

SAUDI TELECOM COMPANY

Reference Offer for Data Access (RODA)

Annex B

Billing Processes & Procedures

Version number:	1.0
Version date:	August, 2007
Date of original Issue:	26 th August 2007
Authority for issue:	GM, Regulatory Affairs

DOCUMENT HISTORY & VERSION CONTROL RECORD

Name of document	Primary Document
Author	Director, Wholesale Regulation
Authorised Officer	GM, Regulatory Affairs
Description of document	Includes all the Billing Processes and Procedures for the RODA Services provided by STC.
Approved by	CITC, Decision No.178/1428
Date of approval	August, 2007

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1 CHARGEABLE SERVICES

1.1 Definition of Services

- 1.1.1 Chargeable services are those defined in Annex G (*Service Schedules*).
- 1.1.2 Delivered services, facilities and related services, installation and usage charges will be invoiced according to the principles defined in the Data Access Services Agreement and the procedures defined in this Annex B. The value of charges raised will be calculated using the prevailing prices as defined in Annex F (*Price List*) and the formulae defined in this Annex B.

2 BILLING

2.1 Billing for ADSL DSLAM Site Sharing Service for Line Sharing

- 2.1.1 STC will invoice the Other Licensed Operator for non-usage based services including, but not limited to, ADSL DSLAM Site Sharing, including Surveys, as defined in the associated Services Schedules in Annex G.
- 2.1.2 The commencement date of charging for the facility will be from the moment of handover of the prepared facility as set out in Annex G.
- 2.1.3 Billing for the ADSL DSLAM Site Sharing Service and associated services will relate to the preparation and handover charges and rental charges in advance. The payment period for rental charges will be payable on a Quarterly basis in advance (Hijra).
- 2.1.4 One off charges for the ADSL DSLAM Site Sharing Service and any associated services will be invoiced and payable at the date of STC's handover of the Service.
- 2.1.5 The Billing Information for the ADSL DSLAM Site Sharing Service and any associated services defined in Annex G (*Service Schedules*) will be based on the information provided in the Tables below.

ADSL DSLAM Site Sharing Facility & Associated Services

ADSL DSLAM Site Sharing Service	STC Site Address	One Off Fee	Quarterly Rental (if applicable)	Implementation Date	Cease Date

2.2 Billing for Wholesale Bit Stream Service and Local Loop Sharing Service

- 2.2.1 STC will invoice the Other Licensed Operator for Wholesale Bit Stream Service and Local Loop Sharing Service in accordance with the charging structure as outlined in Annex F (*Price List*).
- 2.2.2 Billing for the Wholesale Bit Stream Service and Local Loop Sharing Service will relate to connection charges and rental charges in advance. The payment process and period for the rental and connection charges is as given below.
- 2.2.3 Connection charges for the Local Loop Sharing Service will be invoiced and payable at the date of STC's handover of the Service.
- 2.2.4 For the Bit Stream Service, the OLO is required to pay the Connection Charges to STC on the date of STC's handover of the service.
- 2.2.5 The commencement date of charging for rental for the Local Loop Sharing Service will be from the moment of handover of the services set out in Annex G, (*Service Schedules*).
- 2.2.6 For the Local Loop Sharing Service rental charges will be payable on a Quarterly basis in advance (Hijra).
- 2.2.7 The billing for the rental charges for the Wholesale Bit Stream Service will be on a Quarterly basis.

- 2.2.8 For the purpose of ordering the Wholesale Bit Stream Service the year shall be divided into four Quarters commencing on 1st December, 1st March, 1st June and 1st September each year.
- 2.2.9 The connection charges for the Wholesale Bit Stream Service shall be paid in full upon handover of the Bit Stream service.. This includes the connection charges of the initial order of a minimum of 30 000 lines. STC will invoice the connection charges upon the acceptance of the order which becomes payable on the date of handover of the Bit Stream service. However, STC reserves the right to levy the Bank Guarantee (required under Clause 11 of the Primary RODA Document) if the OLO fails to make the payment for the Connection Charges within one week of the Bit Stream lines handover by STC to the OLOs
- 2.2.10 The rental charges for the Wholesale Bit Stream Service shall be paid on a Quarterly basis in advance (Hijra).
- 2.2.11 The rental charges for newly connected Wholesale Bit Stream Service shall be paid on a Quarterly basis in advance at the beginning of each Quarter. Rental will be payable for all the lines which were activated or ordered during the previous Quarters. For the first year the OLO is required to meet the quarterly target activation. A minimum rental of 70% will be payable based on this target.
- 2.2.12 The Billing Information for the Bit Stream Service and Local Loop Sharing Service as defined in Annex G (*Service Schedules*) will be based on the information provided in the Tables below.

Wholesale Bit Stream Service

Service	Speed	ADSL Serving Site	Connection Fee	Quarterly Rental	Connection Date	Cease Date

Local Loop Sharing Service

Service	Customer Address	STC Exchange Site	Connection Fee	Quarterly Rental	Connection Date	Cease Date

2.3 Billing for Bit Stream Access Link and Wholesale Backhaul for Line Sharing Services

- 2.3.1 STC will invoice the Other Licensed Operator for the Bit Stream Access Link Service and Wholesale Backhaul for Line Sharing Service in accordance with the charging structure as outlined in Annex F (*Price List*).
- 2.3.2 The commencement date of charging for rental for the Bit Stream Access Link Service and Wholesale Backhaul for Line Sharing Service will be from the moment of handover of the services set out in Annex G, (*Service Schedules*).
- 2.3.3 Billing for the Bit Stream Access Link Service and Wholesale Backhaul for Line Sharing Service will relate to connection charges and rental charges in advance. The rental charges will be payable Quarterly in advance (Hirja).
- 2.3.4 Connection charges for the Bit Stream Access Link Service and Wholesale Backhaul for Line Sharing Service will be invoiced and payable at the date of STC's handover of the Service.
- 2.3.5 The Billing Information for the Bit Stream Access Link Service and Wholesale Backhaul for Line Sharing Service as defined in Annex G (*Service Schedules*) will be based on the information provided in the Table below.

Bit Stream Access Link Service and Wholesale Backhaul for Line Sharing Service

Service	Speed	OLO Address	STC Exchange Site	Connection fee	Quarterly Rental	Connection date	Cease Date

2.4 Reconciliation Procedure

- 2.4.1 The Other Licensed Operator and STC will agree that a discrepancy of up to three percent (3%) per Data Access Service type or facility will be accepted. That is to say that where there is a discrepancy between the invoice supplied by STC and the invoice expected by the Other Licensed Operator for any one service type or facility the amount of the discrepancy is less than three percent (3%) or a monetary value of less than SAR 40,000 there will be no billing reconciliation procedure for that service type or facility, otherwise the discrepancy will be subject to the reconciliation procedure detailed below.
- 2.4.2 Where the Other Licensed Operator has notified STC, within three (3) weeks of receipt of the invoice and supporting documentation, of a discrepancy between the Invoice issued by STC and the invoice expected by the Other Licensed Operator and such discrepancy is outside of the permitted tolerance as set out in Clause 2.4.1 the procedure set out in Clauses 2.4.3 to 2.4.8 inclusive shall apply.
- 2.4.3 STC and the Other Licensed Operator will act in good faith to resolve the discrepancy in a timely manner.
- 2.4.4 Within seven (7) Calendar Days of the Other Licensed Operator notifying STC of an unacceptable discrepancy the Other Licensed Operator will supply to STC the detailed billing information as defined in Clauses 2.1.5, 2.2.11 and 2.3.5.
- 2.4.5 Each party will review the data supplied by the other party in order to determine the source of the discrepancy in the Data Access Service's Invoice.
- 2.4.6 In order to reconcile the billing discrepancy the Technical and Commercial Review Committee from both parties will meet within ten (10) Business Days of receipt of the STC invoice. Please also refer to Clause 14 of the Primary Document for the Resolution of Disputes.
- 2.4.7 Having identified the source of the discrepancy and having taken suitable corrective action STC will produce new Invoice.

2.4.8 Notwithstanding the other provision of this Clause 2.4 STC may decide not to participate in the reconciliation procedure by immediately adjusting its invoice for Data Access Services the particular Data Access Service type or facility to be within the margin of the acceptable tolerance limits as set out in Clause 2.4.1.

3 INVOICING

3.1 Billing Period

3.1.1 For the avoidance of doubt all calendar periods are Hijra.

3.1.2 The Billing Period for Data Access Services will be Quarterly commencing from 00:00 hours on the 1st day of each Quarter or such other time as may be agreed from time to time between the Licensees. The end of each Billing Period will be 24:00 hours on the last day of each Quarter or such other time as may be agreed from time to time between the Licensees.

3.2 Invoices

3.2.1 At the end of each Billing Period STC will submit to the Other Licensed Operator invoices for charges for Data Access Services as outlined in the appropriate Service Schedules contained in Annex G (*Service Schedules*) or the Data Access Services Agreement for which STC is entitled to charge the Other Licensed Operator during such Billing Period.

3.2.2 Unless mutually agreed otherwise, STC will hand-deliver two (2) copies of any invoice pertaining to Data Access Services to the Other Licensed Operator. The Other Licensed Operator on receiving the invoice will sign and date one of the aforementioned copies as proof of delivery, which will be returned to STC.

3.2.3 All charges payable under the Data Access Services Agreement will be calculated in accordance with this Annex B and at the rates specified in Annex F (*Price List*), and the Data Access Services Agreement as appropriate, as amended from time to time. Invoices raised pursuant to the Data Access Services Agreement will be

paid in accordance with Clause 10 of the Primary Document of this Reference Offer for Data Access.

3.2.4 For the avoidance of doubt, an invoice (including an invoice based on estimated information) will be dated as of the date of despatch of that invoice (the “Issue Date”) and will be due for payment thirty (30) Calendar Days later (the “Due Date”).

3.2.5 STC will provide with the invoice appropriate Billing Information as defined in Clauses 2.1, 2.2 and 2.3 to calculate the invoice to enable the Other Licensed Operator to accurately process the invoice for such services.

3.3 Invoicing Discrepancies

3.3.1 For the avoidance of doubt where the Other Licensed operator considers for any given service type that the STC invoice does not accord with the calculations of the Other Licensed Operator and the discrepancy is within the limits of tolerance as set out in Clause 2.4 of this document then the Other Licensed Operator will pay the STC invoice in full and by the Due Date.

3.3.2 If the Other Licensed Operator disagrees with any item on an invoice issued by STC then that part and value of the invoice shall be temporarily suspended for investigation and correction if necessary without otherwise affecting liability for settlement of the remainder of that invoice.

3.3.3 The Other Licensed Operator should submit a request for recalculation of that invoice within three (3) Weeks from the date of receipt of that invoice. The Technical Review Committee or appointed billing sub committee from both parties will meet within one (1) Week of such a request and use best efforts to reconcile the reports in a timely manner.

3.3.4 STC and the Other Licensed Operator will follow the reconciliation procedure as set out in Clause 2.4 of this Annex.

3.3.5 If such reconciliation has not been resolved before the Due Date, and if the amount in dispute is equal to or more than three percent (3%) of the net amount or

a monetary value of more than SAR 40,000 (excluding Government Royalties and Fees) for the specific service type of the relevant invoices, the total invoiced amount, less the disputed amount, will be due and payable on the Due Date.

- 3.3.6 Time to reach a final reconciliation of any invoice in dispute is three (3) Months from the date of receipt of the request for calculation. If a resolution is not reached, the matter will then be resolved according to Clause 14 of the Primary Document.
- 3.3.7 If on investigation it is agreed that there is found to be no error or such error varies less than three percent (3%) or a monetary value of SAR 40,000 from the correct amount then the billed party shall settle the disputed value of the amount suspended in Clause 3.3.5 promptly within seven (7) Calendar Days of the date of such agreement.
- 3.3.8 If on investigation the billing party agrees that there is an error of a value greater than or equal to three percent (3%) or a monetary value of SAR 40,000 of the correct amount then the billing party shall re-bill the item at its corrected value in the normal way, which will be payable within seven (7) Calendar Days of receipt. Where the billed party has settled the original invoice in accordance with 3.3.5 and in circumstances where the revised invoice is for a lower amount than the amount of payment made against the original invoice then the amount of such overpayment will payable within seven (7) Calendar Days of such agreement.

3.4 Payment

- 3.4.1 Subject as stated below, all charges due to the billing party by the billed party will be payable by the Due Date.
- 3.4.2 If, pursuant to a dispute between the Licensees, the billed party has notified the billing party of a dispute relating to such invoice and such dispute has not been resolved before the Due Date, and if the amount in dispute represents less than three percent (3%) or a monetary value of SAR 40,000 of the total amount for the specific service type (excluding Government Royalties and Fees), of the relevant invoice, the whole amount will be due and payable on the Due Date.

- 3.4.3 If, pursuant to a dispute between the Licensees, the billed party will have notified billing party of a dispute relating to such invoice and such dispute will not have been resolved before the Due Date, and if the amount in dispute is equal to or more than three percent (3%) or a monetary value of SAR 40,000 of the total amount for the specific service type (excluding Government Royalties and Fees) of the relevant invoice, the amount, less the disputed amount, will be due and payable on the Due Date.
- 3.4.4 Notwithstanding notification of a dispute, if the billed party overpays any amount the overpayment amount will be repaid by the billing party to the billed party. Payment will be made within thirty (30) Calendar Days from the date of agreement that an overpayment has been made.
- 3.4.5 Notwithstanding notification of a dispute, if the Other Licensed Operator fails to pay on the Due Date any amount due under the Data Access Services Agreement then STC may apply the bank guarantee as described in Clause 11 of the Primary Document. STC reserves the right to suspend new orders and also take any necessary action for the suspension of existing services or facilities. In case of the suspension of the existing services or facility, STC shall notify in writing, thirty (30) Calendar Days in advance both the Other Licensed Operator and the CITC.
- 3.4.6 Relevant Government Royalties and Fees as applicable will be added to all or any part of the charges under the Data Access Services Agreement and will be paid by the Licensee responsible for making such payment.

4 DISPUTES

- 4.1.1 Billing disputes between the Other Licensed Operator and STC will be resolved according to this Annex B in the first instance and in any event in accordance with Clause 14 of the Primary Document.

5 SERVICE REPORTS

5.1 Sample Bit Stream Access Link Report

5.1.1 The following table outlines the Bit Stream Access Link Service reporting format that will be used on a monthly basis.

Billing Period:	Start date: _____		End date: _____		
STC Edge Site	OLO Node Name	Start date	End date	Link Number	Charge
Total					

5.2 Sample ADSL DSLAM Site Sharing for Line Sharing Report

5.2.1 The following table outlines the ADSL DSLAM Site Sharing facility-reporting format that will be used on a monthly basis for the ADSL DSLAM Site Sharing facilities.

Billing Period:	Start date: _____		End date: _____		
Facility Location	STC Exchange Site	Start date	End date	Associated services	Charge
Total					