

**SCHEDULE 12 – BILLING****CONTENTS**

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**1. GENERAL**

- 1.1 This **Schedule 12 – (Billing)** describes the general billing and settlement procedures in respect of Charges for Services provided under this Interconnection Agreement, as well as the procedures for settling any disputes relating to Billing (“**Billing and Settlement Procedures**”). More detailed Billing requirements and manuals relating to individual services are contained in the individual service Schedules.

**2. BILLING AND SETTLEMENT**

- 2.1 Each Party (the “**Invoicing Party**”) shall employ its reasonable endeavours to issue to the other Party (the “**Invoiced Party**”) within fourteen (14) Calendar Days of each Billing Period an invoice in writing, or such electronic form as may be agreed from time to time, for amounts due in respect of the supply of Services during such Billing Period. The Billing Period shall be monthly unless otherwise determined by the Invoicing Party.
- 2.2 The Invoicing Party may send invoices by way of facsimile transmission on the date of issue of the invoice, followed by a hard copy via post.
- 2.3 All Charges payable shall be calculated according to the Charges contained in **Schedule 11 – (Charges)**.
- 2.4 All invoices shall contain the Billing Verification Information which shall be used by the Invoiced Party only for the purposes of verifying the accuracy of amounts charged on an invoice.
- 2.5 The Invoiced Party shall pay the Charges payable under this Interconnection Agreement, and upon the terms, and subject to the conditions, set out in this

Interconnection Agreement, no later than thirty (30) Calendar Days from the date of the relevant invoice (“**Due Date**”). The relevant requirements of clause **6** of the main body of this Interconnection Agreement apply in relation to such payments. For the avoidance of doubt, the Invoiced Party shall pay these Charges to the Invoicing Party regardless of whether the Invoiced Party has received payment from its Customers.

- 2.6 Where PTCL is providing Call Transit Service to the Originating Party for Calls terminating on the Terminating Party, it shall collect its share of Transit Charges along with Terminating Party’s Charges from the Originating Party.
- 2.7 PTCL shall pay the Termination Charges to the Terminating Party within the agreed time period, whether PTCL receives such Charges from the Originating Party or not.
- 2.8 In addition to charging markup in accordance with this Schedule or exercising any other rights the Invoicing Party has at law or under this Interconnection Agreement, where an undisputed amount is outstanding and remains unpaid for more than seven (7) Calendar Days after it is due for payment, the Invoicing Party reserves the right to take action, without further notice to the Invoiced Party, to recover any such amount as a debt due to the Invoicing Party. The Invoicing Party will not, however, take such action if it amounts to suspension or termination of this Interconnection Agreement without following the procedures outlined in clauses **19** and **20** respectively of the main body of this Interconnection Agreement.
- 2.9 Payments are deemed to be received on the date the payment is received by the Invoicing Party, unless the payment is subsequently dishonoured, in which case, payment is deemed not to have been received until cleared funds are received by the Invoicing Party together with all dishonoured fees and charges. Payment receipt means the credit of the due amount to the invoicing party’s account.

### **3. MARKUP ON OVERDUE AMOUNTS**

- 3.1 If the Invoiced Party does not pay a sum payable under this Interconnection Agreement by the Due Date, the Invoicing Party may charge “Mark-up” on the amount from time to time outstanding in respect of that overdue sum for the period beginning on its Due Date and ending on the date of the receipt of the overdue sum by the Invoicing Party (both before and after judgment) in accordance with this clause. The Invoiced Party agrees to pay such Mark-up on demand.
- 3.2 Mark-up shall accrue on that overdue sum as per clause 9 of this Schedule. Where Mark-up in respect of any due and unpaid amount is due to the Invoicing Party, the Invoicing Party may add the amount of such Mark-up to its next invoice.

### **4. INVOICE ERRORS**

- 4.1 If the Invoiced Party discovers an error in an invoice given by the Invoicing Party under this clause **4**, it shall notify the Invoicing Party within 30 days. The Invoicing

Party shall make the adjustment necessary to correct that error in its next invoice, if it is able to verify the error.

- 4.2 If the Invoicing Party has omitted or miscalculated Charges from an invoice, the Invoicing Party may include or amend (respectively) those Charges in a later invoice, as long as the Invoicing Party is able to substantiate these Charges to the Invoiced Party and the inclusion or amendment is made within six (6) months of the issuing of the invoice.
- 4.3 If the Invoiced Party makes an overpayment in error, it shall notify the Invoicing Party accordingly within thirty (30) Calendar Days of the date on which the overpayment was made with sufficient details for the Invoicing Party to be able to identify the overpayment. If the Invoicing Party verifies the overpayment, the Invoicing Party shall return the amount overpaid to the Invoiced Party.
- 4.4 Notwithstanding any other provision in this Schedule, markup shall not accrue or become payable in respect of sums added to an invoice in error.
- 4.5 The Parties acknowledge that invoices cannot be warranted as being free from errors.

## **5. BILLING DISPUTE NOTIFICATION**

- 5.1 If the Invoiced Party wishes to dispute in good faith an invoice prepared by the Invoicing Party (“**Billing Dispute**”), the Invoiced Party must notify the Invoicing Party in writing (“**Billing Dispute Notice**”) within fourteen (14) Calendar Days from the date of receipt of that invoice (“**Billing Dispute Notification Period**”) and deposit the disputed amount in the escrow account by the Due Date. Such notices must be sent to the Billing Representatives nominated in clause 8.
- 5.2 A Billing Dispute may only arise where the Invoiced Party has reasonable grounds to believe that an error has arisen from one of the following circumstances:
  - (a) the Invoicing Party’s Billing System is, or has been, defective or inaccurate in respect of the recording of the Calls which are the subject of the dispute;
  - (b) there is, or has been, a discrepancy between the invoice in dispute and the records generated by the Invoicing Party’s Billing System;
  - (c) there is, or has been, a fraud perpetrated by the Invoicing Party; or
  - (d) the Invoicing Party has made some other error in respect of the recording of the Calls or calculation of the Charges which are the subject of the Billing Dispute.
- 5.3 A Billing Dispute Notice given under this clause 5 must specify:
  - (a) the reasons for which the Invoiced Party disputes the invoice;

- (b) the amount in dispute; and
  - (c) details required to identify the relevant invoice and Charges in dispute including:
    - (i) the account number;
    - (ii) the invoice reference number;
    - (iii) the invoice date;
    - (iv) the invoice amount; and
    - (v) the Detailed Billing Verification Information as specified in the individual service Schedules.
- 5.4 For the avoidance of doubt, no invoices may be disputed after the expiration of the Billing Dispute Notification Period.
- 5.5 On issuance of the Billing Dispute Notice, the Parties shall mutually exchange CDRs within 5 working days of such Billing Dispute Notice, provided the aggregate variation exceeds the threshold of 1%. The CDRs reconciliation shall be completed by the Parties within 15 calendar days of the exchange of CDRs. The contents of the CDRs shall include, but not limited to, the following:
- i. A-Party Number
  - ii. B- Party Number
  - iii. Start Date
  - iv. Start Time
  - v. Call Duration
  - vi. Trunk Group In
  - vii. Trunk Group Out
  - viii. Point of Interconnect (POI)
  - ix. Traffic Type
  - x. Peak Off Peak Flag (P, OP1, OP2)
  - xi. Zone
- 5.6 While settling the Dispute, following shall apply:
- (a) Claim for duplicate calls will be excluded.
  - (b) CDRs of Invoicing Party having “B” number out of numbering range of Invoicing Party shall be excluded.
  - (c) In case the disputed calls are not found in the CDRs of the Disputing Party, the CDRs of the Invoicing Party shall be considered payable by the Invoiced Party unless the Invoiced Party disproves the claim of the Invoicing Party subject to clauses **5.6 (a)** and **5.6(b)**.

## 6. BILLING DISPUTE RESOLUTION

- 6.1 The Invoiced Party agrees to pay the undisputed portion of any invoice in accordance with the normal payment procedures set out in clause **2.5**.
- 6.2 Where the Invoiced Party has paid an amount and subsequently notifies the Invoicing Party of a Billing Dispute in relation to that amount within the Billing Dispute Notification Period, the Invoicing Party is not obliged to refund any or all of that amount until the Billing Dispute is resolved in respect of that amount. The Invoicing Party is not required to pay markup on any amount refunded under this clause **6**.
- 6.3 The Parties agree to use their reasonable endeavours to promptly resolve any Billing Dispute notified under clause **5**.
- 6.4 If the Parties are unable to resolve any Billing Dispute within thirty (30) Calendar Days (or such other period as the Parties may agree) from the date on which the Billing Dispute Notice is received (“**Negotiation Period**”), either Party may seek the consent of the other Party to extend the period for resolution of the Billing Dispute stating the exceptional reasons for such extension. The other Party is, however, under no obligation to agree to such extension.
- 6.5 To the extent that a Billing Dispute notified under this clause involves a Billing Dispute with an International Correspondent of the Invoicing Party, the Dispute Resolution Procedures shall be suspended for a reasonable period of time pending resolution of the dispute with that International Correspondent. As a general rule, the period of suspension will not exceed six (6) months. However, the Parties recognise that some Billing Disputes with International Correspondents may take longer to resolve, in which case the Invoicing Party must promptly inform the Invoiced Party of the likely period required for resolution.
- 6.6 Once the Negotiation Period and any extension granted under clause **6.4** has expired, the Billing Dispute may be referred by the Invoiced Party to the procedure described in clause **6.7** (“**Billing Dispute Escalation Procedure**”).
- 6.7 The Invoiced Party may refer a Billing Dispute to the Billing Dispute Escalation Procedure under this clause **6.7** by notifying the Invoicing Party’s Billing Representative. Each of the Parties shall then appoint a designated representative that has authority to settle the Billing Dispute, and that is at a higher level of management than the persons with direct responsibility for administration of this Interconnection Agreement. The designated representatives shall meet as often as they reasonably deem necessary in order to discuss the Billing Dispute and negotiate in good faith in an effort to resolve such Billing Dispute. The specific format for such discussions will be left to the discretion of the designated representatives, however all reasonable requests for relevant information made by one Party to the other Party shall be honoured.

- 6.8 Once any Billing Dispute has been resolved to the Parties' satisfaction, any sum to be paid or repaid shall be paid immediately by the relevant Party.
- 6.9 Although it is the good faith intention of the Parties to use the above Billing Dispute Resolution Procedures to the fullest extent to try to solve Billing Disputes, nothing in this Schedule shall prevent either Party pursuing any other remedy in law or equity that may be available to them if a Billing Dispute cannot be resolved to their satisfaction.
- 6.10 For the avoidance of doubt, and as stipulated in clause 27 of the main agreement, Billing Disputes may not be referred to the general Dispute Resolution Procedures provided in that clause.
- 6.11 The disputed amount shall be deposited in an escrow account ("Escrow Account") with a Bank ("Escrow Bank") by the Invoiced Party by the Due Date. The Escrow Bank and the arrangements relating to Escrow Account shall be mutually agreed by the Parties. at the time of execution of the Interconnection Agreement. Upon resolution of the Billing Dispute in terms set out herein, the successful party shall be entitled to all or part of the amount deposited in the Escrow Account on the entitlement ascertained in the resolution of such Billing Dispute along with mark up/profit accrued thereon, and the balance if any (along with mark-up/profit on such balance accrued till that time) shall be provided to the other Party by the Escrow Bank. The Parties shall enter into an Agreement with the Escrow Bank to ensure that the terms of this Clause 6.11 are fulfilled.
- 6.12 The Parties agree that all proceedings relating to Disputes Resolution shall take place at Islamabad.

## **7. JOINT INVESTIGATION OF INVOICE DISCREPANCIES**

- 7.1 A Party may request a joint investigation of invoice discrepancies after that Party has conducted comprehensive internal investigation, including an examination of its own Billing System. The joint investigation may include the generation of test Calls to the other Party's Network.

## **8. BILLING REPRESENTATIVES**

- 8.1 Enquiries relating to Billing, collecting and settlement arrangements or in relation to Network and operation issues may be directed to either of these nominated billing representatives. Billing Dispute Notices must be sent to these representatives:

[PTCL: ]

[Operator: ]

- 8.2 Either Party may at any time nominate another Billing Representative, provided that fourteen (14) Calendar Days' prior notification of such appointment is given.

**9. MARK-UP/LATE PAYMENT CHARGES**

9.1 Each Party shall make payment of late payment charges to the other Party or in the Escrow Account, as the case may be, at the rate of KIBOR plus 2% p.a. for payment made after the Due Date for the period of delay.