSS billing interfaces. MCIm will also provide a single point of contact for technical support issues related to the electronic OSS billing interfaces. The Parties are responsible for obtaining operating system software and hardware to access each other's current OSS billing interfaces.
- 10.5 SBC MISSOURI shall continue to provide MCIm electronic billing for the products/services currently billed electronically in the SBC MISSOURI region.
- 10.6 The Parties acknowledge that billing for everything in this Agreement from MCIm to SBC MISSOURI, the volume of bills does not warrant nor do the Parties desire an Application-to-Application interface. Therefore, MCIm will provide SBC MISSOURI with billing in paper format, unless otherwise mutually agreed.
- 10.7 The Parties will cooperatively test new BOS releases of CABs in line with normal industry practice. The Parties will also cooperatively test new releases, enhancements or other changes to the EDI billing system.