

**APPENDIX
RECIPROCAL COMPENSATION**

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**APPENDIX RECIPROCAL COMPENSATION
(Mutual Compensation for Transport, Termination, and Transiting)**

1. INTRODUCTION

1.1 This Appendix sets forth terms and conditions for Reciprocal Compensation provided by TDS TELECOM and CLEC.

2. TRANSMISSION AND ROUTING OF TELEPHONE EXCHANGE SERVICE TRAFFIC RELEVANT TO COMPENSATION

2.1 The Telecommunications traffic exchanged between CLEC and TDS TELECOM will be classified as Local Traffic, intraLATA Toll Traffic, or interLATA Toll Traffic.

2.2 Reciprocal compensation applies for transport and termination of Local Traffic terminated by either Party's switch. Calls shall be jurisdictionalized for intercarrier compensation purposes according to the geographic locations of the calling and called parties. Calls that do not originate and terminate within the same local calling shall be considered access calls pursuant to the Parties' applicable access tariffs. MCI asserts that it has agreed to the foregoing in light of the Commission's decision in Cause No. 42663INT-01. MCI acknowledges that the Commission has vacated its decision, and, by entering into this Agreement, MCI is not waiving its rights to advocate for a contrary result from the one reached by the Commission in Cause No. 42663INT-01.

2.3 The compensation arrangements set forth in this Appendix are not applicable to (i) Exchange Access traffic, (ii) traffic originated by one Party on a number ported to its network that terminates to another number ported on that same Party's network or (iii) any other type of traffic found to be exempt from compensation by the FCC or the Commission. All Exchange Access traffic and intraLATA Toll Traffic shall continue to be governed by the terms and conditions of applicable federal and state access tariffs. Optional calling plans, where applicable, will be classified as toll traffic.

3. RESPONSIBILITIES OF THE PARTIES

3.1 Each Party to this Appendix will be responsible for the accuracy and quality of its data as submitted to the respective Parties involved. It is the responsibility of each Party to originate and transmit complete and unaltered calling party number (CPN), as received by an originating party. Each Party is individually responsible to provide facilities within its network for routing, transporting, measuring, and billing traffic from the other Party's network and for delivering such traffic to the other Party's network as referenced in Telcordia Technologies BOC Notes on LEC Networks and to terminate the traffic it receives in that standard format to

the proper address on its network. The Parties are each solely responsible for participation in and compliance with national network plans, including the Telecommunications Service Priority (TSP) System for National Security Emergency Preparedness (NSEP).

- 3.2 Each Party is responsible to input required data into Routing Data Base Systems (RDBS) and into Telecordia Technologies Rating Administrative Data Systems (example: BRADS) or other appropriate system(s) necessary to update the Local Exchange Routing Guide.
- 3.3 Neither Party shall use any Interconnection, function, facility, product, network element, or service provided under this Agreement or any other service related thereto or used in combination therewith in any manner that interferes with or impairs service over any facilities of either Party, its affiliated companies or other connecting telecommunications carriers, prevents any carrier from using its Telecommunication Service, impairs the quality or privacy of Telecommunications Service to other carriers or to either Party's End Users, causes hazards to either Party's personnel or the public, damage to either Party's or any connecting carrier's facilities or equipment, including any malfunction of ordering or billing systems or equipment. Upon such occurrence, either Party may discontinue or refuse service for so long as the other Party is violating this provision. Upon any such violation, either Party shall provide the other Party notice of the violation at the earliest practicable time.
- 3.4 Each Party is solely responsible for the services it provides to its End Users and to other Telecommunications Carriers.
- 3.5 Where SS7 connections exist, each Party will provide the other with the proper signaling information (e.g., originating Calling Party Number, JIP and destination called party number, etc.), to enable each Party to issue bills in a complete and timely fashion. All CCS signaling parameters will be provided including CPN, JIP, Originating Line Information Parameter (OLIP) on calls to 8XX telephone numbers, calling party category, Charge Number, etc. All privacy indicators will be honored.

4. LOCAL TRAFFIC COMPENSATION

- 4.1 The rates, terms, conditions contained herein apply only to the termination of Local Traffic on the Parties' networks. All applicable rate elements can be found in Appendix PRICING.
- 4.2 Based on the assumption that the Local Traffic exchanged by the Parties will be roughly balanced (i.e., neither Party is terminating more than sixty percent (60%) of the Parties' total terminated minutes for Local Traffic), the Parties shall initially terminate each other's Local Traffic on a Bill and Keep basis.

4.3 Either Party may request that a traffic study be performed no more frequently than once a quarter. Should such traffic study indicate, in the aggregate, that the traffic is no longer in balance, either Party may notify the other of their intent to bill for Local Traffic termination. At such time, the Parties shall mutually agree upon and amend Appendix PRICING to incorporate rates for transport and termination of Local Traffic which shall be utilized for the duration of the Term of this Agreement unless otherwise agreed by the Parties. A minimum of ninety (90) days written notice is required prior to the first billing of mutual compensation.

4.4 End Office Termination Rate

4.4.1 The End Office Termination rate applies to Local Traffic that is delivered to the Parties for termination at an End Office Switch. This includes direct-routed Local Traffic that terminates to offices that have combined Tandem Office Switch and End Office Switch functions.

5. BILLING FOR MUTUAL COMPENSATION

5.1 Direct Interconnection

5.1.1 Where the Parties utilize Direct Interconnection for the exchange of traffic between their respective networks, each Party will calculate terminating interconnection minutes of use based on standard Automatic Message Accounting (AMA) recordings made within each Party's network. These recordings are the basis for each Party to generate bills to the other Party. For purposes of reciprocal compensation only, measurement of minutes of use over Local Interconnection Trunk Groups shall be in actual conversation seconds. The total conversation seconds over each individual Local Interconnection Trunk Group will be totaled for the entire monthly bill and then rounded to the next whole minute.

5.1.2 Where technically feasible, TDS TELECOM and CLEC, agree to provide true, unaltered CPN on all traffic. If either Party fails to provide CPN, then traffic sent to the other Party without CPN will be handled in the following manner.

5.1.2.1 Unidentified traffic will be treated as having the same jurisdictional ratio as identified traffic in the current month.

5.1.2.2 The Parties will coordinate and exchange data as necessary to determine the cause of the CPN and to assist its correction.

5.2 Indirect Interconnection

5.2.1 For any overflow traffic exchanged between the Parties via third party tandems, each Party shall utilize records provided by the tandem operator to invoice for traffic terminating on its network. The Parties agree to accept the billing records from the tandem operator as representative of the traffic exchanged between the Parties.

5.3 The Parties shall be governed by applicable state and federal rules, practices, and procedures regarding the provision and recording of billing records. Neither Party shall bill for records older than one hundred eighty (180) days.

6. APPLICABILITY OF OTHER RATES TERMS AND CONDITIONS

6.1 Every interconnection and service provided hereunder shall be subject to all rates, terms and conditions contained in this Agreement which are legitimately related to such interconnection or service.