1. CENTREX (cont’d)

A. General (cont’d)

2. Centrex Term Offerings (cont’d)

d. ‘Thank You For Renewing’ Credit Option

With this option, customers who sign a new 36-month Centrex term Agreement for their existing service under The Answer, The Solution, or A Little Something Extra will receive a one-time bill credit of $50 per Centrex station, up to a maximum of $1,500 per contract. This credit option is only available to existing Centrex customers (month-to-month or term Agreement), but is not available to customers with more than 12 months remaining on their existing Centrex agreement. Standard Centrex early termination fees will apply. This credit option is not available to customers covered under an Individual Case Basis (ICB) Contract.

e. Nonrecurring Charge Waiver Options

New Service
Nonrecurring charges associated with the installation of new Centrex service will be waived for new, winback and win customers. In addition, existing Centrex subscribers moving their Centrex service to a new location are eligible. Customers must agree to sign a 24-month or 36-month term agreement under any of the following Centrex term offerings: The Answer, The Solution or A Little Something Extra. The customer must install a minimum of 8 station lines. Nonrecurring charges will be waived for each analog or ISDN BRI Station connected during installation of the Centrex system.

Additional Lines
Nonrecurring charges associated with the installation of new Centrex stations will be waived for existing customers who agree to install a minimum of 3 additional stations and add the stations to an existing agreement.

These Waiver Options are not available to customers covered under Individual Case Basis (ICB) contracts.

f. 12 and 24 Month Term Extension Option

With this option, existing Centrex customers who have 12 months or less remaining on their existing 24-month or 36-month term agreement (purchased under one of the following Centrex term offerings: The Solution or A Little Something Extra), may extend their term agreement for either an additional 12-month or 24-month period at the same rates provided under the original term agreement. Customers may extend their term agreement up to three times. Customers who exercise the option to extend the term of the agreement are not entitled to a different rate based on the overall term of the agreement as extended (i.e., customers with an initial 24-month agreement and extend it by an additional 12 months are not entitled to the rates allowed under a 36-month agreement). The extension will begin on the expiration date of the existing agreement or extension. This extension option is not available to customers covered under an Individual Case Basis (ICB) Contract.
1. CENTREX (cont'd)

   A. General (cont’d)

   2. Centrex Term Offerings (cont’d)

   g. Business Solutions/1/

   The Company will discount the Classic Feature Package on two working Centrex Lines with the Classic Feature Package and a WirePro discount on up to nine working lines and the customer meets the following terms and conditions:

   (1) May include Centrex EBS lines, however may not include Centrex ISDN lines
   (2) A 12-month verbal term agreement

   The chart below determines the customer’s amount of discounts.

   (a) Retention/2/ discounts apply to all eligible new or existing customers.

   (b) Winback/2/discounts apply to all customers who have discontinued their business with the Company for the purpose of establishing service with a Competitive Local Exchange Carrier operating within the Company's territory who now wish to return to the Company.

<table>
<thead>
<tr>
<th></th>
<th>Classic Feature Package Discount</th>
<th>WirePro/3/,/5/ Discount</th>
<th>Unlimited Local Calling Plan WirePro/3/,/5/ Discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retention/2/ Customer</td>
<td>$0.07 per line on two working lines</td>
<td>$0.50 per line, minimum two working lines, maximum 9 working lines</td>
<td>$5.39 first line, Plus $2.99 additional per line up to maximum 9 working lines</td>
</tr>
<tr>
<td>Winback/2/ Customer</td>
<td>$0.32 per line on two working lines</td>
<td>$1.00 per line, minimum two working lines, maximum 9 working lines</td>
<td>$4.89 first line, Plus $2.49 additional per line up to maximum 9 working lines</td>
</tr>
</tbody>
</table>

/1/ Business Solutions is Grandfathered effective February 1, 2010. See AT&T California Guidebook Part 2, Section 2.

/2/ Retention and Winback discounts are mutually exclusive. A customer can only receive discounts under the Retention or Winback discounts as described above.

/3/ WirePro credit will apply to all working lines that subscribe to WirePro, provided a minimum of two working lines and a maximum of nine working lines and all working lines are billed on the same bill.

/4/ The Unlimited Local Calling Plan discount applies to Retention Customers as described in (a) and Winback customers as described in (b). An additional $5.39 discount for Retention Customers or $4.89 discount for Winback Customers applies for the first line. For Retention Customers a $2.99 WirePro discount or Winback Customers a $2.49 WirePro discount applies for each additional line. There is a maximum nine working lines for customers that subscribe to the Business Solutions Plus Unlimited Local Calling Plan (see Guidebook, Part 7, Section 5).

/5/ See Schedule Guidebook, Part 8, Section 8.
1. CENTREX (cont’d)

A. General (cont’d)

2. Centrex Term Offerings (cont’d)

   g. Business Solutions (/1/ (cont’d)

      Customers must verbally commit to a minimum 12-month term agreement to receive the Business Solutions Discount.

      In the event of early termination, customers will be charged an early termination fee equal to the Business Solutions credits applied to their account from the time of the verbal commitment until early termination.

      If a customer exceeds their 12-month verbal commitment, they will continue to receive monthly credits as long as they continue to qualify pursuant to the regulations as set forth within this Guidebook.

      A customer may migrate from one Centrex term offering to another Centrex term offering and not incur early termination fees as long as:

      (1) All working lines under the current term offering are migrated to the new term offering
      (2) The new term agreement is greater than the current term agreement and they have been on their current term for at least 4 months.

      Customers subscribing to Centrex services governed under 96A Contract may not participate in Business Solutions.

      This package is available to business customers who have Centrex or Centrex EBS working lines only, where facilities and operating conditions permit.

B. BASIC FEATURES

1. Centrex CO service may be provided from Electronic Switching System (ESS) or Digital Switching System (DSS), including but not limited to the DMS 100 and #5ESS type central office equipment located on the Company's premises. The service is furnished subject to the availability of the necessary switching and control equipment. Variations in the switching and control equipment used may cause differences in the operation or availability of certain features.

      Centrex CO Service consists of two basic, distinct components: Basic Centrex Features and Basic Centrex Access.

      a. The Basic Centrex Features component provides the call-processing features included in basic Centrex service as set forth in 3. following.
      b. The Basic Centrex Access connects the customer's premises to the Company's CO. The use of these facilities is limited to those services provided for in this Guidebook. Basic Centrex Access consists of all the Company's CO equipment, including exchange access trunking, and outside plant facilities that are needed to connect the serving CO to the Company Network Interface or its equivalent.

         A separate rate element applies to each component as provided for in D. following.

/1/ Business Solutions is Grandfathered effective February 1, 2010.
See AT&T California Guidebook Part 2, Section 2.