

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

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

### 1. DEFINITIONS

- 1.1 **"Bellcore Client Company"** means SBC CALIFORNIA and any Bell Operating Company as defined in Section 153 of the Communications Act of 1934, as amended.
- 1.2 **"CMDS Host"** means the Bellcore Client Company that is a CMDS direct participant that acts on behalf of a LEC to distribute end user message detail through CMDS and, where applicable, to settle end user message detail through BOC CATS.
- 1.3 **"California 900 Messages"** means 900 calls transported by SBC CALIFORNIA pursuant to Schedule Cal. P.U.C. No. A.9.5.3 but which are billed to a Customer Subscriber.
- 1.4 **"California 976 Messages"** means 976 calls transported by SBC CALIFORNIA pursuant to Schedule Cal. P.U.C. No. A.9.5.2 but which are billed to a Customer Subscriber.
- 1.5 **"Calling Card and Third Number Settlement" ("CATS")** means that part of CMDS which is a mechanized computer process used to maintain records regarding intercompany settlements through which revenues collected by the billing company are distributed to the originating company. Records included in this process are intraLATA Calling Card Messages and/or Third Number Billed Messages that originate in one Bellcore Client Company territory and is billable to an end user in another Bellcore Client Company territory.
- 1.6 **"Centralized Message Data System I" ("CMDS")** means the industry-wide data collection system located in Missouri, which handles the daily exchange of message details between CMDS participating telephone companies (also known as CMDS direct participants). SBC CALIFORNIA is a CMDS direct participant.
- 1.7 **"Customer Calling Card Messages"** means messages where (i) the charges are billed to a telecommunications line number based calling card issued by Customer, (ii) the Transporting LEC is SBC CALIFORNIA, and (iii) the originating number and the line number on the calling card are located in the same Bellcore Client Company territory.
- 1.8 **"Customer Collect Messages"** means messages where the charges are billed to the called end user who is a Customer Subscriber and where the Transporting LEC is SBC CALIFORNIA.
- 1.9 **"Customer Non-CATS Messages"** means Customer Collect Messages, Customer Calling Card Messages and/or Customer Third Number Billed Messages as those terms are defined herein.
- 1.10 **"Customer Subscriber"** means an end user who has authorized Customer to provide the end user with local exchange service in California or who has billed an intraLATA call to a telecommunications calling card that is based on a California telephone number issued by the Customer.
- 1.11 **"Customer Third Number Billed Messages"** means messages where (i) the charges are billed to a Customer Subscriber's telephone number that is not the originating or terminating telephone number, (ii) the Transporting LEC is SBC CALIFORNIA, and (iii) the originating and billed telephone numbers are located in the same Bellcore Client Company territory.
- 1.12 **"Local Access and Transport Area" ("LATA")** are those designated areas approved by the United States District Court for the District of Columbia in United States of America v. American Telephone and Telegraph Company, et al., Civil Action Nos. 74-1698 and 82-0192.
- 1.13 **"Local Exchange Carrier" ("LEC")** means a carrier authorized to provide local, exchange access and intraLATA toll services.

- 1.14 **"SBC CALIFORNIA Calling Card Messages"** means messages where (i) the charges are billed to a telecommunications line number based calling card issued by **SBC CALIFORNIA**, (ii) the Transporting LEC is Customer, and (iii) the originating number and the line number on the calling card are located in the same Bellcore Client Company territory.
- 1.15 **"SBC CALIFORNIA Collect Messages"** means messages where the charges are billed to the called end user who is a **SBC CALIFORNIA** Subscriber and where the Transporting LEC is Customer.
- 1.16 **"SBC CALIFORNIA Non-CATS Messages"** means **SBC CALIFORNIA** Collect Messages, **SBC CALIFORNIA** Calling Card Messages and/or **SBC CALIFORNIA** Third Number Billed Messages as those terms are defined herein.
- 1.17 **"SBC CALIFORNIA Subscriber"** means an end user who has authorized **SBC CALIFORNIA** or who has billed an intraLATA call to a telecommunications calling card issued by **SBC CALIFORNIA**.
- 1.18 **"SBC CALIFORNIA Third Number Billed Messages"** means messages where (i) the charges are billed to a **SBC CALIFORNIA** Subscriber's telephone number that is not the originating or terminating telephone number, (ii) the Transporting LEC is Customer, and (iii) the originating and billed telephone numbers are located in the same Bellcore Client Company territory.
- 1.19 **"Transporting LEC"** means the LEC on whose network an end user originates a call.

## 2. SCOPE OF AGREEMENT

- 2.1 This Appendix specifies the rights and obligations of the Parties with respect to (i) the distribution and/or settlement of Customer Non-CATS Messages where **SBC CALIFORNIA**, (ii) the distribution and/or settlement of California 900/976 Messages and (iii) the settlement of **SBC CALIFORNIA** Non-CATS Messages where Customer is the Transporting LEC.
- 2.2 This Appendix includes the following Exhibits which are incorporated herein by this reference:
- 2.2.1 Exhibit A - Rate Schedule
- 2.2.2 Exhibit B - Non-CMDS Outcollect Report
- 2.3 Except as expressly provided otherwise, the definitions set forth in Section 1 above shall govern all parts of this Appendix.

## 3. DESCRIPTION OF SERVICES

- 3.1 **SBC CALIFORNIA** shall forward Customer Non-CATS Messages to Customer. **SBC CALIFORNIA** shall forward Rejected Messages, Unbillable Messages and Unratable Messages as defined in Section 4.4 below, to Customer. All message detail shall be EMI industry standard format and shall be exchanged at agreed upon intervals.
- 3.1.1 Customer shall obtain a dedicated RAO code. The RAO code will be used to exchange messages between Customer and **SBC CALIFORNIA**. Customer shall inform **SBC CALIFORNIA** whether Customer is designating itself or an agent for receipt of Customer's messages by completing **SBC CALIFORNIA**'s "Technical Requirements" packet. Thereafter, Customer may change its designation only by completing a new **SBC CALIFORNIA** "Technical Requirement" packet. Customer may not designate more than one entity to receive its Messages under this Appendix. If Customer has executed a Meet Point Billing ("MPB") agreement with **SBC CALIFORNIA** and has informed **SBC CALIFORNIA** of Customer's designation under this Appendix, Customer may not make a different designation under the Appendix, and the designation under the MPB agreement will apply to the Messages governed hereunder. Customer expressly understands that all of its Messages – both under this Appendix and its MPB agreement – must be directed to a single entity.
- 3.2 Customer shall record and forward to **SBC CALIFORNIA** all 900 and 976 calls transported by **SBC CALIFORNIA** pursuant to Schedule Cal. P.U.C. Nos. A.9.5.3 and A.9.5.2 respectively that originate from a Customer Subscriber's telephone number. The 900/976 messages shall be in unrated EMI industry

standard format and shall be exchanged at agreed upon intervals. **SBC CALIFORNIA** shall rate the 900/976 messages and forward to Customer all such messages billed to Customer Subscribers.

- 3.3 Customer shall forward **SBC CALIFORNIA** Non-CATS Messages to **SBC CALIFORNIA**. Customer shall forward Unbillable Messages and Recharges as defined in Section 4.2 below, to **SBC CALIFORNIA**. All message detail shall be EMI industry standard format and shall be exchanged at agreed upon intervals.
- 3.4 **SBC CALIFORNIA** and Customer shall exercise good faith efforts to bill and collect all amounts due from its Subscribers for messages distributed under this Appendix. **SBC CALIFORNIA** and Customer warrant that the billing and collection for messages distributed under this Appendix shall be at a performance level no less than the party uses for the billing of its own local exchange services, which in no event shall be inconsistent with generally accepted industry standards of operation for the provision of billing and collection services. **SBC CALIFORNIA** and Customer further agree that the billing and collection process for messages distributed under this Appendix shall comply with all relevant legal, regulatory and legislative authorities. Customer further agrees that the billing and collection services performed for California 900/976 Messages shall comply with CPUC Decision No. 91-03-021 and Decision No. 96-02-072. **SBC CALIFORNIA** and Customer agree to work together to determine whether blocking access to 900/976 numbers is necessary in the event fraudulent use from a Subscriber's line is suspected.
- 3.5 The exchange of message detail between **SBC CALIFORNIA** and Customer shall be based on any mutually acceptable medium.

#### 4. SETTLEMENT ARRANGEMENT

- 4.1 For Customer Non-CATS Messages and California 900/976 Messages billed to Customer Subscribers that **SBC CALIFORNIA** forwards to Customer, **SBC CALIFORNIA** shall calculate the amount due based on the following formula:

Rated Value of Customer Non-CATS Messages and California 900/976 Messages

- Rejected/Unbillable Messages
- Recharges
- Customer Billing Charge

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= Amount Due **SBC CALIFORNIA**

- 4.2 As used in Subsection 4.1 above the following terms are defined as set forth below:
- 4.2.1 Rated Value of Customer Non-CATS Messages and California 900/976 Messages means the total computed charges for Customer Non-CATS Messages and California 900/976 Message based on the Transporting LEC's schedule of rates.
- 4.2.2 Rejected Messages means the rated value of Customer Non-CATS Messages and California 900/976 Messages that failed to pass the edits within the CMDS system and were returned to **SBC CALIFORNIA**.
- 4.2.3 Unbillable Messages means the rated value of Customer Non-CATS Messages and California 900/976 Messages that were not billable to a Customer Subscriber because of missing information in the billing record or other billing error, not the result of an error by Customer or Customer's CMDS Host, that are returned in a timely fashion to **SBC CALIFORNIA** through CMDS.
- 4.2.4 Recharges means the rated value of California 900/976 Messages billed to a Customer Subscriber but which Customer adjusts off the Subscriber's bill consistent with the allowable adjustments set forth in **SBC CALIFORNIA**'s Tariff Schedule Cal. P.U.C. No. 9.5.3.C.4.d (1),(2),(3). Recharges shall be returned to **SBC CALIFORNIA** on the next scheduled CMDS transmission following the issuance of the adjustment to the Subscriber and shall be in EMI industry standard format. Customer acknowledges that **SBC CALIFORNIA** shall be recouping all such Recharges to the underlying provider of the information service being adjusted. Customer agrees to reasonably cooperate with **SBC CALIFORNIA** in response to requests from the underlying information provider for additional information concerning an adjustment issued by the Customer.

- 4.2.5 Customer Billing Charge means the Customer per message billing rate, as set forth in Exhibit A, times the number of Customer Non-CATS Messages and California 900/976 Messages forwarded by **SBC CALIFORNIA**.
- 4.3 For **SBC CALIFORNIA** Non-CATS messages billed to **SBC CALIFORNIA** Subscribers that Customer forwards to **SBC CALIFORNIA**, Customer shall calculate the amount due based on the following formula:
- Rated Value of **SBC CALIFORNIA** Non-CATS Messages
- Unbillable Messages
  - Unratable California 900/976 Messages
  - **SBC CALIFORNIA** Billing Charge
- 
- = Amount Due Customer
- 4.4 As used in Subsection 4.3 above the following terms are defined as set forth below:
- 4.4.1 Rated Value of **SBC CALIFORNIA** Non-CATS Messages means the total computed charges for **SBC CALIFORNIA** Non-CATS Messages based on Customer's schedule of rates.
- 4.4.2 Unbillable Messages means the rated value of **SBC CALIFORNIA** Non-CATS Messages that were not billable to a **SBC CALIFORNIA** Subscriber because of missing information in the billing record or other billing error, not the result of an error by **SBC CALIFORNIA**, that are returned by **SBC CALIFORNIA** in a timely fashion to Customer's CMDS Host.
- 4.4.3 Unratable California 900/976 Messages means the estimated value of California 900/976 Messages, originating from a Customer Subscriber's Telephone Number that (i) Customer fails to record and/or transmit to **SBC CALIFORNIA** or (ii) **SBC CALIFORNIA** cannot rate because of missing or inaccurate information in the unrated billing record due to an error by Customer. The Parties agree to exercise good faith efforts to estimate the value of such messages within 30 days of discovery of the unratable condition.
- 4.4.4 **SBC CALIFORNIA** Billing Charge means the **SBC CALIFORNIA** per message billing rate, as set forth in Exhibit A, times the number of **SBC CALIFORNIA** Non-CATS Messages received by **SBC CALIFORNIA**.
- 4.5 Within 15 business days following the end of each calendar month, **SBC CALIFORNIA** shall provide Customer with a Non-CMDS Outcollect Report in the form of Exhibit B. The report shall include the following information:
- Customer Non-CATS Messages and California 900/976 Messages (by number and associated rated value) forwarded by **SBC CALIFORNIA**;
  - Customer Non-CATS Messages and California 900/976 (by number and associated rated value) returned to **SBC CALIFORNIA** as Rejected, Unbillable Messages or Recharges;
  - Amount Due **SBC CALIFORNIA**, as set forth in Subsection 4.1 above;
- 4.6 Customer shall have 30 days from receipt of the Non-CMDS Outcollect Report to pay the Amount Due penalty free. Payments shall be made by check unless otherwise agreed by the Parties.
- 4.6.1 If the due date falls on a Saturday, Sunday or bank holiday, the due date shall be the first non-holiday day following such Saturday, Sunday or bank holiday.
- 4.6.2 Any payment received after the due date shall be subject to a Late Payment Charge. The Late Payment Charge shall be the portion of the Amount Due **SBC CALIFORNIA** received after the payment date-times a late factor. The late factor shall be a 0.05% daily charge, not compounded, or as otherwise mandated by regulatory or governmental authorities. Any Late Payment Charge shall be included in the next applicable payment.
- 4.6.3 Should Customer dispute any portion of the amount due, Customer shall notify **SBC CALIFORNIA** in writing of the nature and basis of the dispute as soon as possible and prior to the due date. The Parties shall use their best efforts to resolve the dispute prior to the due date.

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

|                                      |                   |
|--------------------------------------|-------------------|
| Customer Billing Charge              | \$.05 per message |
| <u>SBC CALIFORNIA</u> Billing Charge | \$.05 per message |

**EXHIBIT B****Billed By Company (e.g. XYZ)****NON-CMDS OUTCOLLECTS****(LC46 Report)****OCN:-----****Effective 3/1**

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

**NOTES:**

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