

RAO Hosting and ICS Agreement

SECTION 1. SCOPE OF AGREEMENT

- 1.1 This Agreement shall apply to the services of Revenue Accounting Office (RAO) Hosting and Inter-Company Settlements (ICS) as provided by BellSouth to (THE ALEC). The terms and conditions for the provisions of these services are outlined in the Exhibits to this Agreement.

SECTION 2. DEFINITIONS

- 2.1 A. Centralized Message Distribution System is the Telcordia administered national system, based in Kansas City, Missouri, used to exchange Exchange Message Record (EMI) formatted data among host companies.
- B. Compensation is the amount of money due from BellSouth to (THE ALEC) or from (THE ALEC) to BellSouth for services and/or facilities provided under this Agreement.
- C. Exchange Message Interface is the nationally administered standard format for the exchange of data among Exchange Carriers within the telecommunications industry.
- D. Intercompany Settlements (ICS) is the revenue associated with charges billed by a company other than the company in whose service area such charges were incurred. ICS on a national level includes third number and credit card calls and is administered by Telcordia's Calling Card and Third Number Settlement System (CATS). Included is traffic that originates in one Regional Bell Operating Company's (RBOC) territory and bills in another RBOC's territory.
- E. Message Distribution is routing determination and subsequent delivery of message data from one company to another. Also included is the interface function with CMDS, where appropriate.
- F. Non-Intercompany Settlement System (NICS) is the Telcordia system that calculates non-intercompany settlements amounts due from one company to another within the same RBOC region. It includes credit card, third number and collect messages.

- G. Revenue Accounting Office (RAO) Status Company is a local exchange company/alternate local exchange company that has been assigned a unique RAO code. Message data exchanged among RAO status companies is grouped (i.e. packed) according to From/To/Bill RAO combinations.

SECTION 3. RESPONSIBILITIES OF THE PARTIES

- 3.1 RAO Hosting, CATS and NICS services provided to (THE ALEC) by BellSouth will be in accordance with the methods and practices regularly adopted and applied by BellSouth to its own operations during the term of this Agreement, including such revisions as may be made from time to time by BellSouth.
- 3.2 (THE ALEC) shall furnish all relevant information required by BellSouth for the provision of RAO Hosting, CATS and NICS.

SECTION 4. COMPENSATION ARRANGEMENTS

- 4.1 Applicable compensation amounts will be billed by BellSouth to (THE ALEC) on a monthly basis in arrears. Amounts due from one party to the other (excluding adjustments) are payable within thirty (30) days of receipt of the billing statement.

SECTION 5. ASSOCIATED EXHIBITS

- 5.1 Listed below are the exhibits associated with this Agreement.

Exhibit A Message Distribution Service (RAO Hosting)

Exhibit B Intercompany Settlements (CATS and NICS)

- 5.2 From time to time by written agreement of the parties, new Exhibits may be substituted for the attached Exhibits, superseding and canceling the Exhibits then in effect.

SECTION 6. TERM OF AGREEMENT

6.1 This agreement is effective _____ and will continue in force until terminated, with or without cause, by thirty (30) days prior notice in writing from either party to the other. This Agreement may be amended from time to time upon written agreement of the parties.

Executed this _____ day of _____, 2000.

WITNESS: (THE ALEC)

(title)

WITNESS: BELLSOUTH TELECOMMUNICATIONS, INC

(title)

Exhibit A

SECTION 1. SCOPE OF EXHIBIT

- 1.1 This exhibit specifies the terms and conditions, including compensation, under which BellSouth shall provide message distribution service to (THE ALEC). As described herein, message distribution service includes the following:
- 1) Message Forwarding to Intraregion LEC/ALEC - function of receiving a (THE ALEC) message and forwarding the message to another LEC/ALEC in the BellSouth region.
 - 2) Message Forwarding to CMDS - function of receiving a (THE ALEC) message and forwarding that message on to CMDS.
 - 3) Message Forwarding from CMDS - function of receiving a message from CMDS and forwarding that message to (THE ALEC).

SECTION 2. RESPONSIBILITIES OF THE PARTIES

- 2.1 An ALEC that is CMDS hosted by BellSouth must have its own unique hosted RAO code. Requests for establishment of RAO status where BellSouth is the selected CMDS interfacing host, require written notification from (THE ALEC) to BellSouth at least six (6) weeks prior to the proposed effective date. The proposed effective date will be mutually agreed upon between the parties with consideration given to time necessary for the completion of required Telcordia functions. BellSouth will request the assignment of an RAO code from its connecting contractor, currently Telcordia, on behalf of (THE ALEC) and will coordinate all associated conversion activities.
- 2.2 BellSouth will receive messages from (THE ALEC) that are to be processed by BellSouth, another LEC/ALEC in the BellSouth region or a LEC outside the BellSouth region.
- 2.3 BellSouth will perform invoice sequence checking, standard EMI format editing, and balancing of message data with the EMI trailer record counts on all data received from (THE ALEC).
- 2.4 All data received from (THE ALEC) that is to be processed or billed by another LEC/ALEC within the BellSouth region will be distributed to that LEC/ALEC in accordance with the agreement(s) which may be in effect between BellSouth and the involved LEC/ALEC.

- 2.5 All data received from (THE ALEC) that is to be placed on the CMDS network for distribution outside the BellSouth region will be handled in accordance with the agreement(s) which may be in effect between BellSouth and its connecting contractor (currently Telcordia).
- 2.6 BellSouth will receive messages from the CMDS network that are destined to be processed by (THE ALEC) and will forward them to (THE ALEC) on a daily basis.
- 2.7 Transmission of message data between BellSouth and (THE ALEC) will be via electronic data transmission.
- 2.8 All messages and related data exchanged between BellSouth and (THE ALEC) will be formatted in accordance with accepted industry standards for EMI formatted records and packed between appropriate EMI header and trailer records, also in accordance with accepted industry standards.
- 2.9 (THE ALEC) will ensure that the recorded message detail necessary to recreate files provided to BellSouth will be maintained for back-up purposes for a period of three (3) calendar months beyond the related message dates.
- 2.10 Should it become necessary for (THE ALEC) to send data to BellSouth more than sixty (60) days past the message date(s), (THE ALEC) will notify BellSouth in advance of the transmission of the data. If there will be impacts outside the BellSouth region, BellSouth will work with its connecting contractor and (THE ALEC) to notify all affected parties.
- 2.11 In the event that data to be exchanged between the two parties should become lost or destroyed, both parties will work together to determine the source of the problem. Once the cause of the problem has been jointly determined and the responsible party (BellSouth or (THE ALEC)) identified and agreed to, the company responsible for creating the data (BellSouth or (THE ALEC)) will make every effort to have the affected data restored and retransmitted. If the data cannot be retrieved, the responsible party will be liable to the other party for any resulting lost revenue. Lost revenue may be a combination of revenues that could not be billed to the end users and associated access revenues. Both parties will work together to estimate the revenue amount based upon historical data through a method mutually agreed upon. The resulting estimated revenue loss will be paid by the responsible party to the other party within three (3) calendar months of the date of problem resolution, or as mutually agreed upon by the parties.

- 2.12 Should an error be detected by the EMI format edits performed by BellSouth on data received from (THE ALEC), the entire pack containing the affected data will not be processed by BellSouth. BellSouth will notify (THE ALEC) of the error condition. (THE ALEC) will correct the error(s) and will resend the entire pack to BellSouth for processing. In the event that an out-of-sequence condition occurs on subsequent packs, (THE ALEC) will resend these packs to BellSouth after the pack containing the error has been successfully reprocessed by BellSouth.
- 2.13 In association with message distribution service, BellSouth will provide (THE ALEC) with associated intercompany settlements reports (CATS and NICS) as appropriate.
- 2.14 In no case shall either party be liable to the other for any direct or consequential damages incurred as a result of the obligations set out in this agreement.

SECTION 3. COMPENSATION

- 3.1 For message distribution service provided by BellSouth for (THE ALEC), BellSouth shall receive the following as compensation:

Rate Per Message	\$0.004
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- 3.2 For data transmission associated with message distribution service, BellSouth shall receive the following as compensation:

Rate Per Message	\$0.001
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- 3.3 Data circuits (private line or dial-up) will be required between BellSouth and (THE ALEC) for the purpose of data transmission. Where a dedicated line is required, (THE ALEC) will be responsible for ordering the circuit, overseeing its installation and coordinating the installation with BellSouth. (THE ALEC) will also be responsible for any charges associated with this line. Equipment required on the BellSouth end to attach the line to the mainframe computer and to transmit successfully ongoing will be negotiated on a case by case basis. Where a dial-up facility is required, dial circuits will be installed in the BellSouth data center by BellSouth and the associated charges assessed to (THE ALEC). Additionally, all message toll charges associated with the use of the dial circuit by (THE ALEC) will be the responsibility of (THE ALEC). Associated equipment on the BellSouth end, including a modem, will be negotiated on a case by case basis between the parties.
- 3.4 All equipment, including modems and software, that is required on the (THE ALEC) end for the purpose of data transmission will be the responsibility of (THE ALEC).

SECTION 1. SCOPE OF EXHIBIT

- 1.1 This Exhibit specifies the terms and conditions, including compensation, under which BellSouth and (THE ALEC) will compensate each other for Intercompany Settlements (ICS) messages. It includes the settlement of revenues associated with traffic originated from or billed by (THE ALEC) as a facilities based provider of local exchange telecommunications services outside the BellSouth region. Only traffic that originates in one Bell operating territory and bills in another Bell operating territory is included in this Agreement. Traffic that originates and bills within the same Bell operating territory will be settled on a local basis between (THE ALEC) and the involved company(ies).
- 1.2 Both traffic that originates outside the BellSouth region by (THE ALEC) and is billed within the BellSouth region, and traffic that originates within the BellSouth region and is billed outside the BellSouth region by (THE ALEC), is covered by this Agreement.
- 1.3 Once (THE ALEC) is operating within the BellSouth territory, both BellSouth and (THE ALEC) agree that revenues associated with calls originated and billed within the BellSouth region will be settled via Telcordia's, its successor or assign, NICS system.

SECTION 2. RESPONSIBILITIES OF THE PARTIES

- 2.1 BellSouth will receive the monthly Calling Card and Third Number Settlement System (CATS) reports from Telcordia, its successor or assign, on behalf of (THE ALEC). BellSouth will distribute copies of these reports to (THE ALEC) on a monthly basis.

SECTION 3. COMPENSATION

- 3.1 BellSouth will collect the revenue earned by (THE ALEC) from the Bell operating company in whose territory the messages are billed, less a per message billing and collection fee of five cents (\$0.05), on behalf of (THE ALEC). BellSouth will remit the revenue billed by (THE ALEC) to the Bell operating company in whose territory the messages originated, less a per message billing and collection fee of five cents (\$0.05), on behalf on (THE ALEC). These two amounts will be netted together by BellSouth and the resulting charge or credit issued to (THE ALEC) via a monthly Carrier Access Billing System (CABS) miscellaneous bill.

BellSouth and (THE ALEC) agree that monthly netted amounts of less than fifty dollars (\$50.00) will not be settled.