

**APPENDIX NON-INTERCOMPANY SETTLEMENT
(NICS)**

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APPENDIX NON-INTERCOMPANY SETTLEMENT (NICS)

1. INTRODUCTION

- 1.1 This Appendix sets forth the terms and conditions under which **SBC MIDWEST REGION 5-STATE** will perform the revenue settlement of intrastate/intraLATA local/toll alternately billed calls between **SBC MIDWEST REGION 5-STATE** and **LEVEL 3** via the Centralized Message Distribution System (CMDS) NICS reports when **SBC MIDWEST REGION 5-STATE** is not the CMDS Host for the CLEC.

2. DEFINITIONS

- 2.1 **“Centralized Message Distribution System” (CMDS)** – means the industry-wide data collection system located in St. Louis, Missouri which handles the daily exchange of toll message details between LECs that are Direct Participants of the systems.
- 2.2 **“Direct Participants” (DP)** -- the 24 pre-divestiture Bell Operating Companies that interface directly with CMDS. Following is a list of the Direct Participants:
- 2.3.1 New England Telephone Company
 - 2.3.2 New York Telephone Company
 - 2.3.3 Bell Atlantic, NJ
 - 2.3.4 Bell Atlantic, PA
 - 2.3.5 Bell Atlantic, DE
 - 2.3.6 Bell Atlantic, DC
 - 2.3.7 Bell Atlantic MD
 - 2.3.8 Bell Atlantic VA
 - 2.3.9 Bell Atlantic WV
 - 2.3.10 Southern Bell Telephone Company
 - 2.3.11 South Central Bell Telephone Company
 - 2.3.12 The Ohio bell Telephone Company d/b/a SBC Ohio
 - 2.3.13 Michigan Bell Telephone Company d/b/a SBC Michigan
 - 2.3.14 Indiana Bell Telephone Company Incorporated d/b/a SBC Indiana
 - 2.3.15 Illinois Bell Telephone Company d/b/a SBC Illinois
 - 2.3.16 Wisconsin Bell Telephone Company d/b/a SBC Wisconsin
 - 2.3.17 Northwestern Bell Telephone Company
 - 2.3.18 Southwestern Bell Telephone, L.P. d/b/a SBC Arkansas, SBC Kansas, SBC Missouri, SBC Oklahoma and/or SBC Texas
 - 2.3.19 Mountain Bell Telephone Company
 - 2.3.20 Pacific Bell Telephone Company d/b/a SBC California
 - 2.3.21 Nevada Bell Telephone Company d/b/a SBC Nevada
 - 2.3.22 The Southern New England Telephone Company
 - 2.3.23 Cincinnati Bell Telephone Company
- 2.3 **“Exchange Message Interface” (EMI)**-the format used for the exchange of telecommunications message information. EMI format is contained in the Alliance for

Telecommunications Industry Solutions (ATIS) document that defines industry guidelines for exchange message records.

- 2.4 “**Non-Intercompany Settlement**” (NICS) is a revenue exchange process for messages which originate from LEVEL 3 and bill to SBC MIDWEST REGION 5-STATE and message which originate from SBC MIDWEST REGION 5-STATE and bill to LEVEL 3. NICS messages must originate and bill within the same SBC MIDWEST REGION 5-STATE Company.

3. NON-INTERCOMPANY SETTLEMENT (NICS) DESCRIPTION

- 3.1 Non-Intercompany Settlement (NICS) shall apply only to alternately billed messages (calling card, third number billed and collect calls) originated by SBC MIDWEST REGION 5-STATE and billed by LEVEL 3, or messages for calls originated by LEVEL 3 and billed by SBC MIDWEST REGION 5-STATE within the same SBC MIDWEST REGION 5-STATE State (i.e., messages for intrastate/intraLATA traffic only). For example, an alternately billed call originating within SBC ILLINOIS territory and billed to LEVEL 3 within SBC ILLINOIS would be covered by this section; a call originating within SBC MICHIGAN but billing outside of SBC MICHIGAN would not be NICS.
- 3.2 NICS does not extend to 900 or 976 calls or to other pay per call services.
- 3.3 The Telcordia Technologies NICS report is the source for revenue to be settled between SBC MIDWEST REGION 5-STATE and LEVEL 3. NICS settlement will be incorporated into LEVEL 3's monthly invoice.
- 3.4 This agreement does not cover calls originating and billing within a state outside of SBC MIDWEST REGION 5-STATE. For such traffic, LEVEL 3 should obtain NICS-type agreements with the LECs in that state.

4. RESPONSIBILITIES OF THE PARTIES

- 4.1 Each Party is responsible for submitting the appropriate EMI billable record (as defined in the Telcordia Technologies NICS System Specifications document) to Telcordia CMDS or an industry standard format acceptable to SBC MIDWEST REGION 5-STATE for inclusion in the NICS report when an alternately billed call originates from its end user.

5. BASIS OF COMPENSATION

- 5.1 LEVEL 3 agrees to pay a \$.05 per message charge to SBC MIDWEST REGION 5-STATE for all qualifying messages billed by SBC MIDWEST REGION 5-STATE.
- 5.2 SBC MIDWEST REGION 5-STATE agrees to pay the same \$.05 a per message charge to LEVEL 3 for all qualifying messages billed by LEVEL 3.
- 5.3 Net payment shall be due within thirty (30) days of the date of the invoice. Net payment is the amount due to SBC MIDWEST REGION 5-STATE or LEVEL 3 based on netting the amount due SBC MIDWEST REGION 5-STATE and the amount due LEVEL 3 from the Telcordia Technologies NICS report. A late payment charge of one

and one half percent (1 1/2%) per month, or the highest amount allowed by law, whichever is greater, shall apply to past due amounts.

6. TERM OF AGREEMENT

- 6.1 Unless sooner terminated as herein provided, this Agreement will continue in force for a period of one (1) year from the effective date hereof and thereafter until terminated by sixty (60) days prior notice in writing form either party to the other. Provided however, this Attachment shall not continue in force and effect beyond the term of the ICA as specified in the General Terms and Conditions.