ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs

25.1 Contract Tariff - No. 001

- (A) This Contract Tariff is valid for a period of 37 months and shall terminate on September 25, 2004.
- (B) The regulations, terms, conditions and incentives provided herein shall apply to customers subscribing to Contract Tariff No. 001 in the Metropolitan Statistical Areas (MSAs) defined in 25.1.1.B below. A customer may subscribe within a period of thirty (30) days following the Contract Tariff's effective date.

25.1.1 General Regulations

- (A) Term and Renewal Options
 - (1) The customer's contract term under this Contract Tariff is 36 months. At the end of the contract term, the incentives provided in this Contract Tariff shall be discontinued.
 - (2) In order to subscribe to this Contract Tariff, a Letter of Agreement for Firm Order Commitment provided by the Company must be executed by the customer's signature and acknowledged by a Company representative's signature. The Letter of Agreement shall contain the starting date of the customer's contract term and the Access Customer Name Abbreviations (ACNAs).

(B) Metropolitan Statistical Areas

The regulations, terms and conditions of this Contract Tariff shall apply for the Full Service Relief MSAs listed below. Full Service Relief MSAs are defined in Section 23 of this Tariff. References made throughout this Contract Tariff to the customer's annual revenues shall only include monthly recurring revenues for the combined MSAs shown below:

- Atlanta, Baton Rouge, Biloxi, Charlotte, Chattanooga, Daytona Beach, Gainesville, Greensboro-Winston Salem, Jackson, Jacksonville, Knoxville, Lake Charles, Louisville, Memphis, Miami-Ft. Lauderdale, Monroe, Montgomery, Melbourne, Nashville-Davidson, Orlando, Pensacola, Raleigh-Durham, Savannah, Shreveport, Wilmington, West Palm Beach ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

25.1 Contract Tariff - No. 001 (Cont'd)

25.1.1 General Regulations (Cont'd)

(C) Description of Services

(1) This Contract Tariff may include any of the following services for the purpose of determining the customer's annual minimum-billed revenue volume specified in 25.1.2 following. Rates and charges for these services are provided in Section 23 of this Tariff.

BellSouth SWA Dedicated Transport Services

- BellSouth SWA VG
- BellSouth SWA DS0
- BellSouth SWA DS1
- BellSouth SWA DS3
- BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Network Service
- BellSouth SWA Managed Shared Ring Service

Special Access (a.k.a. BellSouth SPA) Services

- Metallic (a.k.a. BellSouth SPA Metallic)
- Telegraph Grade (a.k.a. BellSouth SPA Telegraph)
- Voice Grade (a.k.a. BellSouth SPA VG)
- WATS Access Lie (WAL) (a.k.a. BellSouth SPA WATS Lines)
 Program Audio (a.k.a. BellSouth SPA Program Audio)
- Broadcast Quality Video (a.k.a. BellSouth SPA Broadcast Quality Video)
- Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video)
- DS3 Digital Video Service (a.k.a. BellSouth SPA DS3 Digital Video)
- BellSouth SPA Modular Video Transport Service
- 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
- Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video)
- Wideband Analog (a.k.a. BellSouth SPA Wideband Analog)
- Wideband Data (a.k.a. BellSouth SPA Wideband Data)
- Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel)
- Digital Data Access Service (a.k.a. BellSouth SPA DS0 Digital Data)
- High Capacity (a.k.a. BellSouth SPA High Capacity)
- DS1 (a.k.a. BellSouth SPA DS1)
- LightGate svc.(a.k.a. BellSouth SPA Point to Point)
- SMARTGate svc.(a.k.a. BellSouth SPA Managed Shared Ring)
- SMARTPath svc.(a.k.a. BellSouth SPA DS1 & DS3 Shared Ring)
- FlexServ Service (a.k.a. BellSouth SPA Customer Reconfiguration)
- Dry Fiber
- BellSouth SPA Managed Shared Network Service

Fast Packet Access Services

- Exchange Access Frame Relay Service (a.k.a. BellSouth Exchange Access Frame Relay Service)
- Exchange Access Connectionless Data Service (a.k.a. BellSouth Exchange Access Connectionless Data Service)
- BellSouth SPA Managed Shared Frame Relay Service

Material previously contained in this section has been deleted. SMARTRing, XAATMS, and MSATMS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 001 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

25.1 Contract Tariff - No. 001 (Cont'd)

25.1.1 General Regulations (Cont'd)

(D) Minimum Revenue Volume for the Combined MSAs

The customer's annual minimum-billed revenue volume and product suite total annual minimum revenues are provided in Section 25.1.2, following. These revenues are for the combined MSAs set forth in Section 25.1.1.B., preceding, and for the services described in Section 25.1.1.C., preceding. References made throughout this Contract Tariff to the customer's annual minimum-billed revenue volume or product suite total annual minimum revenues shall represent revenues for the combined MSAs and services specified herein. These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

(E) Rates and Charges

The application of rates and charges for services subject to this Contract Tariff are set forth in Section 23 of this Tariff. The Company reserves the right to change the rates and charges for services included in Section 23.

(F) Classifications, Practices and Regulations

(1) Application of Contract Tariff Incentives
In order to be eligible for the incentives offered under this
Contract Tariff, the customer must achieve the annual minimum-billed
revenue volume and the product suite total annual minimum revenues
for each year of the contract term as set forth in Section 25.1.2
following. There are two levels of incentives: 1) Annual Incentive
and 2) Product Suite Annual Incentive. These incentives are
described as follows:

(a) Annual Incentive

An Annual Incentive will be applied to incremental revenue that exceeds the annual minimum-billed revenue for each year of the customer's contract term. The annual minimum-billed revenue volume and the Annual Incentive percentages are provided in 25.1.2 following pursuant to the following conditions.

- The customer will receive the Annual Incentive each year of the contract term thirty days following the anniversary date of the customer's subscription to service under this Contract Tariff.
- The customer will not receive the Annual Incentive if the customer fails to achieve the annual minimum-billed revenue volume in any contract term year. Further, the customer's subscription to this Contract Tariff shall be cancelled in accordance with Shortfall Penalty regulations set forth in 25.1.1.F.2. following.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE
25 - Contract Tariffs (Cont'd)

- 25.1 Contract Tariff No. 001 (Cont'd)
- 25.1.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (b) Product Suite Annual Incentive
 The customer's product suite and the product suite total annual minimum revenues are provided in Section 25.1.2 following. The Product Suite Annual Incentive applies if the customer achieves the product suite total annual minimum revenues at the end of each contract term year and will be equal to the same incentive dollar amount the customer is awarded for the Annual Incentive as described in 25.1.1.F.1.a, preceding.
 - The customer will receive the Product Suite Annual Incentive each contract term year thirty days following the anniversary date of the customer's subscription to service under this Contract Tariff.
 - The customer will not receive the Product Suite Annual Incentive if in any year of the contract term the customer fails to achieve the product suite total annual revenue.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.1 Contract Tariff No. 001 (Cont'd)
- 25.1.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (c) Advancement of the First Year's Incentives
 - The customer may receive an advancement of the first contract year's Annual Incentive and Product Suite Annual Incentive. This advancement is contingent on the customer achieving by December 31, 2001, 38% of the first contract year's annual minimum-billed revenue volume and 38% of the product suite total annual minimum revenue as shown in Tables 1 and 2 of 25.1.2 following. The Annual Incentive will be computed on incremental revenue exceeding 38% of the annual minimum-billed revenue using the incentive percentage shown in the first band of Table 1 in 25.1.2 following. The Product Suite Annual Incentive will be equivalent to the dollar amount the customer is awarded for the Annual Incentive. The advancement will be credited to the customer's account by January 31, 2002.
 - If the customer does not achieve the annual minimum-billed revenue volume at the end of the first year's contract term, the customer must repay the Company the full amount of the advancement and will be billed thirty days following the contract anniversary date. In addition, Shortfall Penalty regulations will apply as specified in 25.1.1.F.2 following.
 - If the customer achieves the annual minimum-billed revenue volume at the end of the first year's contract term, the Annual Incentive earned by the customer will be adjusted by the amount of the advancement (i.e., (Annual Incentive + Product Suite Annual Incentive earned) Advancement = Adjusted Incentive). If the Adjusted Incentive is positive, the customer's account will be credited by the Adjusted Incentive thirty days following the customer's contract anniversary date. In the event the Adjusted Incentive is negative, the customer will be billed the Adjusted Incentive thirty days following the customer's contract anniversary date.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.1 Contract Tariff No. 001 (Cont'd)
- 25.1.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (2) Shortfall Penalty for Failure to Meet the Annual Minimum-Billed Revenue Volume and Product Suite Total Annual Revenues
 - (a) The customer must achieve the annual minimum-billed revenue volume specified in 25.1.2 following as determined on the anniversary date of the customer's subscription to service under this Contract Tariff in order to be eligible for an Annual Incentive.

If the customer does not achieve the annual minimum-billed revenue volume for any year of the contract term, the customer will not receive for such year the Annual Incentive as described in 25.1.1.F.1.a, preceding.

Failure to achieve the annual minimum-billed revenue for any year of the contract term will result in cancellation of the customer's subscription to this Contract Tariff, and the customer will not be eligible for another Contract Tariff for six months following the customer's subscription cancellation date.

The customer must achieve the product suite total annual revenue as determined on the anniversary date of the customer's subscription to service under this Contract Tariff to be eligible for a Product Suite Annual Incentive. If the customer does not achieve the product suite total annual revenue for any year of the contract term, the customer will not receive for such year the Product Suite Annual Incentive as described in 25.1.1.F.1.b, preceding.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

25.1 Contract Tariff - No. 001 (Cont'd)

25.1.1 General Regulations (Cont'd)

- (F) Classifications, Practices and Regulations (Cont'd)
 - (3) Restrictions
 - (a) A customer subscribing to this Contract Tariff may not subscribe to any other Contract Tariff in the MSAs and for the services specified herein.
 - (b) Incentives provided under this Contract Tariff will not apply to annual billed revenues exceeding the maximum revenues specified in 25.1.2 following.
 - (4) Revenue Accumulation by Bill Period
 The customer's annual billed revenue and product suite annual revenue shall be accumulated beginning with the first bill period following the effective date of the customer's subscription to this contract tariff and ending with the last bill period prior to the customer's contract anniversary date.
 - (5) <u>Tax Exclusions</u>
 The incentives specified in this Contract Tariff will not be applied to taxes. Taxes will not be included when calculating the customer's annual minimum billed revenues and product suite minimum annual revenues.
 - (6) Existing Discount Plans
 The Contract Tariff incentives specified herein are in addition to credits given under existing pricing plans the customer may subscribe to in other Sections of this Tariff (i.e., Transport Savings Plan, Area Commitment Plan, Channel Services Payment Plan, etc.).
 - (7) Mergers and Acquisitions
 In the event the customer merges with another company or is acquired by another company, the following regulations will apply:
 - (a) The customer may not combine revenues with the merged or acquired company's revenues for the purpose of obtaining the incentives provided under this Contract Tariff.
 - (b) The customer may continue subscribing to this Contract Tariff for the duration of the contract term provided that the customer continues the subscription as if it were a single entity prior to the merger or acquisition.
 - (c) The Company reserves the right to terminate the customer's subscription to this Contract Tariff if the customer does not adhere to the provisions herein.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

25.1 Contract Tariff - No. 001 (Cont'd)

25.1.2 Annual Revenue Volumes and Incentives

(A) Annual Incentives and Product Suite Annual Incentives

(1) Table 1 below provides the annual minimum-billed revenue volumes and the Annual Incentives for each contract term year. The customer must achieve each year's minimum-billed revenue in order to receive an Annual Incentive, which is applied to the incremental revenue that exceeds the annual minimum-billed revenue. For example, if the customer achieved revenue of \$345,200,000 at the end of the first year's contract term, the Annual Incentive will be \$14,359,465 (i.e., (345,200,000 - 305,859,000) X 36.5%). The maximum revenue eligible for an Annual Incentive in each contract term year is shown in Table 1 below. Revenue exceeding the maximum revenue will not be eligible for an Annual Incentive or Product Suite Annual Incentive.

| Table 1 | Annual Minimum Billed Revenue Volumes (\$thousands) | | | |
|-------------------------|---|-------------------------|-------------------------|--|
| | Year 1 | Year 2 | Year 3 | |
| Minimum Revenue Volumes | \$305,859 | \$355,745 | \$413,767 | |
| (%) Annual Incentives | | | | |
| 35.5% | >\$305,859 - 324,027 | >\$355,745 - 376,876 | >\$413,767 - 438,344 | |
| 36% | >\$324,027 - 340,228 | >\$376,876 - 395,720 | >\$438,344 - 460,262 | |
| 36.5% | >\$340,228 - 357,240 | >\$395,720 - 415,506 | >\$460,262 - 483,275 | |
| Maximum Revenues | \$357,240 | \$415,506 | \$483,275 | |

(2) Table 2 below provides the product suite and the product suite total annual minimum revenue for each contract term year. The customer must achieve each year's total annual minimum revenue* in order to receive a Product Suite Annual Incentive, which is equivalent to the amount the customer is awarded for the Annual Incentive as specified in 25.1.2.A.1 above. For example, if the customer achieved product suite total annual revenues of \$94,200,000 for the first contract term year, the Product Suite Annual Incentive will be \$14,359,465 (see above example in 25.1.2.A.1. above).

| Table 2 | Product Suite Annual Minimum Revenue (\$thousands) | | |
|--|--|--------------------|--------------------|
| Product Suite | Year 1 | Year 2 | Year 3 |
| | 1 | I | 1 |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | \$26,747 | \$29,798 | \$33 , 521 |
| *Total Annual Minimum Revenue | \$93 , 527 | \$112 , 089 | \$135 , 921 |

¹ See footnote (1) on page 25-2.

(This page filed under Transmittal No. 1)

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ACCESS SERVICE 25 - Contract Tariffs

25.2 Contract Tariff - No. 002

- (A) This Contract Tariff is valid for a period of 37 months and shall terminate on November 17, 2004.
- (B) The regulations, terms, conditions and incentives provided herein shall apply to customers subscribing to Contract Tariff No. 002 in the Metropolitan Statistical Areas (MSAs) defined in 25.2.1.B below. A customer may subscribe within a period of thirty (30) days following the Contract Tariff's effective date.

25.2.1 General Regulations

(A) Term and Renewal Options

- (1) The customer's contract term under this Contract Tariff is 36 months. At the end of the contract term, the incentives provided in this Contract Tariff shall be discontinued.
- (2) In order to subscribe to this Contract Tariff, a Letter of Agreement for Firm Order Commitment provided by the Company must be executed by the customer's signature and acknowledged by a Company representative's signature. The Letter of Agreement shall contain the starting date of the customer's contract term and the Access Customer Name Abbreviations (ACNAs).

(B) Metropolitan Statistical Areas

- (1) The regulations, terms and conditions of this Contract Tariff shall apply for the Full Service Relief MSAs listed below. Full Service Relief MSAs are defined in Section 23 of this Tariff. References made throughout this Contract Tariff to the customer's annual revenues shall only include monthly recurring revenues for the combined MSAs shown below:
 - Atlanta, Baton Rouge, Biloxi, Charlotte, Chattanooga, Daytona Beach, Gainesville, Greensboro-Winston Salem, Jackson, Jacksonville, Knoxville, Lake Charles, Louisville, Memphis, Miami-Ft. Lauderdale, Monroe, Montgomery, Melbourne, Nashville-Davidson, Orlando, Pensacola, Raleigh-Durham, Savannah, Shreveport, Wilmington, West Palm Beach

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs

25.2.1 Contract Tariff - No. 002 (Cont'd)

- (B) Metropolitan Statistical Areas (Cont'd)
 - (2) If the Company receives Full Service Relief in any additional MSA during the customer's term under this Contract Tariff, the Company, at the customer's request, will prepare a proposal for a new Contract Tariff that includes the additional MSA, provided the customer's remaining term under this Contract Tariff is at least 3 months. The proposed new Contract Tariff will provide adjusted revenue volumes in Tables 1 and 2 of 25.2.2, following, to account for the additional MSA. The same methodology used to derive the revenue volumes for the MSAs specified in this Contract Tariff shall be used to derive the revenue volumes for the proposed new Contract Tariff. The proposed new Contract Tariff will contain the same incentives as those specified in 25.2.2 of this Contract Tariff.

Unless agreed to otherwise, the regulations for the proposed new Contract Tariff shall be the same as those set forth in this Contract Tariff, and the term for the proposed new Contract Tariff shall be for the number of months remaining in the customer's term under this Contract Tariff at the time the proposed new Contract Tariff is filed.

Upon the customer's execution of a Letter of Agreement for Firm Order Commitment to accept the proposed new Contract Tariff, the Company will file the proposed new Contract Tariff. Notwithstanding any provisions in this Contract Tariff to the contrary, the customer may cancel its subscription to this Contract Tariff without termination liability if the customer subscribes to the proposed new Contract Tariff prepared in accordance with these provisions.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs

25.2 Contract Tariff - No. 002 (Cont'd)

25.2.1 General Regulations (Cont'd)

(C) Description of Services

This Contract Tariff shall include any of the following services for the purpose of determining the customer's annual minimum-billed revenue volume specified in 25.2.2 following. Rates and charges for these services are provided in Section 23 of this Tariff.

BellSouth SWA Dedicated Transport Services

- BellSouth SWA VG
- BellSouth SWA DSO
- BellSouth SWA DS1
- BellSouth SWA DS3
- BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Network Service
- BellSouth SWA Managed Shared Ring Service

Special Access (a.k.a. BellSouth SPA) Services

- Metallic (a.k.a. BellSouth SPA Metallic)
- Telegraph Grade (a.k.a. BellSouth SPA Telegraph)
- Voice Grade (a.k.a. BellSouth SPA VG)
- WATS Access Line (WAL) (a.k.a. BellSouth SPA WATS Lines)
- Program Audio (a.k.a. BellSouth SPA Program Audio)
- Broadcast Quality Video (a.k.a. BellSouth SPA Broadcast Quality Video) Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video)
- DS3 Digital Video Service (a.k.a. BellSouth SPA DS3 Digital Video)
- BellSouth SPA Modular Video Transport Service
- 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
- Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video)
- Wideband Analog (a.k.a. BellSouth SPA Wideband Analog)
- Wideband Data (a.k.a. BellSouth SPA Wideband Data)
- Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel)
 Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
- High Capacity (a.k.a. BellSouth SPA High Capacity)
- DS1 (a.k.a. BellSouth SPA DS1)
- LightGate svc.(a.k.a. BellSouth SPA Point to Point)
- SMARTGate svc.(a.k.a. BellSouth SPA Managed Shared Ring)
- SMARTPath svc. (a.k.a. BellSouth SPA DS1 & DS3 Shared Ring)
- FlexServ Service (a.k.a. BellSouth SPA Customer Reconfiguration)
- Dry Fiber
- BellSouth SPA Managed Shared Network Service

Fast Packet Access Services

website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

- Exchange Access Frame Relay Service (a.k.a. BellSouth Exchange Access Frame Relay Service)
- Exchange Access Connectionless Data Service (a.k.a. BellSouth Exchange Access Connectionless Data Service)
- BellSouth SPA Managed Shared Frame Relay Service

¹ Material previously contained in this section has been deleted. SMARTRing, XAATMS, and MSATMS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 002 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions'

(This page filed under Transmittal No. 1)

All AT&T and BellSouth marks contained herein and as set forth in the trademarks and service marks section of the BellSouth Tariff are owned by AT&T Intellectual Property or AT&T affiliated companies. ******

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs

- 25.2 <u>Contract Tariff No. 002</u> (Cont'd)
- 25.2.1 General Regulations (Cont'd)
 - (C) <u>Description of Services</u> (Cont'd)
 - (2) If the Company introduces a new Access Service(s) during the customer's term under this Contract Tariff and such service(s) are afforded Pricing Flexibility according to the Federal Communications Commission's Pricing Flexibility rules and the service(s) are included in one or more other Contract Tariffs under this Section, the Company, at the customer's request, will prepare a proposal for a new Contract Tariff that includes such additional service(s). The term for the proposed new Contract Tariff will be for the remaining months in the customer's contract term under this Contract Tariff and the minimum revenue volumes in 25.2.2, Table 1, following, will be adjusted to account for the additional service(s). The proposed new Contract Tariff shall contain the same incentives as those specified in 25.2.2 of this Contract Tariff.

Unless agreed to otherwise, the regulations for the proposed new Contract Tariff shall be the same as those set forth in this Contract Tariff, and the term of the proposed new Contract Tariff shall be for the number of months remaining in this Contract Tariff at the time the proposed new Contract Tariff is filed.

Upon the customer's execution of a Letter of Agreement for Firm Order Commitment to accept the proposed new Contract Tariff, the Company will file the proposed new Contract Tariff. Notwithstanding any provisions in this Contract Tariff to the contrary, the customer may cancel its subscription to this Contract Tariff without termination liability if the customer subscribes to the proposed new Contract Tariff prepared in accordance with these provisions.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs

25.2 Contract Tariff - No. 002 (Cont'd)

25.2.1 General Regulations (Cont'd)

(D) Minimum Revenue Volume for the Combined MSAs

The customer's annual minimum-billed revenue volume and product suite total annual minimum revenues are provided in Section 25.2.2, following. These revenues are for the combined MSAs set forth in Section 25.2.1.B., preceding, and include any of the services described in Section 25.2.1.C., preceding. References made throughout this Contract Tariff to the customer's annual minimum-billed revenue volume or product suite total annual minimum revenues shall represent revenues for the combined MSAs and services specified herein. These revenues shall include monthly recurring revenues only and have not been adjusted to reflect credits or discounts given in arrears from existing pricing plans the customer may subscribe to in other sections of this Tariff (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

(E) Rates and Charges

The application of rates and charges for services subject to this Contract Tariff are set forth in Section 23 of this Tariff. The Company reserves the right to change the rates and charges for services included in Section 23. The Company will provide these services in accordance with the Federal Communications Commission's rules and regulations.

(F) Classifications, Practices and Regulations

(1) Application of Contract Tariff Incentives
In order to be eligible for the incentives offered under this
Contract Tariff, the customer must achieve the annual minimum-billed
revenue volume and product suite total annual minimum revenue each
contract term year as shown in Tables 1 and 2 in Section 25.2.2,
following. There are two levels of incentives: 1) Annual Incentive
and 2) Product Suite Annual Incentive. These incentives are
described as follows:

(a) Annual Incentive

An Annual Incentive will be applied to incremental revenue that exceeds the annual minimum-billed revenue for each year of the customer's contract term. The annual minimum-billed revenue volume and the Annual Incentive percentages are provided in 25.2.2 following pursuant to the following conditions.

- The customer will receive the Annual Incentive each year of the contract term one month in arrears of the anniversary date of the customer's subscription to service under this Contract Tariff.
- The customer will not receive the Annual Incentive if the customer fails to achieve the annual minimum-billed revenue volume in any contract term year. Further, the customer's subscription to this Contract Tariff shall be cancelled in accordance with Shortfall Penalty regulations set forth in 25.2.1.F.2, following.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE
25 - Contract Tariffs

- 25.2 Contract Tariff No. 002 (Cont'd)
- 25.2.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (b) Product Suite Annual Incentive
 The customer's product suite and the product suite total annual minimum revenues are provided in Section 25.2.2 following. The Product Suite Annual Incentive applies if the customer achieves the product suite total annual minimum revenues at the end of each contract term year and will be equal to the same incentive dollar amount the customer is awarded for the Annual Incentive as described in 25.2.1.F.1.a, preceding.

The customer will receive the Product Suite Annual Incentive each year of the contract term one month in arrears of the customer's contract anniversary date.

The customer will not receive the Product Suite Annual Incentive if in any year of the contract term the customer fails to achieve the product suite total annual revenue.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.2 Contract Tariff No. 002 (Cont'd)
- 25.2.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (c) Advancement of the First Year's Incentives

The customer may receive an advancement of the first contract year's Annual Incentive and Product Suite Annual Incentive. This advancement is contingent on the customer achieving by November 19, 2001, 16.7% of the first contract year's annual minimum-billed revenue volume and 16.7% of the product suite total annual minimum revenue as shown in Tables 1 and 2 of 25.2.2 following. The Annual Incentive will be computed on incremental revenue exceeding 16.7% of the annual minimum-billed revenue using the incentive percentage shown in the first band of Table 1 in 25.2.2 following. The Product Suite Annual Incentive will be equivalent to the same dollar amount the customer is awarded for the Annual Incentive. The advancement will be credited to the customer's account by December 19, 2001.

If the customer does not achieve the annual minimum-billed revenue volume at the end of the first year's contract term, the customer must repay the Company the full amount of the advancement and will be billed this amount on the customer's contract anniversary date, one month in arrears. In addition, Shortfall Penalty regulations will apply as specified in 25.2.1.F.2 following.

If the customer achieves the annual minimum-billed revenue volume at the end of the first year's contract term, the Annual Incentive earned by the customer will be adjusted by the amount of the advancement (i.e., (Annual Incentive + Product Suite Annual Incentive earned) — Advancement = Adjusted Incentive). If the Adjusted Incentive is positive, the customer's account will be credited by the amount of the Adjusted Incentive on the customer's contract anniversary date, one month in arrears. In the event the Adjusted Incentive is negative, the customer will be billed the Adjusted Incentive on the customer's contract anniversary date, one month in arrears.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE
25 - Contract Tariffs

- 25.2 Contract Tariff No. 002 (Cont'd)
- 25.2.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (2) Shortfall Penalty for Failure to Meet the Annual Minimum-Billed Revenue Volume and Product Suite Total Annual Revenues
 - (a) The customer must achieve the annual minimum-billed revenue volume specified in 25.2.2 following as determined on the anniversary date of the customer's subscription to service under this Contract Tariff in order to be eligible for an Annual Incentive.

If the customer does not achieve the annual minimum-billed revenue volume for any year of the contract term, the customer will not receive for such year the Annual Incentive as described in 25.2.1.F.1.a, preceding.

Failure to achieve the annual minimum-billed revenue for any year of the contract term will result in cancellation of the customer's subscription to this Contract Tariff, and the customer will not be eligible for another Contract Tariff for six months following the customer's subscription cancellation date. However, the customer may initiate negotiations for a new Contract Tariff immediately following the Contract Tariff cancellation date.

The customer must achieve the product suite total annual revenue as determined on the anniversary date of the customer's subscription to service under this Contract Tariff to be eligible for a Product Suite Annual Incentive. If the customer does not achieve the product suite total annual revenue for any year of the contract term, the customer will not receive for such year the Product Suite Annual Incentive as described in 25.2.1.F.1.b, preceding.

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ACCESS SERVICE 25 - Contract Tariffs

- 25.2 <u>Contract Tariff No. 002</u> (Cont'd)
- 25.2.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (3) Restrictions
 - (a) A customer subscribing to this Contract Tariff may subscribe to another Contract Tariff contained in this Section under the following conditions:
 - The customer must subscribe to the other Contract Tariff within the allowable subscription window specified in the other Contract Tariff.
 - The customer must agree to all regulations, terms, conditions, and incentives provided in the other Contract Tariff. Further, the minimum revenue volumes in the other Contract Tariff must be equal to or greater than those provided in this Contract Tariff as shown in 25.2.2.
 - The customer's subscription to this Contract Tariff will be cancelled upon the effective date of the customer's subscription to the other Contract Tariff, and all incentives the customer has earned under this Contract Tariff will be prorated and awarded to the customer.
 - The customer may subscribe to only one other Contract Tariff upon cancellation of this Contract Tariff.
 - (b) Incentives provided under this Contract Tariff shall not apply to annual billed revenues exceeding the maximum revenues specified in 25.2.2 following.
 - (c) Nothing contained in this Tariff shall be construed or interpreted to preclude a customer from seeking regulatory, judicial, or other relief for the Company's failure to provide services as required by law and this Tariff.
 - (d) The services to which the incentives provided under this Contract Tariff apply shall only be subject to service guarantees specified in Section 2.4.4.B (service assurance warranty) and Section 2.4.9 (service installation guarantee) of this Tariff under the terms and conditions in effect on the day this Contract Tariff becomes effective. Any new or additional performance measures and remedies that may become applicable to the services provisioned under Sections 6, 7, 21 and 23 of this Tariff shall not apply to services subject to this Contract Tariff unless the Telephone Company and the customer negotiate an amendment to this Contract Tariff.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs

25.2 Contract Tariff - No. 002 (Cont'd)

25.2.1 General Regulations (Cont'd)

(F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)

(4) Revenue Accumulation by Bill Period

The customer's annual billed revenue and product suite annual revenue shall be accumulated beginning with the first bill period following the effective date of the customer's subscription to this contract tariff and ending with the last bill period prior to the customer's contract anniversary date. The Company will not accept customer disputes regarding the revenue accumulation method specified herein (i.e., arrearages and partial month payments).

(5) Adjustments to Monthly Revenues

The Company will adjust the customer's monthly recurring revenues each month due to rate changes resulting from expired contracts under the Transport Payment Plan (TPP).

(6) <u>Tax Exclusions</u>

The incentives specified in this Contract Tariff will not be applied to taxes. Taxes will not be included when calculating the customer's annual billed revenues and product suite annual minimum revenues.

(7) Existing Discount Plans

The Contract Tariff incentives specified herein are in addition to credits given under existing pricing plans the customer may subscribe to in other Sections of this Tariff (i.e., Transport Savings Plan, Area Commitment Plan, Transport Payment Plan, Channel Services Payment Plan, etc.).

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs

- 25.2 Contract Tariff No. 002 (Cont'd)
- 25.2.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (8) Mergers and Acquisitions

In the event the customer merges with another company or is acquired by another company, the following regulations will apply:

- (a) The customer may continue subscribing to this Contract Tariff for the duration of the contract term provided that the customer continues the subscription as if it were a single entity prior to the merger or acquisition.
- (b) The customer may not combine revenues with the merged or acquired company's revenues for the purpose of obtaining the incentives provided under this Contract Tariff except as noted in 25.2.1.F.8.c, below. The customer's ACNAs specified in the Letter of Agreement for Firm Order Commitment will be used to determine the customer's annual billed revenue volume.

The customer may not use Transfer of Service as specified in Sections 6.7.1(C)(4), 7.4.1(C)(4), of this Tariff to change the ACNA of a service that is provided under an ACNA not in the Letter of Agreement to an ACNA that is included in the Letter of Agreement.

A customer may disconnect a service provided under an ACNA not in the Letter of Agreement and install a new service under an ACNA that is included in the Letter of Agreement. Normal nonrecurring charges and termination liabilities will apply as specified in Section 23 of this Tariff. If it is determined that revenues have been included from ACNAs not specified in the Letter of Agreement, the incentives provided under this Contract Tariff will be recalculated excluding such revenues.

¹ See footnote (1) on page 25-11.

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ACCESS SERVICE
25 - Contract Tariffs

- 25.2 Contract Tariff No. 002 (Cont'd)
- 25.2.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (8) Mergers and Acquisitions (Cont'd)
 - (c) In the event of a merger or acquisition, the customer may request the Company to prepare a proposal for a new Contract Tariff that reflects the merger or acquisition, provided the customer's remaining term under this Contract Tariff is at least 3 months. The proposed new Contract Tariff will adjust revenue volumes in Tables 1 and 2 in 25.2.2, following, to reflect the merger or acquisition. The proposed new Contract Tariff shall contain the same incentives as those specified in 25.2.2 of this Contract Tariff.

Unless agreed to otherwise, the regulations for the proposed new Contract Tariff shall be the same as those specified in this Contract Tariff, and the term of the proposed new Contract Tariff shall be for the number of months remaining in the customer's term under this Contract Tariff at the time of the proposed new Contract Tariff filing.

Upon the customer's execution of a Letter of Agreement for Firm Order Commitment to accept the proposed new Contract Tariff, the Company will file the Contract Tariff. The customer may cancel its subscription to this Contract Tariff without termination liability if the customer subscribes to the proposed new Contract Tariff prepared in accordance with these provisions.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs

25.2 <u>Contract Tariff - No. 002</u> (Cont'd)

25.2.2 Annual Revenue Volumes and Incentives

(A) Annual Incentives and Product Suite Annual Incentives

(1) Table 1 below provides the annual minimum-billed revenue volumes and the Annual Incentives for each contract term year. The customer must achieve each year's minimum-billed revenue in order to receive an Annual Incentive, which is applied to the incremental revenue that exceeds the annual minimum-billed revenue. For example, if the customer achieved revenue of \$312,330,000 at the end of the first year's contract term, the Annual Incentive will be \$9,089,560 (i.e., [(\$312,330,000 - \$285,596,000) X 34%]. The maximum revenue eligible for an Annual Incentive in each contract term year is shown in Table 1 below. Revenue exceeding the maximum revenue will not be eligible for an Annual Incentive or Product Suite Annual Incentive.

| Table 1 | Annual Minimum Billed Revenue Volumes (\$thousands) | | | |
|-------------------------|---|--------------------------|--------------------------|--|
| | Year 1 | Year 2 | Year 3 | |
| Minimum Revenue Volumes | \$285,596 | \$332,035 | \$386,024 | |
| (%) Annual Incentives | | | | |
| 33.5% | > \$285,596 - 299,877 | > \$332,035 - 348,636 | > \$386,024 - 405,325 | |
| 34% | > \$299,877 - 314,156 | > \$348,636 - 365,238 | > \$405,325 - 424,626 | |
| 34.5% | > \$314,156 - 328,436 | > \$365,238 - 381,840 | > \$424,626 - 443,927 | |
| Maximum Revenues | \$328,436 | \$381,840 | \$443,927 | |

(2) Table 2 below provides the product suite and the product suite total annual revenue for each year of the contract term. The customer must achieve each year's total annual revenue in order to receive a Product Suite Annual Incentive, which is equivalent to the same amount the customer receives for the Annual Incentive as specified in 25.2.2.A.1 above. For example, if the customer achieved product suite total annual revenues in the first year of \$198,531,000 the Product Suite Annual Incentive will be \$9,089,560 (see example in 25.2.2.A.1. above).

| Table 2 | Product Suite Annual Revenue (\$thousands) | | |
|--|---|--------------------|-----------|
| Product Suite | Year 1 | Year 2 | Year 3 |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | \$55,789 | \$67, 121 | \$82,217 |
| DS1 (a.k.a. BellSouth SPA DS1) | \$135 , 970 | \$160 , 474 | \$189,351 |
| Total Revenue | \$191,759 | \$227,595 | \$271,569 |

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ACCESS SERVICE 25 - Contract Tariffs

25.3 Contract Tariff - No. 003

- (A) This Contract Tariff is valid for a period of 37 months and shall terminate on November 24, 2004.
- (B) The regulations, terms, conditions and incentives provided herein shall apply to customers subscribing to Contract Tariff No. 003 in the Metropolitan Statistical Areas (MSAs) defined in 25.3.1.B below. A customer may subscribe within a period of thirty (30) days following the Contract Tariff's effective date.

25.3.1 General Regulations

(A) <u>Term and Renewal Options</u>

- (1) The customer's term under this Contract Tariff is 36 months. At the end of the contract term, the incentives provided in this Contract Tariff shall be discontinued.
- (2) In order to subscribe to this Contract Tariff, a Letter of Agreement for Firm Order Commitment provided by the Company must be executed by the customer's signature and acknowledged by a Company representative's signature. The Letter of Agreement shall contain the starting date of the customer's term and the Access Customer Name Abbreviations (ACNAs).

(B) Metropolitan Statistical Areas

The regulations, terms and conditions of this Contract Tariff shall apply for the Full Service Relief MSAs listed below. Full Service Relief MSAs are defined in Section 23 of this Tariff. References made throughout this Contract Tariff to the customer's annual revenues shall include monthly recurring revenues for the combined MSAs shown below:

- Atlanta, Charlotte, Daytona Beach, Gainesville, Greensboro-Winston Salem, Memphis, Miami-Ft. Lauderdale, Melbourne, Orlando, Raleigh-Durham, Wilmington

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.3 Contract Tariff No. 003 (Cont'd)
- 25.3.1 General Regulations (Cont'd)
 - (C) Description of Services
 - (1) This Contract Tariff may include any of the following services for the purpose of determining the customer's annual minimum-billed revenue volume specified in 25.3.2 following. Rates and charges for these services are provided in Section 23 of this Tariff.

BellSouth SWA Dedicated Transport Services

- BellSouth SWA VG BellSouth SWA DSO
- BellSouth SWA DS1
- BellSouth SWA DS3
- BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Ring Service

Special Access (a.k.a. BellSouth SPA) Services

- Metallic (a.k.a. BellSouth SPA Metallic)
- Telegraph Grade (a.k.a. BellSouth SPA Telegraph)
- Voice Grade (a.k.a. BellSouth SPA VG
- WATS Access Line (WAL) (a.k.a. BellSouth SPA WATS Lines)
- Program Audio (a.k.a. BellSouth SPA Program Audio)
- Broadcast Quality Video (a.k.a. BellSouth SPA Broadcast Quality Video) Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video)
- DS3 Digital Video Service (a.k.a. BellSouth SPA DS3 Digital Video)
- BellSouth SPA Modular Video Transport Service
- 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
- Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video)
- Wideband Analog (a.k.a. BellSouth SPA Wideband Analog) Wideband Data (a.k.a. BellSouth SPA Wideband Data)

- Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel)
 Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
- High Capacity (a.k.a. BellSouth SPA High Capacity)
- DS1 (a.k.a. BellSouth SPA DS1)
- LightGate svc.(a.k.a. BellSouth SPA Point to Point)
- SMARTGate svc.(a.k.a. BellSouth SPA Managed Shared Ring)
- SMARTPath svc. (a.k.a. BellSouth SPA DS1 & DS3 Shared Ring)
- FlexServ Service (a.k.a. BellSouth SPA Customer Reconfiguration)
- Dry Fiber
- BellSouth SPA Managed Shared Network Service

Fast Packet Access Services

- Exchange Access Frame Relay Service (a.k.a. BellSouth Exchange Access Frame Relay Service)
- Exchange Access Connectionless Data Service (a.k.a. BellSouth Exchange Access Connectionless Data Service)
- BellSouth SPA Managed Shared Frame Relay Service

(This page filed under Transmittal No. 1)

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¹ Material previously contained in this section has been deleted. SMARTRing, XAATMS, and MSATMS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at https://www.att.com/quidebook. Contract Offer No. 003 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

25.3 <u>Contract Tariff - No. 003</u> (Cont'd)

25.3.1 General Regulations (Cont'd)

(D) Minimum Revenue Volume for the Combined MSAs

The customer's annual minimum-billed revenue volume and product suite total annual minimum revenues are provided in Section 25.3.2, following. These revenues are for the combined MSAs set forth in Section 25.3.1.B., preceding, and for the services described in Section 25.3.1.C., preceding. References made throughout this Contract Tariff to the customer's annual minimum-billed revenue volume or product suite total annual minimum revenues shall represent revenues for the combined MSAs and services specified herein. These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

(E) Rates and Charges

The application of rates and charges for services subject to this Contract Tariff are set forth in Section 23 of this Tariff. The Company reserves the right to change the rates and charges for services included in Section 23.

(F) Classifications, Practices and Regulations

(1) Application of Contract Tariff Incentives
In order to be eligible for the incentives offered under this
Contract Tariff, the customer must achieve the annual minimum-billed
revenue volume and the product suite total annual minimum revenues
for each year of the contract term as set forth in Section 25.3.2
following. There are three levels of incentives: 1) Annual Incentive,
2) Product Suite Annual Incentive, and 3) Product Level Quarterly
Incentive. These incentives are described as follows:

(a) Annual Incentive

An Annual Incentive will be applied to incremental revenue that exceeds the annual minimum-billed revenue for each year of the customer's contract term. The annual minimum-billed revenue volume and the Annual Incentive percentages are provided in 25.3.2. The following conditions will apply:

- The customer will receive the Annual Incentive each year of the contract term thirty days following the anniversary date of the customer's subscription to service under this Contract Tariff.
- The customer will not receive the Annual Incentive if the customer fails to achieve the annual minimum-billed revenue volume in any year of the contract term. Further, the customer's subscription to this Contract Tariff shall be cancelled in accordance with Shortfall Penalty regulations set forth in 25.3.1.F.2, following.

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ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.3 Contract Tariff No. 003 (Cont'd)
- 25.3.1 General Regulations (Cont'd)
- (F) <u>Classifications</u>, <u>Practices and Regulations (Cont'd)</u>
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (b) Product Suite Annual Incentive
 The customer's product suite and the product suite total annual minimum revenues are provided in Section 25.3.2 following. The Product Suite Annual Incentive applies if the customer achieves the product suite total annual minimum revenue at the end of each contract term year and will be equal to the same incentive dollar amount the customer is awarded for the Annual Incentive as described in 25.3.1.F.1.a, preceding.

The customer will receive the Product Suite Annual Incentive each year of the contract term thirty days following the anniversary date of the customer's subscription to service under this Contract Tariff.

The customer will not receive the Product Suite Annual Incentive if in any year of the contract term the customer fails to achieve the product suite total annual minimum revenue.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs

- 25.3 Contract Tariff No. 003 (Cont'd)
- 25.3.1 General Regulations (Cont'd)
- (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (c) Product Level Quarterly Incentive
 The two products shown in Section 25.3.2, following, are available for a Product Level Quarterly Incentive. This quarterly incentive will be computed on the monthly-billed revenue for the selected products in each contract term year and will be awarded on a quarterly basis under the following conditions:
 - The Company will monitor on a quarterly basis the customer's annual minimum-billed revenues provided in Section 25.3.2, Table 1 in each contract term year to determine if the customer is on schedule in achieving the quarterly objective of the annual minimum-billed revenue volume. The scheduled objective for the first quarter is 25% of the annual minimum-billed revenue, for the second quarter 50% of the annual minimum-billed revenue, and for the fourth quarter 100% of the annual minimum-billed revenue.
 - For each year of the contract term, the customer will receive the Product Level Quarterly Incentive on a quarterly basis only if the scheduled objectives for the annual minimum-billed revenues are met. For example, if the first quarter's objective is not met, the first quarter incentive award will be delayed until the second quarter. If the second quarter objective is not met, the monthly incentive award for the first and second quarters will be delayed until the third quarter. If the customer meets the third quarter objective, the monthly incentives for the first, second and third quarters will be awarded to the customer.
 - If at the end of the fourth quarter the customer does not achieve at least 100% of the annual minimum-billed revenue volume, the customer will not receive a fourth quarter Product Level Quarterly incentive and must also reimburse the Company all Product Level Quarterly Incentives received for the first, second and third quarters in accordance with Shortfall Penalty regulations in 25.3.1.F.2 following.

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ACCESS TARIFF

25 - Contract Tariffs (Cont'd)

- 25.3 Contract Tariff No. 003 (Cont'd)
- 25.3.1 General Regulations (Cont'd)
- (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (d) Examples of Contract Tariff Incentives
 - Example 1: Annual Incentive: The customer exceeds the annual minimum-billed revenue volume for the first contract term year with a revenue achievement of \$10,140,300. The customer will be awarded an Annual Incentive of \$40,215 computed using Table 1 in 25.3.2 as follows:

(Annual Revenue Achieved - Annual Minimum Revenue Volume) X Applicable Incentive Percentage = Annual Incentive

 $(\$10,140,300 - \$9,336,000) \times 5\% = \$40,215$

- Example 2: Product Suite Annual Incentive:
 As illustrated in Example 1 above, the customer achieved the first contract term year's annual minimum-billed revenue and also exceeded the product suite total annual minimum revenue with a revenue achievement of \$9,140,240, using Table 2 in 25.3.2. The customer will be awarded a Product Suite Annual Incentive of \$40,215, which is equivalent to the same dollar amount the customer is awarded for the Annual Incentive in the example above.
- Example 3: Product Level Quarterly Incentive:
 The customer's first quarter monthly revenues are as follows:
 Product #1: \$190,650, \$210,844, \$220,750
 Product #2: \$495,741, 502,598, \$509,798
 Total Products #1 and #2: \$2,130,381

The customer achieved the scheduled objective of 25% of the first year's annual minimum-billed revenue as shown in Table 3 of 25.3.2. Therefore, the customer is eligible for a first quarter Product Level Quarterly Incentive of \$63,911 computed as follows:

[(Product #1 Total Quarterly Revenues) X Product #1 Incentive
Percentage)] + [(Product #2 Total Quarterly Revenues) X Product #2
Incentive Percentage)] = Product Level Quarterly Incentive

 $[(\$190,650 + \$210,844 + \$220,750) \times 3\%] + [(\$495,741 + \$502,598 + \$509,798) \times 3\%] = \$63,911$

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ACCESS SERVICE
25 - Contract Tariffs

- 25.3 Contract Tariff No. 003 (Cont'd)
- 25.3.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (2) Shortfall Penalty for Failure to Meet the Annual Minimum-Billed Revenue Volume and Product Suite Total Annual Revenues
 - (a) The customer must achieve the annual minimum-billed revenue volume specified in 25.3.2 following as determined on the anniversary date of the customer's subscription to service under this Contract Tariff in order to be eligible for an Annual Incentive.

If the customer does not achieve the annual minimum-billed revenue volume for any contract term year, the customer will not receive for such year the Annual Incentive as described in 25.3.1.F.1.a, preceding. Further, the customer must repay the Company all Product Level Quarterly Incentives received for such year and will be billed the full amount thirty days following the customer's contract anniversary date.

Failure to achieve the annual minimum-billed revenue for any contract term year will result in termination of the customer's subscription to this Contract Tariff, and the customer will not be eligible for another Contract Tariff for six months following the contract cancellation date.

The customer must achieve the product suite total annual minimum revenue as determined on the customer's contract anniversary date in order to be eligible for a Product Suite Annual Incentive. If the customer does not achieve the product suite total annual minimum revenue for any year of the contract term, the customer will not receive for such year the Product Suite Annual Incentive as described in 25.3.1.F.1.b, preceding.

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25 - Contract Tariffs (Con'd)

- 25.3 <u>Contract Tariff No. 003</u> (Cont'd)
- 25.3.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (3) Restrictions
 - (a) A customer subscribing to this Contract Tariff may not subscribe to any other Contract Tariff in the MSAs and for the services specified herein.
 - (b) The incentives provided under this Contract Tariff will not apply to annual billed revenues exceeding the maximum revenues specified in 25.3.2 following.
 - (c) The services, to which the incentives provided under this Contract Tariff apply, shall only be subject to service guarantees specified in Section 2.4.4.b (service assurance warranty) and Section 2.4.9 (service installation guarantee) of this Tariff under the terms and conditions in effect on the day this Contract Tariff becomes effective. Any new or additional performance measures and remedies that may become applicable to the services provisioned under Sections 6, 7, 21, and 23 of this Tariff shall not apply to services subject to this Contract Tariff unless the Telephone Company and the customer negotiate an amendment to this Contract Tariff. Upon thirty days written notice, either Party may request the renegotiation of any provision of this Contract Tariff. If the Parties are unsuccessful in renegotiating the Contract Tariff following 90 days from the date of the notice, either Party may cancel this Contract Tariff.
 - (4) Revenue Accumulation by Bill Period
 The customer's annual billed revenue and product suite annual revenue shall be accumulated beginning with the first bill period following the effective date of the customer's subscription to this Contract Tariff and ending with the last bill period prior to the customer's contract anniversary date.
 - (5) <u>Tax Exclusions</u>
 The incentives specified in this Contract Tariff will not be applied to taxes. Taxes will not be included when calculating the customer's annual minimum billed revenues and product suite annual minimum revenues.
 - (6) Existing Discount Plans
 The Contract Tariff incentives specified herein are in addition to credits given under existing pricing plans the customer may subscribe to in other Sections of this Tariff (i.e., Transport Savings Plan, Area Commitment Plan, Channel Services Payment Plan, etc.).

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ACCESS SERVICE 25 - Contract Tariffs (Con'd)

- 25.3 Contract Tariff No. 003 (Cont'd)
- 25.3.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (7) Mergers and Acquisitions
 In the event the customer merges with another company or is acquired by another company, the following regulations will apply:
 - (a) The customer may not combine revenues with the merged or acquired company's revenues for the purpose of obtaining the incentives provided under this Contract Tariff.
 - (b) The customer may continue subscribing to this Contract Tariff for the duration of the contract term provided that the customer continues the subscription as if it were a single entity prior to the merger or acquisition.
 - (c) The Company reserves the right to cancel the customer's subscription to this Contract Tariff if the customer does not adhere to the provisions herein.

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ACCESS TARIFFS 25 - Contract Tariffs (Cont'd)

25.3 Contract Tariff - No. 003 (Cont'd)

25.3.2 Revenue Volumes and Incentives

(A) Annual Minimum-Billed Revenues and Incentives

(1) Table I below provides the annual minimum-billed revenue volumes and the Annual Incentives. The customer must achieve each year's minimum-billed revenue in order to receive an Annual Incentive, which is applied to the incremental revenue that exceeds the annual minimum-billed revenue. Revenue exceeding the maximum revenue will not be eligible for an Annual Incentive or Product Suite Annual Incentive. Section 25.3.1.F.1.d, preceding, provides examples of how incentives in the following tables are determined.

| | Annual Minimum | Billed Revenue | Volumes |
|-------------------------|----------------------|---------------------------------|------------------------|
| Table 1 | | (\$thousands) | |
| | Year 1 | Year 2 | Year 3 |
| Minimum Revenue Volumes | \$9,336 | \$11,064 | \$13,044 |
| (%) Annual Incentives | | | |
| | >\$9,336 - | >\$11,064 - | >\$13, 044 – |
| 2.5% | 9,803 | 11,617 | 13,696 |
| | >\$9,803 - | > \$11 , 617 – | >\$13,696 - |
| 5% | 10,270 | 12,170 | 14,349 |
| | >\$10 , 270 - | >\$12 , 170 - | >\$14 , 349 – |
| 7.5% | 10,737 | 12,723 | 15,001 |
| | | | |
| Maximum Revenues | \$10,737 | \$12,723 | \$15,001 |

(2) Table 2 below provides the product suite and the product suite total annual minimum revenues. The customer must achieve each year's total annual minimum revenue* in order to receive a Product Suite Annual Incentive, which is equivalent to the dollar amount the customer is awarded for the Annual Incentive as specified in 25.3.2.A.1 above.

| T.13. 0 | Product Suite | | mum Revenues |
|--|---------------|------------------|--------------|
| Table 2 | | (\$thousands) | |
| Product Suite | Year 1 | Year 2 | Year 3 |
| LightGate svc.(a.k.a. BellSouth SPA Point to Point) | \$2,697 | \$3,195 | \$3,767 |
| DS1 (a.k.a. BellSouth SPA DS1) | \$6,029 | \$7 , 145 | \$8,424 |
| *Total Annual Minimum Revenues | \$8,726 | \$10,340 | \$12,191 |

(3) Table 3 below provides the products eligible for a Product Level Quarterly Incentive. The Product Level Quarterly Incentive is applied on the monthly-billed revenue for these products and awarded on a quarterly basis.

| Table 3 | Quarterly Pro | oduct Level 1 | Incentive |
|---|---------------|---------------|-----------|
| | Year 1 | Year 2 | Year 3 |
| LightGate svc.(a.k.a. BellSouth SPA Point to Point) | 3% | 3% | 3% |
| DS1 (a.k.a. BellSouth SPA DS1) | 3% | 3% | 3% |

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs

25.4 Contract Tariff - No. 004

- (A) This Contract Tariff is valid for a period of 37 months and shall terminate on December 9, 2004.
- (B) The regulations, terms, conditions and incentives provided herein shall apply to customers subscribing to Contract Tariff No. 004 in the Metropolitan Statistical Areas (MSAs) defined in 25.4.1.B below. A customer may subscribe within a period of thirty (30) days following the Contract Tariff's effective date.

25.4.1 General Regulations

(A) Term and Renewal Options

- (1) The customer's term under this Contract Tariff is 36 months. At the end of the contract term, the incentives provided in this Contract Tariff shall be discontinued.
- (2) In order to subscribe to this Contract Tariff, a Letter of Agreement for Firm Order Commitment provided by the Company must be executed by the customer's signature and acknowledged by a Company representative's signature. The Letter of Agreement shall contain the starting date of the customer's term and the Access Customer Name Abbreviations (ACNAs).

(B) Metropolitan Statistical Areas

The regulations, terms and conditions of this Contract Tariff shall apply for the Full Service Relief MSAs listed below. Full Service Relief MSAs are defined in Section 23 of this Tariff. References made throughout this Contract Tariff to the customer's annual revenues shall include monthly recurring revenues for the combined MSAs shown below:

- Atlanta, Baton Rouge, Biloxi, Charlotte, Chattanooga, Daytona Beach, Gainesville, Greensboro-Winston Salem, Jackson, Jacksonville, Knoxville, Lake Charles, Louisville, Memphis, Miami-Ft. Lauderdale, Monroe, Montgomery, Melbourne, Nashville-Davidson, Orlando, Pensacola, Raleigh-Durham, Savannah, Shreveport, Wilmington, West Palm Beach

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

25.4 Contract Tariff - No. 004 (Cont'd)

25.4.1 General Regulations (Cont'd)

(C) Description of Services

(1) This Contract Tariff may include any of the following services for the purpose of determining the customer's annual minimum-billed revenue volume specified in 25.4.2 following. Rates and charges for these services are provided in Section 23 of this Tariff.

BellSouth SWA Dedicated Transport Services

- BellSouth SWA VG
- BellSouth SWA DS0 BellSouth SWA DS1
- BellSouth SWA DS3
- BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Network Service
- BellSouth SWA Managed Shared Ring Service

Special Access (a.k.a. BellSouth SPA) Services

- Metallic (a.k.a. BellSouth SPA Metallic)
- Telegraph Grade (a.k.a. BellSouth SPA Telegraph)
- Voice Grade (a.k.a. BellSouth SPA VG
- WATS Access Line (WAL) (a.k.a. BellSouth SPA WATS Lines)
- Program Audio (a.k.a. BellSouth SPA Program Audio)
- Broadcast Quality Video (a.k.a. BellSouth SPA Broadcast Quality Video)
- Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video)
- DS3 Digital Video Service (a.k.a. BellSouth SPA DS3 Digital Video)
- BellSouth SPA Modular Video Transport Service
- 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
- Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video)
- Wideband Analog (a.k.a. BellSouth SPA Wideband Analog)
- Wideband Data (a.k.a. BellSouth SPA Wideband Data)
 Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel)
- Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
- High Capacity (a.k.a. BellSouth SPA High Capacity) DS1 (a.k.a. BellSouth SPA DS1)
- LightGate svc.(a.k.a. BellSouth SPA Point to Point)
- SMARTGate svc.(a.k.a. BellSouth SPA Managed Shared Ring)
- SMARTPath svc.(a.k.a. BellSouth SPA DS1 & DS3 Shared Ring)
- FlexServ Service (a.k.a. BellSouth SPA Customer Reconfiguration)
- Dry Fiber
- BellSouth SPA Managed Shared Network Service

Fast Packet Access Services

- Exchange Access Frame Relay Service (a.k.a. BellSouth Exchange Access Frame Relay Service)
- Exchange Access Connectionless Data Service (a.k.a. BellSouth Exchange Access Connectionless Data Service)
- BellSouth SPA Managed Shared Frame Relay Service

(This page filed under Transmittal No. 1)

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Material previously contained in this section has been deleted. SMARTRing, XAATMS, and MSATMS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 004 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' makes the tarifficative December 31, 2007. website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

25.4 Contract Tariff - No. 004 (Cont'd)

25.4.1 General Regulations (Cont'd)

(D) Minimum Revenue Volume for the Combined MSAs

The customer's annual minimum-billed revenue volume and product suite total annual minimum revenues are provided in Section 25.4.2, following. These revenues are for the combined MSAs set forth in Section 25.4.1.B., preceding, and for the services described in Section 25.4.1.C., preceding. References made throughout this Contract Tariff to the customer's annual minimum-billed revenue volume or product suite total annual minimum revenues shall represent revenues for the combined MSAs and services specified herein. These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

(E) Rates and Charges

The application of rates and charges for services subject to this Contract Tariff are set forth in Section 23 of this Tariff. The Company reserves the right to change the rates and charges for services included in Section 23.

(F) Classifications, Practices and Regulations

(1) Application of Contract Tariff Incentives
In order to be eligible for the incentives offered under this
Contract Tariff, the customer must achieve the annual minimum-billed
revenue volume and the product suite total annual minimum revenues
for each year of the contract term as set forth in Section 25.4.2
following. There are three levels of incentives: 1) Annual Incentive,
2) Product Suite Annual Incentive, and 3) Product Level Quarterly
Incentive. These incentives are described as follows:

(a) Annual Incentive

An Annual Incentive will be applied to incremental revenue that exceeds the annual minimum-billed revenue for each year of the customer's contract term. The annual minimum-billed revenue volume and the Annual Incentive percentages are provided in 25.4.2. The following conditions will apply:

- The customer will receive the Annual Incentive each year of the contract term thirty days following the anniversary date of the customer's subscription to service under this Contract Tariff.
- The customer will not receive the Annual Incentive if the customer fails to achieve the annual minimum-billed revenue volume in any year of the contract term. Further, the customer's subscription to this Contract Tariff shall be cancelled in accordance with Shortfall Penalty regulations set forth in 25.4.1.F.2, following.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.4 Contract Tariff No. 004 (Cont'd)
- 25.4.1 General Regulations (Cont'd)
- (F) <u>Classifications</u>, <u>Practices and Regulations (Cont'd)</u>
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (b) Product Suite Annual Incentive
 The customer's product suite and the product suite total annual minimum revenues are provided in Section 25.4.2, Table 2, following. The Product Suite Annual Incentive applies if the customer achieves the product suite total annual minimum revenue at the end of each contract term year and will be equal to the same incentive dollar amount the customer is awarded for the Annual Incentive as described in 25.4.1.F.1.a, preceding.

The customer will receive the Product Suite Annual Incentive each year of the contract term thirty days following the anniversary date of the customer's subscription to service under this Contract Tariff.

The customer will not receive the Product Suite Annual Incentive if in any year of the contract term the customer fails to achieve the product suite total annual minimum revenue.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.4 Contract Tariff No. 004 (Cont'd)
- 25.4.1 General Regulations (Cont'd)
- (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (c) Product Level Quarterly Incentive
 The two products shown in Section 25.4.2, Table 3 following are available for a Product Level Quarterly Incentive. This quarterly incentive will be computed on the monthly-billed revenue for the selected products in each contract term year and will be awarded on a quarterly basis under the following conditions:
 - The Company will monitor on a quarterly basis the customer's annual minimum-billed revenues provided in Section 25.4.2, Table 1 in each contract term year to determine if the customer is on schedule in achieving the quarterly objective of the annual minimum-billed revenue volume. The scheduled objective for the first quarter is 25% of the annual minimum-billed revenue, for the second quarter 50% of the annual minimum-billed revenue, and for the fourth quarter 100% of the annual minimum-billed revenue.
 - For each year of the contract term, the customer will receive the Product Level Quarterly Incentive on a quarterly basis only if the scheduled objectives for the annual minimum-billed revenues are met. For example, if the first quarter's objective is not met, the first quarter's incentive award will be delayed until the second quarter. If the second quarter's objective is not met, the incentive award for the first and second quarters will be delayed until the third quarter. If the customer meets the third quarter's objective, the incentives for the first, second and third quarters will be awarded to the customer.
 - If at the end of the fourth quarter the customer does not achieve at least 100% of the annual minimum-billed revenue volume, the customer will not receive a fourth quarter Product Level Quarterly incentive and must also reimburse the Company all Product Level Quarterly Incentives received for the first, second and third quarters in accordance with Shortfall Penalty regulations in 25.4.1.F.2 following.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS TARIFF

25 - Contract Tariffs (Cont'd)

- 25.4 Contract Tariff No. 004 (Cont'd)
- 25.4.1 General Regulations (Cont'd)
- (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (d) Examples of Contract Tariff Incentives
 - Example 1: Annual Incentive: The customer exceeds the annual minimum-billed revenue volume for the first contract term year with a revenue achievement of \$13,540,300. The customer will be awarded an Annual Incentive of \$46,665 computed using Table 1 in 25.4.2 as follows:

(Annual Revenue Achieved - Annual Minimum Revenue Volume) X Applicable Incentive Percentage = Annual Incentive

 $(\$13,540,300 - \$12,607,000) \times 5\% = \$46,665$

- Example 2: Product Suite Annual Incentive:
 As illustrated in Example 1 above, the customer exceeded the first contract term year's annual minimum-billed revenue and also exceeded the product suite total annual minimum revenue with a revenue achievement of \$10,750, using Table 2 in 25.4.2. The customer will be awarded a Product Suite Annual Incentive of \$46,665, which is equivalent to the same dollar amount the customer is awarded for the Annual Incentive in Example 1 above.
- Example 3: Product Level Quarterly Incentive:
 The customer's first quarter monthly revenues are as follows:
 Product #1: \$351,750, \$401,678, \$422,504
 Product #2: \$394,725, 410,210, \$426,790
 Total Products #1 and #2: \$2,407,657

The customer achieved the scheduled first quarter objective of 25% of the first year's annual minimum-billed revenue shown in Table 1 of 25.4.2. Therefore, the customer is eligible for a first quarter Product Level Quarterly Incentive of \$72,229.71 computed as follows:

[(Product #1 Total Quarterly Revenues) X Product #1 Incentive
Percentage)] + [(Product #2 Total Quarterly Revenues) X Product #2
Incentive Percentage)] = Product Level Quarterly Incentive

[(\$351,750 + \$401,678 + \$422,504) X 3%] + [(\$394,725 + \$410,210 + \$426,790) X 3%] = \$72,229.71

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.4 Contract Tariff No. 004 (Cont'd)
- 25.4.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (2) Shortfall Penalty for Failure to Meet the Annual Minimum-Billed Revenue Volume and Product Suite Total Annual Revenues
 - (a) The customer must achieve each year's annual minimum-billed revenue volume specified in 25.4.2 following as determined on the anniversary date of the customer's subscription to service under this Contract Tariff in order to be eligible for an Annual Incentive.

If the customer does not achieve the annual minimum-billed revenue volume for any contract term year, the customer will not receive for such year the Annual Incentive as described in 25.4.1.F.1.a, preceding. Further, the customer must repay the Company all Product Level Quarterly Incentives received for such year and will be billed the full amount thirty days following the customer's contract anniversary date.

Failure to achieve the annual minimum-billed revenue for any contract term year will result in termination of the customer's subscription to this Contract Tariff, and the customer will not be eligible for another Contract Tariff for six months following the contract cancellation date.

The customer must achieve the product suite total annual minimum revenue as determined on the customer's contract anniversary date in order to be eligible for a Product Suite Annual Incentive. If the customer does not achieve the product suite total annual minimum revenue for any year of the contract term, the customer will not receive for such year the Product Suite Annual Incentive as described in 25.4.1.F.1.b, preceding.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.4 Contract Tariff No. 004 (Cont'd)
- 25.4.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (3) Restrictions
 - (a) A customer subscribing to this Contract Tariff may not subscribe to any other Contract Tariff in the MSAs and for the services specified herein.
 - (b) The incentives provided under this Contract Tariff will not apply to annual billed revenues exceeding the maximum revenues specified in 25.4.2 following.
 - (c) The services, to which the incentives provided under this Contract Tariff apply, shall only be subject to service guarantees specified in Section 2.4.4.B (service assurance warranty) and Section 2.4.9 (service installation guarantee) of this Tariff under the terms and conditions in effect on the day this Contract Tariff becomes effective. Any new or additional performance measures and remedies that may become applicable to the services provisioned under Sections 6, 7, 21, and 23 of this Tariff shall not apply to services subject to this Contract Tariff unless the Telephone Company and the customer negotiate an amendment to this Contract Tariff. Upon thirty days written notice, either Party may request the renegotiation of any provision of this Contract Tariff. If the Parties are unsuccessful in renegotiating the Contract Tariff following 90 days from the date of the notice, either Party may cancel this Contract Tariff.
 - (4) Revenue Accumulation by Bill Period
 The customer's annual billed revenue and product suite annual revenue shall be accumulated beginning with the first bill period following the effective date of the customer's subscription to this Contract Tariff and ending with the last bill period prior to the customer's contract anniversary date.
 - (5) <u>Tax Exclusions</u>
 The incentives specified in this Contract Tariff will not be applied to taxes. Taxes will not be included when calculating the customer's annual minimum billed revenues and product suite annual minimum revenues.
 - (6) Existing Discount Plans
 The Contract Tariff incentives specified herein are in addition to credits given under existing pricing plans the customer may subscribe to in other Sections of this Tariff (i.e., Transport Savings Plan, Area Commitment Plan, Channel Services Payment Plan, etc.).

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.4 Contract Tariff No. 004 (Cont'd)
- 25.4.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (7) Mergers and Acquisitions

In the event the customer merges with another company or is acquired by another company, the following regulations will apply:

- (a) The customer may not combine revenues with the merged or acquired company's revenues for the purpose of obtaining the incentives provided under this Contract Tariff.
- (b) The customer may continue subscribing to this Contract Tariff for the duration of the contract term provided that the customer continues the subscription as if it were a single entity prior to the merger or acquisition.
- (c) The Company reserves the right to cancel the customer's subscription to this Contract Tariff if the customer does not adhere to the provisions herein.
- (8) Training Services

Customers subscribing to this Contract Tariff may receive one (1) training session in each contract term year with a maximum of three (3) training sessions during the term of this Contract Tariff.

Each training session will consist of one course selected by the customer from a course listing provided on the Company's training website at www.interconnection.bellsouth.com/training/. This website also outlines the course cancellation policy.

The following regulations will also apply:

- (a) The customer must submit training requests thirty days (30) prior to the customer's desired training date. The training sessions will be scheduled based on instructor availability.
- (b) Each course will be conducted by a Company instructor and shall have a maximum of fifteen (15) students.
- (c) Each course will be conducted for a three-day consecutive period and will last eight hours each day.
- (d) The Company will be responsible for providing training materials for each course.
- (e) Each course will be conducted at a training site designated by the customer within the Continental United States.

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ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.4 Contract Tariff - No. 004 (Cont'd)

25.4.2 Revenue Volumes and Incentives

- (A) Annual Minimum-Billed Revenues and Incentives
 - (1) Table I below provides the annual minimum-billed revenue volumes and the Annual Incentives. The customer must achieve each year's minimum-billed revenue in order to receive an Annual Incentive, which is applied to the incremental revenue that exceeds the annual minimum-billed revenue. Revenue exceeding the maximum revenue will not be eligible for an Annual Incentive or Product Suite Annual Incentive. Section 25.4.1.F.1.d, preceding, provides examples of how incentives in the following tables are determined.

| Table 1 | Annual Minimum Billed Revenue Volumes (\$thousands) | | |
|-------------------------|---|-------------------|----------------|
| | Year 1 | Year 2 | Year 3 |
| Minimum Revenue Volumes | \$12,607 | \$15,644 | \$18,801 |
| (%) Annual Incentives | | | |
| | >\$12,607 - | >\$15,644 - | >\$18,801- |
| 2.5% | 13,238 | 16,426 | 19,741 |
| | >13,238 - | > 16,426 - | >19,741-20,681 |
| 5% | 13,868 | 17,209 | |
| | > 13,868 -14,498 | > 17,209 - | > 20,681 - |
| 7.5% | | 17,991 | 21,621 |
| | | | |
| Maximum Revenues | \$14,498 | \$17 , 991 | \$21,621 |

(2) Table 2 below provides the product suite and the product suite total annual minimum revenues. The customer must achieve each year's total annual minimum revenue* in order to receive a Product Suite Annual Incentive, which is equivalent to the same dollar amount the customer is awarded for the Annual Incentive as specified in 25.4.2.A.1 above.

| Table 2 | Product Suite Annual Minimum Revenues (\$thousands) | | |
|---|--|----------|----------|
| Product Suite | Year 1 Year 2 Year 3 | | Year 3 |
| LightGate svc.(a.k.a. BellSouth SPA Point to Point) | \$4,694 | \$5,885 | \$7,086 |
| 1 | 1 | 1 | 1 |
| DS1 (a.k.a. BellSouth SPA DS1) | 4,718 | 6,113 | 7,549 |
| *Total Annual Minimum Revenues | \$10,113 | \$12,777 | \$15,535 |

(3) Table 3 below provides the products eligible for a Product Level Quarterly Incentive. The Product Level Quarterly Incentive is applied on the monthly-billed revenue for these products and awarded on a quarterly basis.

| Table 3 | Quarterly Produ | ct Level Incen | tive |
|-------------------------------------|-----------------|----------------|--------|
| | Year 1 | Year 2 | Year 3 |
| LightGate svc.(a.k.a. BellSouth SPA | | | |
| Point to Point) | 3% | 3% | 3% |
| DS1 (a.k.a. BellSouth SPA DS1) | 3% | 3% | 3% |

¹ See footnote (1) on page 25-33.

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ACCESS SERVICE 25 - Contract Tariffs

25.5 Contract Tariff - No. 005

- (A) This Contract Tariff is valid for a period of 37 months and shall terminate on January 20, 2005.
- (B) The regulations, terms, conditions and incentives provided herein shall apply to customers subscribing to Contract Tariff No. 005 in the Metropolitan Statistical Areas (MSAs) defined in 25.5.1(B) below. A customer may subscribe within a period of thirty (30) days following the Contract Tariff's effective date.

25.5.1 General Regulations

(A) Term and Renewal Options

- (1) The customer's term under this Contract Tariff is 37 months. At the end of the contract term, the incentives provided in this Contract Tariff shall be discontinued.
- (2) In order to subscribe to this Contract Tariff, a Letter of Agreement for Firm Order Commitment provided by the Company must be executed by the customer's signature and acknowledged by a Company representative's signature. The Letter of Agreement shall contain the starting date of the customer's term and the Access Customer Name Abbreviations (ACNAs).

(B) Metropolitan Statistical Areas

- (1) The regulations, terms and conditions of this Contract Tariff shall apply for the Full Service Relief MSAs listed below. Full Service Relief MSAs are defined in Section 23 of this Tariff. References made throughout this Contract Tariff to the customer's annual revenues shall include monthly recurring revenues for the combined MSAs shown below:
 - Atlanta, Baton Rouge, Biloxi, Charlotte, Chattanooga, Daytona Beach, Gainesville, Greensboro-Winston Salem, Jackson, Jacksonville, Knoxville, Lake Charles, Louisville, Memphis, Miami-Ft. Lauderdale, Monroe, Montgomery, Melbourne, Nashville-Davidson, Orlando, Pensacola, Raleigh-Durham, Savannah, Shreveport, Wilmington, West Palm Beach

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs

25.5.1 Contract Tariff - No. 005 (Cont'd)

- (B) Metropolitan Statistical Areas (Cont'd)
 - (2) If the Company receives Full Service Relief in any additional MSA during the customer's term under this Contract Tariff, the Company, at the customer's request, will prepare a proposal for a new Contract Tariff that includes the additional MSA, provided the customer's remaining term under this Contract Tariff is at least 3 months. The proposed new Contract Tariff will provide adjusted revenue volumes in Tables 1 and 2 of 25.5.2, following, to account for the additional MSA. The same methodology used to derive the revenue volumes for the MSAs specified in this Contract Tariff shall be used to derive the revenue volumes for the proposed new Contract Tariff. The proposed new Contract Tariff will contain the same incentives as those specified in 25.5.2 of this Contract Tariff.

Unless agreed to otherwise, the regulations for the proposed new Contract Tariff shall be the same as those set forth in this Contract Tariff, and the term for the proposed new Contract Tariff shall be for the number of months remaining in the customer's term under this Contract Tariff at the time the proposed new Contract Tariff is filed.

Upon the customer's execution of a Letter of Agreement for Firm Order Commitment to accept the proposed new Contract Tariff, the Company will file the proposed new Contract Tariff. Notwithstanding any provisions in this Contract Tariff to the contrary, the customer may cancel its subscription to this Contract Tariff without termination liability if the customer subscribes to the proposed new Contract Tariff prepared in accordance with these provisions.

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ACCESS SERVICE 25 - Contract Tariffs

25.5 Contract Tariff - No. 005 (Cont'd)

25.5.1 General Regulations (Cont'd)

(C) Description of Services

(1) This Contract Tariff may include any of the following services for the purpose of determining the customer's annual minimum-billed revenue volume specified in 25.5.2 following. Rates and charges for these services are provided in Section 23 of this Tariff.

BellSouth SWA Dedicated Transport Services

- BellSouth SWA VG
- BellSouth SWA DSO
- BellSouth SWA DS1
- BellSouth SWA DS3
- BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Network Service
- BellSouth SWA Managed Shared Ring Service

- Special Access (a.k.a. BellSouth SPA) Services
 Metallic (a.k.a. BellSouth SPA Metallic)
 Telegraph Grade (a.k.a. BellSouth SPA Telegraph)
- Voice Grade (a.k.a. BellSouth SPA VG)
- WATS Access Line (WAL) (a.k.a. BellSouth SPA WATS Lines)
 Program Audio (a.k.a. BellSouth SPA Program Audio)
- Broadcast Quality Video (a.k.a. BellSouth SPA Broadcast Quality Video)
 Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video)
 DS3 Digital Video Service (a.k.a. BellSouth SPA DS3 Digital Video)
- BellSouth SPA Modular Video Transport Service
- 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
 Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video)
 Wideband Analog (a.k.a. BellSouth SPA Wideband Analog)

- Wideband Data (a.k.a. BellSouth SPA Wideband Data)
 Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel)
- Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
- High Capacity (a.k.a. BellSouth SPA High Capacity) DS1 (a.k.a. BellSouth SPA DS1)
- LightGate svc.(a.k.a. BellSouth SPA Point to Point)
- SMARTGate svc.(a.k.a. BellSouth SPA Managed Shared Ring)
- SMARTPath svc. (a.k.a. BellSouth SPA DS1 & DS3 Shared Ring)
- FlexServ Service (a.k.a. BellSouth SPA Customer Reconfiguration)
- Drv Fiber BellSouth SPA Managed Shared Network Service

- <u>Fast Packet Access Services</u> <u>Exchange Access Frame Relay Service</u> (a.k.a. BellSouth Exchange
- Access Frame Relay Service)
- Exchange Access Connectionless Data Service (a.k.a. BellSouth
- Exchange Access Connectionless Data Service)
- BellSouth SPA Managed Shared Frame Relay Service

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¹ Material previously contained in this section has been deleted. SMARTRing, XAATMS, and MSATMS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 005 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

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ACCESS SERVICE
25 - Contract Tariffs

- 25.5 Contract Tariff No. 005 (Cont'd)
- 25.5.1 General Regulations (Cont'd)
 - (C) <u>Description of Services</u> (Cont'd)
 - (2) If the Company introduces a new Access Service(s) during the customer's term under this Contract Tariff and such service(s) are afforded Pricing Flexibility according to the Federal Communications Commission's Pricing Flexibility rules and the service(s) are included in one or more other Contract Tariffs under this Section, the Company, at the customer's request, will prepare a proposal for a new Contract Tariff that includes such additional service(s). The term for the proposed new Contract Tariff will be for the remaining months in the customer's contract term under this Contract Tariff and the minimum revenue volumes in 25.5.2, Table 1, following, will be adjusted to account for the additional service(s). The proposed new Contract Tariff shall contain the same incentives as those specified in 25.5.2 of this Contract Tariff.

Unless agreed to otherwise, the regulations for the proposed new Contract Tariff shall be the same as those set forth in this Contract Tariff, and the term of the proposed new Contract Tariff shall be for the number of months remaining in this Contract Tariff at the time the proposed new Contract Tariff is filed.

Upon the customer's execution of a Letter of Agreement for Firm Order Commitment to accept the proposed new Contract Tariff, the Company will file the proposed new Contract Tariff. Notwithstanding any provisions in this Contract Tariff to the contrary, the customer may cancel its subscription to this Contract Tariff without termination liability if the customer subscribes to the proposed new Contract Tariff prepared in accordance with these provisions.

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25.5 <u>Contract Tariff - No. 005</u> (Cont'd)

25.5.1 General Regulations (Cont'd)

(D) Minimum Revenue Volume for the Combined MSAs

The customer's annual minimum-billed revenue volume and product suite total annual minimum revenues are provided in Section 25.5.2, following. These revenues are for the combined MSAs set forth in Section 25.5.1(B), preceding, and for the services described in Section 25.5.1(C), preceding. References made throughout this Contract Tariff to the customer's annual minimum-billed revenue volume or product suite total annual minimum revenues shall represent revenues for the combined MSAs and services specified herein. These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

(E) Rates and Charges

The application of rates and charges for services subject to this Contract Tariff are set forth in Section 23 of this Tariff. The Company reserves the right to change the rates and charges for services included in Section 23.

(F) Classifications, Practices and Regulations

(1) Application of Contract Tariff Incentives
There are two levels of incentives provided in this Contract Tariff:
1) Quarterly Incentive and 2) Product Suite Quarterly Incentive. The customer will be awarded four Quarterly Incentives and four Product Suite Quarterly Incentives in each contract term year upon achieving each quarter's minimum-billed revenue volume and each quarter's product suite minimum revenue. The two levels of incentives are described as follows:

(a) Quarterly Incentive
In each quarter, the customer must achieve a certain percentage of
the annual minimum-billed revenue volume shown in 25.5.2, Table 1
to be eligible for a Quarterly Incentive. If the customer does not
achieve the specified minimum billed revenue in any quarter, the
customer will not be eligible for a Quarterly Incentive for such
quarter.

The first quarter's minimum-billed revenue is determined as twenty-five percent (25%) of the annual minimum-billed revenue volume for the contract term year. If the customer achieves the first quarter's minimum-billed revenue, the Quarterly Incentive will be derived by applying the applicable Incentive percentage shown in Table 1 of 25.5.2 to the total billed revenue achieved in the first quarter using the following computation:

(Total Billed Revenue Achieved from Beginning First Quarter to Ending First Quarter X Applicable Incentive Percentage in Table 1) = First Quarterly Incentive

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- 25.5 Contract Tariff No. 005 (Cont'd)
- 25.5.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (a) Quarterly Incentive (Cont'd)

The second quarter's minimum-billed revenue is determined as fifty percent (50%) of the annual minimum-billed revenue volume for the contract term year. If the customer achieves the second quarter's minimum-billed revenue volume, the Quarterly Incentive will be derived by applying the applicable Incentive percentage to the total cumulative billed revenues the customer achieved from the beginning of the first quarter to the end of the second quarter of the contract term year. This amount will be adjusted by the Quarterly Incentive dollar amount the customer was awarded in the first quarter using the following computation:

(Cumulative Total Billed Revenue Achieved from Beginning First Quarter to ending Second Quarter X Applicable Incentive Percentage in Table 1) — First Quarterly Incentive Award = Second Quarterly Incentive

If the second Quarterly Incentive dollar amount is positive, the customer's account will be credited to reflect this amount at the end of the second quarter one month in arrears. If the second Quarterly Incentive is negative, the customer will not be awarded a second Quarterly Incentive. However, the negative dollar amount will not be billed to the customer at this time, but an adjustment will be made at the end of the fourth quarter depending on the customer's annual revenue achievement.

The third quarter's minimum-billed revenue is determined as seventy-five percent (75%) of the annual minimum-billed revenue volume for the contract term year. If the customer achieves the third quarter's minimum-billed revenue, the third Quarterly Incentive will be derived by applying the applicable Incentive percentage to the total cumulative billed revenue the customer achieved from the beginning of the first quarter to the end of the third quarter for the contract term year. This amount will be adjusted by the Quarterly Incentive dollar amount the customer was awarded in the first and second quarters using the following computation:

(Cumulative Total Billed Revenue Achieved from Beginning First Quarter to Ending Third Quarter X Applicable Incentive Percentage in Table 1) — (First and Second Quarterly Incentive Awards) = Third Quarterly Incentive

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- 25.5 Contract Tariff No. 005 (Cont'd)
- 25.5.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (a) Quarterly Incentives (Cont'd)

If the third Quarterly Incentive dollar amount is positive, the customer's account will be credited to reflect this amount at the end of the third quarter one month in arrears. If the third Quarterly Incentive dollar amount is negative, the customer will not be awarded a third Quarterly Incentive. However, the negative dollar amount will not be billed to the customer at this time, but an adjustment will be made at the end of the fourth quarter depending on the customer's annual revenue achievement.

The fourth quarter's minimum-billed revenue is determined as one hundred percent (100%) of the annual minimum-billed revenue volume for the contract term year. If the customer achieves the annual minimum-billed revenue volume, the fourth Quarterly Incentive will be derived by applying the applicable incentive percentage to the total cumulative billed revenue the customer achieved from the beginning of the first quarter to the end of the fourth quarter for the contract term year. This amount will be adjusted by the Quarterly Incentive dollar amount the customer earned for the first, second and third quarters using the following computation:

(Cumulative Total Annual Billed Revenue Achieved from Beginning First Quarter to Ending Fourth Quarter X Applicable Incentive Percentage in Table 1) — (First, Second and Third Quarterly Incentive Awards) = Fourth Quarterly Incentive

If the fourth Quarterly Incentive dollar amount is positive, the customer's account will be credited to reflect this amount by December 31st of each contract term year. In the event the fourth Quarterly Incentive dollar amount is negative, the customer will be billed the negative amount one month in arrears of the customer's contract anniversary date.

The fourth Quarterly Incentive will not be awarded in any contract term year if the customer does not achieve the annual minimumbilled revenue volume for such year as determined on the customer's contract anniversary date. In addition, the customer must repay the Company all Quarterly Incentive dollar amounts received for such contract term year. The customer will be billed this amount one month in arrears of the customer's contract anniversary date. Further, Shortfall Penalty regulations set forth in 25.5.1.F.2, following, will apply.

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- 25.5 Contract Tariff No. 005 (Cont'd)
- 25.5.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (b) Product Suite Quarterly Incentives

The customer's product suite and the product suite total annual minimum revenues are provided in Section 25.5.2, Table 2 following. The customer will be awarded four Product Suite Quarterly Incentives each contract term year upon achieving a certain percentage of the product suite total annual minimum revenue each quarter. The customer will not be awarded a Product Suite Quarterly Incentive in any quarter if the customer does not achieve the product suite minimum revenue for such quarter. However, the customer will be awarded the Product Suite Quarterly Incentives for those quarter(s) in which product suite revenues were not achieved, if at the end of the fourth quarter the customer achieves the product suite total annual minimum revenues.

The first quarter's product suite minimum revenue is determined as twenty-five percent (25%) of the product suite total annual minimum revenue for the contract term year. If the customer achieves the first quarter's product suite minimum revenue, the customer will be awarded a Product Suite Quarterly Incentive, which is equivalent to the same dollar amount the customer is awarded for the first Quarterly Incentive discussed in 25.5.1(F)(1)(a), preceding.

The second quarter's product suite minimum revenue is determined as fifty percent (50%) of the product suite total annual minimum revenue for the contract term year. If the customer achieves the second quarter's product suite minimum revenue, the customer will be awarded a Product Suite Quarterly Incentive, which is equivalent to the same dollar amount the customer is awarded for the second Quarterly Incentive discussed in 25.5.1(F)(1)(a), preceding.

The third quarter's product suite minimum revenue is determined as seventy-five percent (75%) of the product suite total annual minimum revenue for the contract term year. If the customer achieves the third quarter's product suite minimum revenue, the customer will be awarded a Product Suite Quarterly Incentive, which is equivalent to the same dollar amount the customer is awarded for the third Quarterly Incentive discussed in 25.5.1(F)(1)(a), preceding.

The fourth quarter's product suite minimum revenue is determined as one hundred percent (100%) of the product suite annual minimum revenue for the contract term year. If the customer achieves the fourth quarter's product suite minimum revenue, the customer will be awarded a Product Suite Quarterly Incentive, which is equivalent to the same dollar amount the customer is awarded for the fourth Quarterly Incentive discussed in 25.5.1(F)(1)(a), preceding.

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- 25.5 <u>Contract Tariff No. 005</u> (Cont'd)
- 25.5.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (b) Product Suite Quarterly Incentives

In the event the customer fails to achieve the fourth quarter's product suite minimum revenue, the customer will not be awarded a fourth quarter Product Suite Quarterly Incentive. Further, the customer must repay the Telephone Company any Product Suite Quarterly Incentives received for the first, second, and third quarters, and this amount will be billed to the customer one month in arrears of the customer's Contract Anniversary Date.

- (c) Examples of the Quarterly Incentives
 - The customer achieves the first quarter's revenue volume¹ (first contract term year) with revenues of \$25,140,500. The customer will be awarded the first Quarterly Incentive of \$535,492.65 computed as follows:

 $$25,140,500 \times 2.13\% = $535,492.65$ (Total Billed Revenue Achieved from Beginning First Quarter to Ending First Quarter) X Applicable Incentive Percentage² in Table 1 = First Quarterly Incentive Award

- The customer achieves the second quarter's revenue volume with cumulative revenues of \$51,876,200. The customer will be awarded the Second Quarterly Incentive of \$813,288.55 computed as follows:

(\$51,876,200 X 2.6%) - \$535,492.65 = \$813,288.55 (Cumulative Total Billed Revenue Achieved from Beginning First Quarter to Ending Second Quarter X Applicable Incentive Percentage² in Table 1) - First Quarterly Incentive Award = Second Quarterly Incentive Award

- The customer achieves the third quarter's revenue volume with cumulative revenues of \$77,815,750. The customer will be awarded a Third Quarterly Incentive of \$1,180,230.68 computed as follows:

(\$77,815,750 X 3.25%) - (\$535,492.65 + \$813,288.55) = \$1,180,230.68 (Cumulative Total Billed Revenue Achieved from Beginning First Quarter to Ending Third Quarter X Applicable Incentive Percentage in Table 1) - (First and Second Quarterly Incentive Award) = Third Quarterly Incentive Award

The lst, 2nd, 3rd and 4th quarter's minimum revenues are 25%, 50%, 75% and 100%, respectively, of the annual minimum billed revenue in Table 1 of 25.5.2.

The applicable percentage band is determined by multiplying the revenue volumes in each band (see Table 1 of 25.5.2) by 25%, 50% and 75% for the 1st, 2nd and 3rd quarters, respectively.

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- 25.5 Contract Tariff No. 005 (Cont'd)
- 25.5.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (c) Examples of the Quarterly Incentives (Cont'd)
 - The customer meets the fourth quarter's revenue volume with a cumulative revenue achievement of \$106,050,220. The customer will be awarded a Fourth Quarterly Incentive of \$917,620.27 computed as follows.

(\$106,050,220 X 3.25%) - (\$535,492.65 + \$813,288.55 + \$1,180,230.68) = \$917,620.27 (Cumulative Total Billed Revenue Achieved from Beginning First Quarter to ending Fourth Quarter X Applicable Incentive Percentage in Table 1) - (First, Second and Third Quarterly Incentive Awards) = Fourth Quarterly Incentive Award

- (d) Examples of Product Suite Quarterly Incentives
 - The customer meets the first quarter's Product Suite revenue volume¹ (first contract year) with a revenue achievement of \$13,795,000. The customer will be awarded a Product Suite Quarterly Incentive of \$535,492.65, which is equivalent to the same dollar amount awarded for the First Quarterly Incentive shown in the above example in 25.5.1(F)(1)(c).
 - The customer does not meet the second and third quarters' Product Suite revenue volumes and, therefore, will not be awarded the Product Suite Quarterly Incentives for these quarters. However, the customer will be awarded the second and third quarters' award at the end of the fourth quarter if the customer achieves the fourth quarter's Product Suite total annual revenue volumes.
 - The customer meets the fourth quarter's Product Suite revenue volume with a revenue achievement of \$55,750,000. The customer will be awarded a Product Suite Quarterly Incentive of \$2,911,139.50, which is equivalent to the amount the customer received for the second, third and fourth Quarterly Incentives in the above example in 25.5.1(F)(1)(c).

¹The lst, 2nd, 3rd and 4th quarter's minimum revenues are 25%, 50%, 75% and 100%, respectively, of the annual minimum billed revenue in Table 1 of 25.5.2.

The applicable percentage band is determined by multiplying the revenue volumes in each band (see Table 1 of 25.5.2) by 25%, 50% and 75% for the lst, 2nd and 3rd quarters, respectively.

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25 - Contract Tariffs

- 25.5 <u>Contract Tariff No. 005</u> (Cont'd)
- 25.5.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (2) Shortfall Penalty for Failure to Meet the Annual Minimum-Billed Revenue Volume and Product Suite Total Annual Revenues
 - (a) The customer must achieve the annual minimum-billed revenue volume specified in 25.5.2, Table 1, following, as determined on the anniversary date of the customer's subscription to service under this Contract Tariff in order to receive the Quarterly Incentives specified herein. If the customer does not achieve the annual minimum-billed revenue volume for any contract term year, the customer must repay the Telephone Company all Quarterly Incentives awarded for such year as described in 25.5.1(F)(1)(a), preceding.

Failure to achieve the annual minimum-billed revenue volume for any contract term year will also result in cancellation of the customer's subscription to this Contract Tariff, and the customer will not be eligible for another Contract Tariff for six months following the customer's subscription cancellation date. However, the customer may initiate negotiations for a new Contract Tariff immediately following the Contract Tariff cancellation date.

The customer must achieve the product suite total annual minimum revenue as determined on the customer's contract anniversary date in order to receive the Product Suite Quarterly Incentives specified herein. If the customer does not achieve the product suite total annual minimum revenue for any year of the contract term, the customer must repay the Telephone Company all Product Suite Quarterly Incentives received for such year as described in 25.5.1(F)(1)(b), preceding.

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ACCESS SERVICE 25 - Contract Tariffs

- 25.5 Contract Tariff No. 005 (Cont'd)
- 25.5.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (3) Restrictions
 - (a) A customer subscribing to this Contract Tariff may subscribe to another Contract Tariff contained in this Section under the following conditions:
 - The customer must subscribe to the other Contract Tariff within the allowable subscription window specified in the other Contract Tariff.
 - The customer must agree to all regulations, terms, conditions, and incentives provided in the other Contract Tariff. Further, the minimum revenue volumes in the other Contract Tariff must be equal to or greater than those provided in this Contract Tariff as shown in 25.5.2.
 - The customer's subscription to this Contract Tariff will be cancelled upon the effective date of the customer's subscription to the other Contract Tariff, and all incentives the customer has earned under this Contract Tariff will be prorated and awarded to the customer.
 - The customer may subscribe to only one other Contract Tariff upon cancellation of this Contract Tariff.
 - (b) Incentives provided under this Contract Tariff shall not apply to annual billed revenues exceeding the maximum revenues specified in 25.5.2 following.
 - (c) Nothing contained in this Tariff shall be construed or interpreted to preclude a customer from seeking regulatory, judicial, or other relief for the Company's failure to provide services as required by law and this Tariff.
 - (d) The services to which the incentives provided under this Contract Tariff apply shall only be subject to service guarantees specified in Section 2.4.4(B) (service assurance warranty) and Section 2.4.9 (service installation guarantee) of this Tariff under the terms and conditions in effect on the day this Contract Tariff becomes effective. Any new or additional performance measures and remedies that may become applicable to the services provisioned under Sections 6, 7, 21 and 23 of this Tariff shall not apply to services subject to this Contract Tariff unless the Telephone Company and the customer negotiate an amendment to this Contract Tariff.

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- 25.5 Contract Tariff No. 005 (Cont'd)
- 25.5.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (4) Revenue Accumulation by Bill Period
 The customer's quarterly and annual billed revenue and product suite quarterly and annual revenue shall be accumulated beginning with the first bill period following the effective date of the customer's subscription to this Contract Tariff and ending with the last bill period prior to the customer's contract anniversary date.
 - (5) <u>Tax Exclusions</u>
 The incentives specified in this Contract Tariff will not be applied to taxes. Taxes will not be included when calculating the customer's annual minimum billed revenues and product suite annual minimum revenues.
 - (6) Existing Discount Plans
 The Contract Tariff incentives specified herein are in addition to credits given under existing pricing plans the customer may subscribe to in other Sections of this Tariff (i.e., Transport Savings Plan, Area Commitment Plan, Channel Services Payment Plan, etc.).

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- 25.5 Contract Tariff No. 005 (Cont'd)
- 25.5.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (7) Mergers and Acquisitions
 In the event the customer merges with another company or is acquired by another company, the following regulations will apply:
 - (a) The customer may continue subscribing to this Contract Tariff for the duration of the contract term provided that the customer continues the subscription as if it were a single entity prior to the merger or acquisition.
 - (b) The customer may not combine revenues with the merged or acquired company's revenues for the purpose of obtaining the incentives provided under this Contract Tariff except as noted in 25.2.1.F.8.c, below. The customer's ACNAs specified in the Letter of Agreement for Firm Order Commitment will be used to determine the customer's annual billed revenue volume.

The customer may not use Transfer of Service as specified in Sections 6.7.1(C)(4), 7.4.1(C)(4), of this Tariff to change the ACNA of a service that is provided under an ACNA not in the Letter of Agreement to an ACNA that is included in the Letter of Agreement.

A customer may disconnect a service provided under an ACNA not in the Letter of Agreement and install a new service under an ACNA that is included in the Letter of Agreement. Normal nonrecurring charges and termination liabilities will apply as specified in Section 23 of this Tariff. If it is determined that revenues have been included from ACNAs not specified in the Letter of Agreement, the incentives provided under this Contract Tariff will be recalculated excluding such revenues.

¹ See footnote (1) on page 25-44.

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ACCESS SERVICE 25 - Contract Tariffs

25.5 <u>Contract Tariff - No. 005</u> (Cont'd)

25.5.2 Revenue Volumes and Incentives

(A) Annual Minimum-Billed Revenues and Incentives

(1) Table 1 below provides the annual minimum-billed revenue volumes and the annual incentives for each contract term year. The customer will be awarded four Quarterly Incentives each contract term year upon achieving the specified quarterly minimum-billed revenues set forth in 25.5.1(F)(1)(a), preceding. See 25.5.1(F)(1)(c) for examples. Table 1 below provides the maximum revenues eligible for the incentives specified herein.

| Table 1 | Annual Minimum Billed Revenue Volumes (\$thousands) | | |
|-------------------------|---|---------------|---------------|
| | Year 1 | Year 2 | Year 3 |
| Minimum Revenue Volumes | \$ 94,322 | \$112,770 | \$133,828 |
| (%) Annual Incentives | Total Billed Revenue | | |
| .83% | > \$ 94,322 - | > \$112,770 - | > \$133,828 - |
| | 96,680 | 115,589 | 137,174 |
| 1.65% | > \$ 96,680 - | > \$115,589 - | > \$137,174 - |
| | 99,038 | 118,408 | 140,520 |
| 2.13% | > \$ 99,038 - | > \$118,408 - | > \$140,520 - |
| | 101,160 | 120,945 | 143,531 |
| 2.6% | > \$101,160 - | > \$120,945 - | > \$143,531 - |
| | 103,754 | 124,047 | 147,211 |
| 3.25% | > \$103,754 - | > \$124,047 - | > \$147,211 - |
| | 106,112 | 126,866 | 150,557 |
| 3.95% | > \$106,112 - | > \$126,866 - | > \$150,557 - |
| | 108,470 | 129,685 | 153,903 |
| Maximum Revenues | \$108,470 | \$129,685 | \$153,903 |

(2) Table 2 below provides the product suite and the product suite total annual minimum revenue for each contract term year. The customer will be awarded four Product Suite Quarterly Incentives each contract term year upon achieving the specified product suite quarterly minimum revenue* described in 25.5.1(F)(1)(b), preceding. The Product Suite Quarterly Incentives will be equivalent to the same dollar amount the customer is awarded for the Quarterly Incentives described in 25.5.1(F)(1)(a), preceding. See 25.5.1(F)(1)(d) for examples.

| Table 2 | Product Suite Annual Minimum Revenues (\$thousands) | | |
|---|---|----------|----------|
| Product Suite | Year 1 | Year 2 | Year 3 |
| SMARTGate Service (a.k.a. BellSouth SPA Managed Shared Ring) | \$17,445 | \$21,333 | \$26,355 |
| DS1 (a.k.a. BellSouth SPA DS1) | 37,716 | 45,603 | 54,113 |
| *Total Annual Minimum Revenues | \$55,161 | \$66,936 | \$80,468 |

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ACCESS SERVICE 25 - Contract Tariffs

- 25.7 Promotions (Cont'd)
- 25.7.10 Special Promotion BellSouth DS1 Diverse Service
- 25.7.10.1 General Regulations
 - (A)This tariff provides a Special Promotion for DS1 Diverse Service and is valid for the period beginning April 1, 2004, through September 30, 2004, subject to the regulations, terms and conditions set forth herein.
 - (B) The rates and charges for DS1 Diverse Service are set forth in Section 23 of this Tariff. The Company reserves the right to change the terms, conditions, rates and charges for DS1 Diverse Service in Section 23 or other sections of this Tariff during the promotional period in (A) preceding, unless otherwise specified herein.
 - (C)The regulations, terms and conditions for this Special Promotion shall apply for Zone 1 Metropolitan Statistical Areas (MSAs) that are equipped and operational for DS1 Diverse Service as of the effective date of this tariff. These Zone 1 MSAs must also be available in the following pricing flexibility MSAs:
 - Atlanta, Baton Rouge, Biloxi, Charlotte, Chattanooga, Columbia, Daytona Beach, Evansville, Gainesville, Greensboro-Winston Salem, Jackson, Jacksonville, Knoxville, Lafayette, Lake Charles, Louisville, Memphis, Miami-Ft. Lauderdale, Monroe, Montgomery, Melbourne, Nashville-Davidson, Orlando, Owensboro, Pensacola, Raleigh-Durham, Savannah, Shreveport, Wilmington, West Palm Beach

25.7.10.2 Description of Special Promotion

- (A) This Special Promotion will be conducted for a 180-day period as set forth in 25.7.10.1(A), preceding.
- (B) The customer must subscribe to a new Transport Payment Plan (TPP), with a minimum 24-month contract term, for a new or existing BellSouth DS1 Diverse Service in order to receive a 15% credit each month on the DS1 Diverse Local Channel monthly rate for one-half the TPP contract term selected.
- (C) Unless otherwise noted herein, all TPP regulations in Section 2.4.8 of this Tariff shall apply, including termination liability regulations and waiver of nonrecurring charges when a minimum 12-month TPP contract term is selected.

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- 25.7 Promotions (Cont'd)
- 25.7.10 Special Promotion BellSouth DS1 Diverse Service Cont'd)
- 25.7.10.2 <u>Description of Special Promotion</u> (Cont'd)
 - (D)In addition to the TPP termination liability, this promotion will apply a termination penalty should the customer disconnect service prior to the end of the TPP term. The customer must repay all monthly credits received under this promotion up to the date of disconnect.
 - (E)This promotion allows customers to receive rewards in the form of credits for the service offered under this promotion, and these credits will be applied to the customer's bill. Applicable taxes will be computed based on the full tariff price for the service, and credits will be applied to the service's full tariff price. Credits will not be applied to taxes.
 - (F)Customers utilizing the month-to-month payment option for DS1 Diverse Service may participate in this promotion, but customers with an existing TPP may not participate in this promotion.
 - (G) Monthly recurring credits given under this promotion will be applied to the customer's bill 30 days in arrears.

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25.7 Promotions (Cont'd)

25.7.11 <u>Special Promotion - BellSouth SPA Customer Network Management (CNM) - FlexServ Service (Cont'd)</u>

25.7.11.1 General Regulations

- (A)This tariff provides a Special Promotion for BellSouth SPA CNM FlexServ Service for use in conjunction with DS1 (a.k.a. BellSouth SPA DS1) service and is valid for the period beginning April 1, 2004, through June 30, 2004, subject to the regulations, terms and conditions set forth herein.
- (B) The rates and charges for BellSouth SPA CNM FlexServ Service and DS1 (a.k.a. BellSouth SPA DS1) service are set forth in Section 23 of this Tariff. The Company reserves the right to change the terms, conditions, rates and charges for BellSouth SPA CNM FlexServ Service and DS1 (a.k.a. BellSouth SPA DS1) service in Section 23 or other sections of this Tariff during the promotional period in (A) preceding, unless otherwise specified herein.
- (C)The regulations, terms and conditions for this Special Promotion shall apply for the Metropolitan Statistical Areas (MSAs) listed below:
 - Atlanta, Baton Rouge, Biloxi, Charlotte, Chattanooga, Columbia, Daytona Beach, Evansville, Gainesville, Greensboro-Winston Salem, Jackson, Jacksonville, Knoxville, Lafayette, Lake Charles, Louisville, Memphis, Miami-Ft. Lauderdale, Monroe, Montgomery, Melbourne, Nashville-Davidson, Orlando, Owensboro, Pensacola, Raleigh-Durham, Savannah, Shreveport, Wilmington, West Palm Beach

25.7.11.2 Eligibility Requirements

- (A) This Special Promotion will run for the period specified in 25.7.11.1(A) above.
- (B) The customer must meet the following eligibility requirements in order to participate in this Special Promotion.
 - (1) The customer's BellSouth SPA CNM FlexServ Service and DS1 (a.k.a. BellSouth SPA DS1) service must be located in one of the MSAs specified in 25.7.11.1(C), preceding.
 - (2) The customer must have an existing Area Commitment Plan (ACP) set forth in 2.4.8(B) of this Tariff.
 - (3) Effective April 23, 2004, customers with a BellSouth Premium Service Incentive Plan (PSIP), as set forth in 2.4.8(G) of this Tariff, may also participate in this promotion.

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ACCESS SERVICE 25 - Contract Tariffs

25.7 Promotions (Cont'd)

25.7.11 Special Promotion - BellSouth SPA Customer Network Management (CNM) Service Cont'd)

25.7.11.3 Description

(A) This Special Promotion will be conducted for a 90-day period and applies to BellSouth SPA CNM - FlexServ Service for use with DS1 (a.k.a. BellSouth SPA DS1) service. This promotion offers two options:

(1) Option 1:

This option provides a 50% monthly credit, for a 12-month period, on the monthly recurring charges associated with BellSouth SPA CNM - FlexServ Service DS1 Channel Connections (i.e., with DS0 or DS1 Switching) if the customer meets the following conditions:

- The customer must subscribe to a new 24-month or greater Channel Services Payment Plan (CSPP) for a new or existing BellSouth SPA CNM - FlexServ Service Channel Connection within the 90-day promotional period. The BellSouth SPA CNM - FlexServ Service Channel Connection must be used with a new or existing SPA DS1 Service that is designated solely for interstate use. All CSPP regulations including termination liability shall apply.
- A termination penalty will also apply under this promotion should the customer disconnect the BellSouth SPA CNM - FlexServ Service Channel Connection prior to the 24-month CSPP. The customer will be required to repay all credits received under this promotion and the Company will bill such amount to the customer.

(2) Option 2:
This option waives all nonrecurring charges (if applicable) and provides a 50% monthly credit, for a 12-month period, on the monthly recurring charges associated with BellSouth SPA CNM - FlexServ Service DS1 Channel Connections (i.e., with DSO or DS1 Switching) if the customer meets the following conditions:

- The customer must subscribe to a new 36-month or greater Channel Services Payment Plan (CSPP) for a new or existing BellSouth SPA CMM - FlexServ Service Channel Connection within the 90-day promotional period. The BellSouth SPA CNM - FlexServ Service Channel Connection must be used with a new or existing SPA DS1 Service that is designated solely for interstate use. All CSPP regulations including termination liability shall apply.
- A termination penalty will also apply under this promotion should the customer disconnect the BellSouth SPA CNM - FlexServ Service Channel Connection prior to the 36-month CSPP. The customer will be required to repay all credits received under this promotion and the Company will bill such amount to the customer.

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- 25.7 Promotions (Cont'd)
- 25.7.11 <u>Special Promotion BellSouth SPA Customer Network Management (CNM) FlexServ Service Cont'd)</u>
- 25.7.11.3 Description (Cont'd)
 - (B) This promotion allows customers to receive rewards in the form of credits for the service offered under this promotion, and these credits will be applied to the customer's bill. Applicable taxes will be computed based on the full tariff price for the service, and credits will be applied to the service's full tariff price. Credits will not be applied to taxes.
 - (C) Monthly recurring credits given under this promotion will be applied to the customer's bill 30 days in arrears.
 - (D) Nonrecurring credits will be applied to the customer's bill at the customer's next bill date.

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25.7 Promotions (Cont'd)

25.7.15 Special Promotion - BellSouth Network Visibility Service (NVS)

25.7.15.1 Description

For customers ordering and installing BellSouth Network Visibility Service (NVS) during the promotional period from February 15, 2005 to May 14, 2005, Non-Recurring Charges are waived for BellSouth Network Visibility Service (NVS) Fault Management and On Demand Statistics and BellSouth NVS Fault Management, On Demand Statistics and Performance Reports per Network Interface or Connection. The following criteria must be met:

- BellSouth NVS ordered under this promotion must remain in place for a minimum of 6 months; and
- The service application date must occur during the promotion period.

The Non-Recurring Charge will be assessed if BellSouth NVS that has received free installation is disconnected prior to the six-month period expiring.

25.7.15.2 General Regulations

- (A)This tariff provides a Special Promotion for BellSouth NVS and is valid during the period beginning February 15, 2005 and continuing through May 14, 2005.
- (B) The rates and charges for BellSouth NVS are set forth in 23.5.3.6(B) and (C) of this Tariff. The Company reserves the right to change the rates and charges for these services.
- (C) The regulations, terms and conditions for the Special Promotion provided herein shall apply to the Metropolitan Statistical Areas (MSAs) listed in Section 23.2(A) and (B) of this Tariff. The customer must meet the requirements stated in the promotion description, as described in 25.7.15.1 above.

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- 25.7 Promotions (Cont'd)
- 25.7.16 Special Promotion DS1 (a.k.a. BellSouth SPA DS1) Service

25.7.16.1 General

- (A) A Special Promotion for DS1 (a.k.a. BellSouth SPA DS1) service will be provided for a six-month period beginning April 1, 2005, through September 30, 2005, subject to the regulations, terms and conditions provided herein.
- (B) The rates, charges, terms and conditions for the service(s) in this promotion shall apply as set forth in Section 23 of this Tariff unless otherwise noted herein. The Company reserves the right to change the rates, charges, terms, and conditions for the service(s) in this promotion during the promotional period in (A) above.
- (C) This promotion shall apply for the Full Service Relief and Limited Service Relief MSAs specified in Section 23 of this Tariff.

25.7.16.2 Description of Special Promotion

- (A) The purpose of this promotion is to provide credits to customers currently under a Local Channel Area Commitment Plan (ACP) who order multiple Local Channels for DS1 (a.k.a. BellSouth SPA DS1) service on a single Access service request (ASR) within the six-month promotional period in 25.7.16.1(A) above subject to the following conditions.
 - (1) Customers ordering up to seven SPA DS1 Local Channels to an end user location on a single ASR will receive a \$275 one-time credit for each Local Channel over and above the second Local Channel ordered on the ASR. All Local Channels on the ASR must be installed at the same end user location and must have the same service establishment date, which must be no later than October 31, 2005. (Local Channel USOC: TMECS)
 - (2) Customers must have an ACP for DS1 Local Channels already in place at least thirty days prior to the beginning of the promotion. All ACP regulations including shortfall regulations shall apply as set forth in Section 2.4.8 of this Tariff. Credits earned under this promotion are in addition to credits provided under ACP.
 - (3) A minimum service period of twelve months shall apply for all SPA DS1 circuits installed under this promotion. Should the customer disconnect service prior to the twelve month minimum period, the customer must repay any credit received for the disconnected circuit and the Company will bill such amount to the customer within 90 days of the disconnect date.
- (B) Credits the customer earns under this promotion will be applied to the customer's bill within 90 days after the end of the promotion.
- (C) This promotion provides rewards in the form of credits, which shall be computed on the full tariff price for the service in this promotion. Taxes will also be computed on the service's full tariff price. Credits will not be applied to taxes.

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- 25.7 Promotions (Beginning on or After June 1, 2002) (Cont'd)
- 25.7.19 Special Promotion BellSouth SPA Customer Network Management (CNM) FlexServ Service (Cont'd)

25.7.19.1 General Regulations

- (A)This Special Promotion is provided for BellSouth SPA CNM FlexServ Service when used in conjunction with DS1 Service (a.k.a. BellSouth SPA DS1). The Promotion will begin July 1, 2005, and will conclude December 31, 2005.
- (B) The rates and charges for BellSouth SPA CNM FlexServ Service and DS1 Service (a.k.a. BellSouth SPA DS1) are set forth in Section 23 of this Tariff. The Company reserves the right to change the terms, conditions, rates and charges for BellSouth SPA CNM FlexServ Service and DS1 Service (a.k.a. BellSouth SPA DS1) in Section 23 or other sections of this Tariff during the promotional period in (A) above, unless otherwise specified herein.
- (C)The regulations, terms and conditions for this Promotion shall apply for the Full Service Relief Metropolitan Statistical Areas (MSAs) set forth in Section 23 of this Tariff.

25.7.19.2 Description

(A) This Promotion will be conducted for a six-month period and provides credits to customers subscribing to BellSouth SPA CNM - FlexServ Service when used in conjunction with DS1 Service (a.k.a. BellSouth SPA DS1). Two options are offered:

(1) Option 1:

This option provides a 50% monthly credit, for a 12-month period, on the monthly recurring rates associated with BellSouth SPA CNM - FlexServ Service DS1 Channel Connections (i.e., with DS0 or DS1 Switching) if the customer meets the following conditions:

- The customer must subscribe to a new 24-month or greater Channel Services Payment Plan (CSPP) for a new or existing BellSouth SPA CNM FlexServ Service Channel Connection within the six-month promotional period in 25.7.19.1(A) above. The BellSouth SPA CNM FlexServ Service Channel Connection must be used with a new or existing SPA DS1 Service that is designated solely for interstate use. All CSPP regulations including termination liability regulations shall apply.
- A termination penalty will also apply under this promotion should the customer disconnect the BellSouth SPA CNM FlexServ Service Channel Connection prior to the 24-month CSPP. The customer will be required to repay all credits received under this Promotion and the Company will bill such amount to the customer.

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25.7 Promotions (Beginning on or After June 1, 2002) (Cont'd)

25.7.19 Special Promotion - BellSouth SPA Customer Network Management (CNM) - FlexServ Service Cont'd)

25.7.19.3 Description

- (A) (Cont'd)
 - (2) Option 2:

This option waives all nonrecurring charges (if applicable) and provides a 50% monthly credit, for a 12-month period, on the monthly recurring charges associated with BellSouth SPA CNM - FlexServ Service DS1 Channel Connections (i.e., with DSO or DS1 Switching) if the customer meets the following conditions:

- The customer must subscribe to a new 36-month or greater Channel Services Payment Plan (CSPP) for a new or existing BellSouth SPA CNM FlexServ Service Channel Connection within the six-month promotional period. The BellSouth SPA CNM FlexServ Service Channel Connection must be used with a new or existing SPA DS1 Service that is designated solely for interstate use. All CSPP regulations including termination liability shall apply.
- A termination penalty will also apply under this Promotion should the customer disconnect the BellSouth SPA CNM FlexServ Service Channel Connection prior to the 36-month CSPP. The customer will be required to repay all credits received under this Promotion and the Company will bill such amount to the customer.
- (B) This Promotion allows customers to receive rewards in the form of credits for the service offered under this Promotion, and these credits will be applied to the customer's bill. Applicable taxes will be computed based on the full tariff price for the service, and credits will be applied to the service's full tariff price. Credits will not be applied to taxes.
- (C) Monthly recurring credits given under this Promotion will be applied to the customer's bill 30 days in arrears.
- (D) Nonrecurring credits will be applied to the customer's bill at the customer's next bill date.

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- 25.7 Promotions (Beginning on or After June 1, 2002) (Cont'd)
- 25.7.20 Special Promotion Service Installation Interval Reductions (Cont'd)

25.7.20.1 General Regulations

- (A) This Special Promotion offers a reduction in the standard intervals for installation of new SPA DS3 Services for the period beginning December 9, 2005, and ending June 30, 2006. This Promotion is being extended an additional month to conclude July 31, 2006.
- (B) The regulations, terms and conditions for this Promotion shall apply for the Full Service Relief Metropolitan Statistical Areas (MSAs) set forth in Section 23 of this Tariff.
- (C) Rates and charges for services in this Promotion are provided in Section 23 of this Tariff. The Company reserves the right to change the rates, charges, terms and conditions for services in Section 23 and other sections of this Tariff during the promotional period in (A) above.

25.7.20.2 Description

- (A) This Promotion provides a reduction of two (2) to six (6) business days in the standard intervals for SPA DS3 Services ordered during the promotional period specified in 25.7.20.1(A) above. The reduced standard intervals are offered for new service installations only.
- (B) The following services qualify for the two (2) to six (6) business-day reduction in the standard intervals. The number of days the interval will be reduced is dependent on the service configuration.
 - LightGate Service (a.k.a. BellSouth SPA DS3 Point to Point Network)
- (C) Standard intervals for the above SPA DS3 Services are available to customers upon request.
- (D) Customer requested advancement of the reduced standard intervals offered under this Promotion shall be handled in accordance with regulations set forth in Section 5 of this Tariff.

¹ Material previously contained in this section has been deleted. SMARTRing services formerly contained in this Promotion are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. This promotion shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing promotion (i.e., those in place prior to de-tariffing) on the Commissions' website https://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

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- 25.7 Promotions (Beginning on or After June 1, 2002) (Cont'd)
- 25.7.22 Special Promotion Service Installation Interval Reduction (Cont'd)

25.7.22.1 General Regulations

- (A) This Promotion is offered for the period beginning March 31, 2006, and ending June 30, 2006. This Promotion is being extended an additional month to conclude July 31, 2006.
- (B) The regulations, terms and conditions for this Promotion shall apply for the Full Service Relief Metropolitan Statistical Areas (MSAs) set forth in Section 23 of this Tariff.
- (C) Rates and charges for services in this Promotion are provided in Section 23 of this Tariff. The Company reserves the right to change the rates, charges, terms and conditions for services in Section 23 and other sections of this Tariff during the promotional period in (A) above.

25.7.22.2 Description

- (A) If the customer submits an access service request (ASR) for a service in (B) following and the Company determines that the service requires a negotiated interval, this Promotion offers a reduction in the negotiated interval without charge to the customer under the following conditions:
 - (1) The Company's current guidelines for evaluating changes in operational conditions will be used to determine if the negotiated interval can be improved. The Company's negotiated interval guidelines are available to customers upon request.
 - (2) If the Company determines the negotiated interval can be improved, the customer may be required to supplement the original ASR to indicate acceptance of the improved service date.
 - (3) The improved service interval must be equal to or greater than the standard interval for the requested service.
 - (4) The improved service interval applies to new service installations only (i.e., service rearrangements and moves of existing services do not qualify).
- (B) This Promotion applies to the following services:
 - LightGate Service (a.k.a. BellSouth SPA Point to Point Network 1 DS3 Capacity)
 - SPA DS3 Interfaces on ¹
- (C) Service Date Advancement charges in Section 5.1.1 of this Tariff will be waived for orders that meet the conditions of this Promotion. All other ordering conditions and charges in Section 5 shall apply as appropriate for services ordered under this Promotion.

¹ Material previously contained in this section has been deleted. SMARTRing services formerly contained in this Promotion are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. This promotion shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing promotion (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

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25.7 Promotions (Beginning on or After June 1, 2002)

25.7.23 Special Promotion-LightGate Service (a.k.a. BellSouth SPA Point to Point Network)

25.7.23.1 General Regulations

- (A) This Promotion provides a reacquisition offer for LightGate Service (a.k.a. BellSouth SPA Point to Point Network) and is valid for the period beginning August 2, 2006, through November 1, 2006.
- (B) The rates and charges for LightGate Service (a.k.a. BellSouth SPA Point to Point Network) are set forth in Section 23 of this Tariff. The Company reserves the right to change the rates, charges, terms and conditions for LightGate Service (a.k.a. BellSouth SPA Point to Point Network) in Section 23 or other sections of this Tariff during the promotional period in (A) above, unless otherwise specified herein.
- (C) Customers may elect to participate in this Promotion by signing a Letter of Agreement (LOA), within the promotional period, provided by the Company and acknowledged by a Company representative's signature.
- (D) The regulations, terms and conditions for this Promotion shall apply to customers in the Full Service Relief Metropolitan Statistical Areas (MSAs) set forth in Section 23 of this Tariff.

25.7.23.2 Eligibility Requirements

- (A) Customers must subscribe to this Promotion during the period specified in 25.7.23.1(A) above and must meet the eligibility requirements described below. The Company will be the sole determinant of whether the customer meets these requirements.
 - (1) The customer must convert a service that is equivalent to LightGate Service (a.k.a. BellSouth SPA Point to Point Network) that the customer subscribes to from a carrier other than BellSouth Telecommunications, Inc. or one of its affiliates.
 - (2) The customer must present in advance of service installation sufficient documentation (i.e., current circuit detail records) to demonstrate that a carrier other than BellSouth Telecommunications, Inc. or one of its affiliates provides the customer an equivalent LightGate Service (a.k.a. BellSouth SPA Point to Point Network). An equivalent LightGate Service (a.k.a. BellSouth SPA Point to Point Network) billed by a carrier already leasing the facility from BellSouth Telecommunications, Inc. will not qualify as a potential reacquisition.
 - (3) The customer's equivalent LightGate Service (a.k.a. BellSouth SPA Point to Point Network) must be located in one of the Full Service Relief MSAs specified in 25.7.23.1(C), preceding.

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- 25.7 Promotions (Beginning on or After June 1, 2002)
- 25.7.23 Special Promotion-LightGate Service (a.k.a. BellSouth SPA Point to Point Network)
- 25.7.23.2 Eligibility Requirements (Cont'd)
 - (A) (Cont'd)
 - (4) The new LightGate Service (a.k.a. BellSouth SPA Point to Point Network) provided under this Promotion must be placed under a Transport Payment Plan (TPP), Plan C (61 96 months), as set forth in Section 2.4.8 of this Tariff. All TPP regulations shall apply including termination liability regulations. In addition to TPP termination liability, the termination liability regulations specified in 25.7.23.3 (B) following shall apply.
 - (5) The new LightGate Service (a.k.a. BellSouth SPA Point to Point Network) must remain in service for the minimum TPP Plan C term (i.e., 61 months) and may not be optimized or rolled to a higher level of service (e.g., SMARTRing Service (a.k.a. BellSouth SPA Dedicated Ring) or BellSouth Wavelength Channel Service) before the TPP expiration date.
 - (6) A Local Channel associated with the new LightGate Service (a.k.a. BellSouth SPA Point to Point Network) must originate at a carrier's point-of presence (POP).
 - (7) The rewards in this Promotion will apply up to one hundred (100) new LightGate Service (a.k.a. BellSouth SPA Point to Point Network) reacquisitions.
 - (8) The rewards in this Promotion will not apply when UNEs or combination of UNEs are commingled with the service herein.

25.7.23.3 Description

- (A) This Promotion provides a one-time credit for any LightGate Service (a.k.a. BellSouth SPA Point to Point Network) reacquisition that meets the eligibility requirements and other criteria specified herein.
 - (1) The one-time credit will be equal to fifteen (15) percent times sixty-one (61) months of the total monthly recurring charges associated with the rate elements in the chart below:

| Service | Local Channel Systems | Interoffice Channel |
|---------|--------------------------------------|---|
| | HFSCE, HFSCG, HFSC7, HFSCJ, 1LPEA | 1LPS8, 1LPS9, 1LPS6, 1LPE8, 1LPE9, 1LPE6 |

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- 25.7 Promotions (Beginning on or After June 1, 2002)
- 25.7.23 Special Promotion-LightGate Service (a.k.a. BellSouth SPA Point to Point Network)
- 25.7.23.3 Description (Cont'd)
 - (A) Cont'd
 - (2) The LightGate Service (a.k.a. BellSouth SPA Point to Point Network) purchased under this Promotion must be installed by November 13, 2006, unless a delay in installing the service is caused by the Company.
 - (3) The one-time credit in (1) above will be applied to the customer's bill within sixty (60) days of the Service Establishment Date (SED) for the service.
 - (4) Taxes and credits will be computed on the full tariff price for the service in this Promotion. Credits will not be applied to taxes.
 - (B) <u>Termination Liability</u>

Should the customer disconnect service provided under this Promotion prior to the minimum TPP Plan C term (i.e., 61 months), the TPP termination liability will apply in addition to the following:

- (1) The customer must repay 100% of the rewards provided under this Promotion for any LightGate Service (a.k.a. BellSouth SPA Point to Point Network) that is disconnected prior to the minimum TPP Plan C term (i.e., 61 months).
- (2) The customer must repay 100% of the rewards provided under this Promotion for any LightGate Service (a.k.a. BellSouth SPA Point to Point Network) that is optimized or rolled to a higher level of service (i.e., SMARTRing Service (a.k.a. BellSouth SPA Dedicated Ring) or BellSouth Wavelength Channel Service) or any subsequent arrangement that reduces the billing from the basis on which the credit was applied.

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- 25.7 Promotions (Beginning on or After June 1, 2002) (Cont'd)
- 25.7.24 Special Promotion Customer Configuration Management Capability (Cont'd)

25.7.24.1 General Regulations

- (A) This Special Promotion is provided for the Customer Configuration Management Capability equipped with Network Visibility Service. The Promotion will be conducted for a six (6) month period beginning September 1, 2006, and concluding February 28, 2007.
- (B) Customer Configuration Management Capability and Network Visibility Service are optional features of Exchange Access Frame Relay Service (a.k.a. BellSouth Exchange Access Frame Relay Service). Rates and charges for these services are provided in Section 23 of this Tariff. The Company reserves the right to change the rates, charges, terms and conditions for services in Section 23 or other sections of this Tariff during the promotional period in (A) above, unless otherwise specified herein.
- (C) The regulations, terms and conditions for this Promotion apply to customers in the Full Service Relief Metropolitan Statistical Areas (MSAs) specified in Section 23 of this Tariff.

25.7.24.2 Description

- (A) This Promotion offers rewards to customers subscribing to Customer Configuration Management Capability equipped with Network Visibility Service. The rewards will be provided if the customer maintains the service for a minimum of twelve (12) months.
- (B) The customer will receive a credit each month for the first two (2) months of service. The credit will be equivalent to the monthly recurring charges associated with the rate elements for Customer Configuration Management Capability represented by the following USOCS:
 - XAFKA, XAFKB, XAFKC, XAFKD, XAFKE, XAFKF, XAFKG, XAFKH, XAFKJ and XAFKK
- (C) The credit will be applied to the customer's bill each month, one month in arrears, for a total of 2 months.
- (D) If the customer disconnects Customer Configuration Management Capability equipped with Network Visibility Service prior to the 12 month minimum requirement, the customer must repay 100% of the credits received under this Promotion. Such amount will be billed to the customer within ninety (90) days of the disconnect date.

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- 25.7 Promotions (Beginning on or After June 1, 2002) (Cont'd)
- 25.7.24 Special Promotion Customer Configuration Management Capability Cont'd)
- 25.7.24.2 Description (Cont'd)
 - (E) Customers subscribing to this Promotion may not subscribe to the same service offered in another Promotion.
 - (F) The rewards in this Promotion will not apply when Customer Configuration Management Capability is used with services in a collocation arrangement.
 - (G) Taxes and credits will be computed on the full tariff price for the service in this Promotion. Credits will not be applied to taxes.

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- 25.7 Promotions (Beginning on or After June 1, 2002) (Cont'd)
- 25.7.25 <u>Special Promotion BellSouth Customer Network Management Service</u> (Cont¹d)

25.7.25.1 General Regulations

- (A) This Special Promotion is provided for BellSouth Customer Network Management Service and will be conducted for a six (6) month period beginning September 1, 2006, and concluding February 28, 2007.
- (B) The rates and charges for BellSouth Customer Network Management Service are provided in Section 23 of this Tariff. The Company reserves the right to change the rates, charges, terms and conditions for BellSouth Customer Network Management Service in Section 23 or other sections of this Tariff during the promotional period in (A) above, unless otherwise specified herein.
- (C) The regulations, terms and conditions for this Promotion shall apply for service in the Full Service Relief Metropolitan Statistical Areas (MSAs) in Section 23 of this Tariff.

25.7.25.2 Description

- (A) This Promotion offers rewards to customers subscribing to new BellSouth Customer Network Management Service under a Channel Services Payment Plan (CSPP), 36 months or greater. The CSPP regulations in Section 2.4.8 of this Tariff shall apply including termination liability regulations.
- (B) In addition to CSPP termination liability, if the customer disconnects service prior to fulfilling the minimum 24-month CSPP Plan A term requirement, the customer must repay the credits received under this Promotion and such amount will be billed to the customer within ninety days of the disconnect date.
- (C) This Promotion provides a one-time credit for the customer's BellSouth Customer Network Management Service, which will be equivalent to the service's nonrecurring charges for any of the following rate elements.

| Rate Element Description | USOCS |
|---------------------------------------|-------|
| DS1 Channel Connection, DS0 Switching | DSL1A |
| DS1 Channel Connection, DS1 Switching | DSL1B |
| DS3 Channel Connection, DS0 Switching | DSL3A |
| DS3 Channel Connection, DS1 Switching | DSL3B |
| DS3 Channel Connection, DS3 Switching | DSL3C |

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- 25.7 Promotions (Beginning on or After June 1, 2002) (Cont'd)
- 25.7.25 Special Promotion BellSouth Customer Network Management Service Cont'd)
- 25.7.25.2 Description (Cont'd)
 - (D) Customers subscribing to this Promotion may not subscribe to the same service offered in another Promotion.
 - (E) The rewards in this Promotion will not apply when BellSouth Customer Network Management Service is used with services in a collocation arrangement.
 - (F) The nonrecurring credits will be applied to the customer's bill following the Service Date for BellSouth Customer Network Management Service.
 - (G) Taxes and credits will be computed on the full tariff price for the service in this Promotion. Credits will not be applied to taxes.

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- 25.7 Promotions (Beginning on or After June 1, 2002) (Cont'd)
- 25.7.26 <u>Special Promotion Fast Packet Access Services Regional InterLATA PVC</u> Extension

25.7.26.1 General Regulations

- (A) This Special Promotion will be conducted for a period beginning October 1, 2006, and concluding December 31, 2006.
- (B) The rates and charges for the Fast Packet Access Services Regional InterLATA PVC Extension are provided in Section 23 of this Tariff. The Company reserves the right to change the rates, charges, terms and conditions for this service in Section 23 or other sections of this Tariff during the promotional period in (A) above, unless otherwise specified herein.
- (C) This Promotion shall apply for service provided in the Full Service Relief Metropolitan Statistical Areas (MSAs) set forth in Section 23 of this Tariff.

25.7.26.2 Description

A. Promotion - Regional InterLATA PVC Extension

Customers who subscribe to the Regional InterLATA PVC Extension optional feature during the promotional period above will have all nonrecurring charges associated with the optional feature waived, subject to the following conditions:

- All orders for the Regional InterLATA PVC Extension must have an Application Date that falls within the promotional period above.
- A minimum service period of six (6) months is required for the Regional InterLATA PVC Extension ordered under this promotion. If the customer disconnects the Regional InterLATA PVC Extension prior to the 6 months minimum service period, the customer must repay the credits received under this promotion and such amount will be billed to the customer within ninety (90) days of the disconnect date.

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25.8 Contract Tariff - No. 006

- (A) This Contract Tariff is valid for a period of 25 months and shall terminate on July 19, 2004.
- (B) The regulations, terms, conditions and incentives provided herein shall apply to customers subscribing to Contract Tariff No. 006 in the Metropolitan Statistical Areas (MSAs) defined in 25.8.1.B below. A customer may subscribe within a period of thirty (30) days following the Contract Tariff's effective date.
- (C) This Contract Tariff contains a Service Level Agreement (SLA), which will apply pursuant to regulations, terms, and conditions specified in 25.8.1(G), following.

25.8.1 General Regulations

(A) Term and Renewal Options

- (1) The customer's term under this Contract Tariff is 24 months. At the end of the contract term, the incentives provided in this Contract Tariff shall be discontinued.
- (2) In order to subscribe to this Contract Tariff, a Letter of Agreement for Firm Order Commitment provided by the Company must be executed by the customer's signature and acknowledged by a Company representative's signature. The Letter of Agreement shall contain the starting date of the customer's term and the Access Customer Name Abbreviations (ACNAs).

(B) Metropolitan Statistical Areas

The regulations, terms and conditions of this Contract Tariff shall apply for the Full Service Relief MSAs listed below. Full Service Relief MSAs are defined in Section 23 of this Tariff. References made throughout this Contract Tariff to the customer's annual revenues shall include monthly recurring revenues for the combined MSAs shown below:

- Atlanta, Baton Rouge, Biloxi, Charlotte, Chattanooga, Daytona Beach, Gainesville, Greensboro-Winston Salem, Jackson, Jacksonville, Knoxville, Louisville, Memphis, Miami-Ft. Lauderdale, Monroe, Montgomery, Melbourne, Nashville-Davidson, Orlando, Pensacola, Raleigh-Durham, Savannah, Shreveport, Wilmington, West Palm Beach

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

25.8 Contract Tariff - No. 006 (Cont'd)

25.8.1 General Regulations (Cont'd)

(C) Description of Services

(1) This Contract Tariff may include any of the following services for the purpose of determining the customer's annual minimum-billed revenue volume specified in 25.8.2 following. Rates and charges for these services are provided in Section 23 of this Tariff.

BellSouth SWA Dedicated Transport Services

- BellSouth SWA VG
- BellSouth SWA DSO
- BellSouth SWA DS1
- BellSouth SWA DS3 BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Network Service
- BellSouth SWA Managed Shared Ring Service

Special Access (a.k.a. BellSouth SPA) Services - Metallic (a.k.a. BellSouth SPA Metallic)

- Telegraph Grade (a.k.a. BellSouth SPA Télegraph)
- Voice Grade (a.k.a. BellSouth SPA VG

- WATS Access Line (WAL) (a.k.a. BellSouth SPA WATS Lines)
 Program Audio (a.k.a. BellSouth SPA Program Audio)
 Broadcast Quality Video (a.k.a. BellSouth SPA Broadcast Quality Video)
- Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video_)
 DS3 Digital Video Service (a.k.a. BellSouth SPA DS3 Digital Video)
- BellSouth SPA Modular Video Transport Service
- 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
 Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video)
 Wideband Analog (a.k.a. BellSouth SPA Wideband Analog)

- Wideband Data (a.k.a. BellSouth SPA Wideband Data)
 Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel)
 Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
 High Capacity (a.k.a. BellSouth SPA High Capacity)
 DS1 (a.k.a. BellSouth SPA DS1)

- LightGate svc.(a.k.a. BellSouth SPA Point to Point)
- SMARTGate svc.(a.k.a. BellSouth SPA Managed Shared Ring) SMARTPath svc.(a.k.a. BellSouth SPA DS1 & DS3 Shared Ring)
- FlexServ Service (a.k.a. BellSouth SPA Customer Reconfiguration)
- Dry Fiber
- BellSouth SPA Managed Shared Network Service

Fast Packet Access Services

- Exchange Access Frame Relay Service (a.k.a. BellSouth Exchange Access Frame Relay Service)
- Exchange Access Connectionless Data Service (a.k.a. BellSouth Exchange Access Connectionless Data Service)
- BellSouth SPA Managed Shared Frame Relay Service

(This page filed under Transmittal No. 1)

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¹ Material previously contained in this section has been deleted. SMARTRing, XAATMS, and MSATMS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/quidebook. Contract Offer No. 006 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

25.8 Contract Tariff - No. 006 (Cont'd)

25.8.1 General Regulations (Cont'd)

(D) Minimum Revenue Volume for the Combined MSAs

The customer's annual minimum-billed revenue volume and product suite total annual minimum revenues are provided in Section 25.8.2, following. These revenues are for the combined MSAs set forth in Section 25.8.1(B), preceding, and for the services described in Section 25.8.1(C), preceding. References made throughout this Contract Tariff to the customer's annual minimum-billed revenue volume or product suite total annual minimum revenues shall represent revenues for the combined MSAs and services specified herein. These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

(E) Rates and Charges

The application of rates and charges for services subject to this Contract Tariff are set forth in Section 23 of this Tariff. The Company reserves the right to change the rates and charges for services included in Section 23.

(F) Classifications, Practices and Regulations

(1) Application of Contract Tariff Incentives
In order to be eligible for the incentives offered under this
Contract Tariff, the customer must achieve the annual minimum-billed
revenue volume and the product suite total annual minimum revenues
for each year of the contract term as set forth in Section 25.8.2
following. There are three levels of incentives: 1) Annual Incentive,
2) Product Suite Annual Incentive, and 3) Product Level Quarterly
Incentive. These incentives are described as follows:

(a) Annual Incentive

An Annual Incentive will be applied to incremental revenue that exceeds the annual minimum-billed revenue for each year of the customer's contract term. The annual minimum-billed revenue volume and the Annual Incentive percentages are provided in 25.8.2. The following conditions will apply:

- The customer will receive the Annual Incentive each year of the contract term thirty days following the anniversary date of the customer's subscription to service under this Contract Tariff.
- The customer will not receive the Annual Incentive if the customer fails to achieve the annual minimum-billed revenue volume in any year of the contract term. Further, the customer's subscription to this Contract Tariff shall be cancelled in accordance with Shortfall Penalty regulations set forth in 25.8.1(F)(2), following.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.8 Contract Tariff No. 006 (Cont'd)
- 25.8.1 General Regulations (Cont'd)
- (F) <u>Classifications</u>, <u>Practices and Regulations (Cont'd)</u>
 - (1) <u>Application of Contract Tariff Incentives</u> (Cont'd)
 - (b) Product Suite Annual Incentive
 The customer's product suite and the product suite total annual minimum revenues are provided in Section 25.8.2 following. The Product Suite Annual Incentive applies if the customer achieves the product suite total annual minimum revenue at the end of each contract term year and will be equal to the same incentive dollar amount the customer is awarded for the Annual Incentive as described in 25.8.1(F)(1)(a), preceding.

The customer will receive the Product Suite Annual Incentive each year of the contract term thirty days following the anniversary date of the customer's subscription to service under this Contract Tariff.

The customer will not receive the Product Suite Annual Incentive if in any year of the contract term the customer fails to achieve the product suite total annual minimum revenue.

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ACCESS SERVICE
25 - Contract Tariffs

- 25.8 Contract Tariff No. 006 (Cont'd)
- 25.8.1 General Regulations (Cont'd)
- (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (c) Product Level Quarterly Incentive
 The two products shown in Section 25.8.2, following, are available for a Product Level Quarterly Incentive. This quarterly incentive will be computed on the monthly-billed revenue for the selected products in each contract term year and will be awarded on a quarterly basis under the following conditions:
 - The Company will monitor on a quarterly basis the customer's annual minimum-billed revenues provided in Section 25.8.2, Table 1 in each contract term year to determine if the customer is on schedule in achieving the quarterly objective of the annual minimum-billed revenue volume. The scheduled objective for the first quarter is 25% of the annual minimum-billed revenue, for the second quarter 50% of the annual minimum-billed revenue, for the third quarter 75% for the annual minimum-billed revenue, and for the fourth quarter 100% of the annual minimum-billed revenue.
 - For each year of the contract term, the customer will receive the Product Level Quarterly Incentive on a quarterly basis only if the scheduled objectives for the annual minimum-billed revenues are met. For example, if the first quarter's objective is not met, the first quarter incentive award will be delayed until the second quarter. If the second quarter objective is not met, the monthly incentive award for the first and second quarters will be delayed until the third quarter. If the customer meets the third quarter objective, the monthly incentives for the first, second and third quarters will be awarded to the customer.
 - If at the end of the fourth quarter the customer does not achieve at least 100% of the annual minimum-billed revenue volume, the customer will not receive a fourth quarter Product Level Quarterly incentive and must also reimburse the Company all Product Level Quarterly Incentives received for the first, second and third quarters in accordance with Shortfall Penalty regulations in 25.8.1(F)(2) following.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS TARIFF

25 - Contract Tariffs (Cont'd)

- 25.8 Contract Tariff No. 006 (Cont'd)
- 25.8.1 General Regulations (Cont'd)
- (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (d) Examples of Contract Tariff Incentives
 - Example 1: Annual Incentive: The customer exceeds the annual minimum-billed revenue volume for the first contract term year with a revenue achievement of \$23,040,000. The customer will be awarded an Annual Incentive of \$117,300 computed using Table 1 in 25.8.2 as follows:

(Annual Revenue Achieved - Annual Minimum Revenue Volume) X Applicable Incentive Percentage = Annual Incentive

 $(23,040,000 - 21,085,000) \times 6\% = $117,300$

- Example 2: Product Suite Annual Incentive:
 As illustrated in Example 1 above, the customer achieved the first contract term year's annual minimum-billed revenue and also exceeded the product suite total annual minimum revenue with a revenue achievement of \$15,585,000 (see Table 2 in 25.8.2). The customer will be awarded a Product Suite Annual Incentive of \$117,300, which is equivalent to the same dollar amount the customer is awarded for the Annual Incentive in the example above.
- Example 3: Product Level Quarterly Incentive:
 The customer's first quarter monthly revenues are as follows:
 Product #1: \$748,750
 Product #2: \$3,147,500
 Total Products #1 and #2: \$3,896,250

The customer achieved the scheduled objective of 25% of the first year's annual minimum-billed revenue as shown in Table 1 of 25.8.2. Therefore, the customer is eligible for a first quarter Product Level Quarterly Incentive of \$116,887.50 computed as follows:

[(Product #1 Total Quarterly Revenues) X Product #1 Incentive
Percentage)] + [(Product #2 Total Quarterly Revenues) X Product #2
Incentive Percentage)] = Product Level Quarterly Incentive

 $[(\$748,750 \times 3\%) + (\$3,147,500 \times 3\%)] = \$116,887.50$

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.8 <u>Contract Tariff No. 006</u> (Cont'd)
- 25.8.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (2) Shortfall Penalty Regulations
 - (a) Shortfall Penalty for Failure to Achieve Minimum-Billed Revenue
 The customer must achieve the annual minimum-billed revenue volume
 specified in 25.8.2 following as determined on the anniversary date
 of the customer's subscription to service under this Contract
 Tariff in order to be eligible for an Annual Incentive.

If the customer does not achieve the annual minimum-billed revenue volume for any contract term year, the customer will not receive for such year the Annual Incentive as described in 25.8.1(F)(1)(a), preceding. Further, the customer must repay the Company all Product Level Quarterly Incentives received for such year and will be billed the full amount thirty days following the customer's contract anniversary date.

The customer must achieve the product suite total annual minimum revenue as determined on the customer's contract anniversary date in order to be eligible for a Product Suite Annual Incentive. If the customer does not achieve the product suite total annual minimum revenue for any year of the contract term, the customer will not receive for such year the Product Suite Annual Incentive as described in 25.8.1(F)(1)(b), preceding.

(b) Shortfall Penalty for Failure to Achieve the SLA Baseline Revenue

The customer must achieve the minimum annual Baseline Revenue each contract term year as specified in 25.8.1(G)(1), following, in order to receive the performance remedies for the Service Level Agreement specified in 25.8.1(G).

Failure to achieve the minimum annual Baseline Revenue for any contract term year will result in termination of the customer's subscription to this Contract Tariff, and the customer will not be eligible for another Contract Tariff for six months following the contract cancellation date.

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25 - Contract Tariffs (Cont'd)

25.8 <u>Contract Tariff - No. 006</u> (Cont'd)

25.8.1 General Regulations (Cont'd)

(F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)

(3) Restrictions

- (a) A customer subscribing to this Contract Tariff may not subscribe to any other Contract Tariff in the MSAs and for the services specified herein.
- (b) The incentives provided under this Contract Tariff will not apply to annual billed revenues exceeding the maximum revenues specified in 25.8.2 following.
- (c) Customers must subscribe to the Transport Payment Plan for the applicable services provided in this Contract Tariff.

(4) Mergers and Acquisitions

In the event the customer merges with another company or is acquired by another company, the following regulations will apply:

- (a) The customer may not combine revenues with the merged or acquired company's revenues for the purpose of obtaining the incentives provided under this Contract Tariff.
- (b) The customer may continue subscribing to this Contract Tariff for the duration of the contract term provided that the customer continues the subscription as if it were a single entity prior to the merger or acquisition.
- (c) The Company reserves the right to cancel the customer's subscription to this Contract Tariff if the customer does not adhere to the provisions herein.

(5) Revenue Accumulation by Bill Period The customer's annual billed revenue and product suite annual revenue shall be accumulated beginning with the first bill period following the effective date of the customer's subscription to this Contract Tariff and ending with the last bill period prior to the customer's contract anniversary date.

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ACCESS SERVICE

- 25.8 Contract Tariff No. 006 (Cont'd)
- 25.8.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (6) <u>Tax Exclusions</u>
 The incentives specified in this Contract Tariff will not be applied to taxes. Taxes will not be included when calculating the customer's annual minimum billed revenues and product suite annual minimum revenues.
 - (7) Existing Discount Plans
 The Contract Tariff incentives specified herein are in addition to credits given under existing pricing plans the customer may subscribe to in other Sections of this Tariff (i.e., Transport Savings Plan, Area Commitment Plan, Channel Services Payment Plan, etc.).
 - (8) Performance Measures
 The services, to which the incentives provided under this Contract
 Tariff apply, shall only be subject to service guarantees specified
 in Section 2.4.4 (service assurance warranty), Section 2.4.9 (service
 installation guarantee) and 25.8.1(G) (Service Level Agreement) of
 this Tariff under the terms and conditions in effect on the day this
 Contract Tariff becomes effective. Any new or additional performance
 measures and remedies that may become applicable to the services
 provisioned under Sections 6, 7, 21, and 23 of this Tariff shall not
 apply to services subject to this Contract Tariff.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.8 Contract Tariff No. 006 (Cont'd)
- 25.8.1 General Regulations (Cont'd)
 - (G) Service Level Agreement

Concurrent with the effective date of this Contract Tariff, a Service Level Agreement (SLA) as specified herein shall become effective and shall remain in effect for the term of this Contract Tariff pursuant to the conditions herein.

The services for which this SLA applies are LightGate Service (a.k.a. BellSouth SPA Point to Point) and DS1 (a.k.a. BellSouth SPA DS1). All rate elements associated with these services are included in this SLA.

- (1) Minimum Annual Baseline Revenue In order for the customer to receive the remedies for any missed performance metric agreed to under this SLA, the customer must achieve minimum annual Baseline Revenue of \$18,200,000 for services specified in 25.8.1(C) of this Contract Tariff for the first contract term year. For the second contract term year, the customer's minimum annual Baseline Revenue will be equivalent to the revenue the customer actually achieves at the end of the first contract term year. Shortfall Penalty regulations specified in 25.8.1(F)(2)(b) will apply if the customer fails to achieve the minimum annual Baseline Revenue.
- (2) Performance Metrics and Measurement Methodology
 - (a) The SLA Commitments, Performance Objectives and Total Revenue at Risk are shown in Chart A in 25.8.1(G)(5) and (6) following. The performance metrics that will be tracked and measured are shown below. The definitions are provided in (3) following.
 - Customer Desired Due Date (CDDD) Met
 - Firm Order Confirmation Receipt (FOC)
 New Circuit Failure Rate

 - Mean Time to Repair (MTTR) Hours

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ACCESS SERVICE

- 25.8 Contract Tariff No. 006 (Cont'd)
- 25.8.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (2) Performance Metrics and Measurement Methodology (Cont'd)
 - (b) The following terms and conditions shall apply for collecting, calculating, reporting and administering the performance measurement data under the Service Level Agreement (SLA) provided herein:
 - The Company will utilize its monthly self-reported performance measurement data to determine performance metrics. The Company's self-reported performance measurement data will be collected and calculated utilizing the Company's internal processes. The Company's calculation of its performance under this Contract Tariff shall be the sole determinate of the Company's obligation to provide a remedy for a missed performance metric. The Company will monitor data collection and calculation to ensure the integrity of self-reported results.
 - Performance metrics and any applicable remedies will be calculated on a regional, state, or district level basis, as currently measured, and prorated to an MSA level.
 - At the point that any MSA specific measurements are instituted, any applicable remedies will be converted to the MSA basis. Following implementation of MSA level measures, performance metrics and any applicable remedies will be calculated solely on an MSA basis. For example, Customer Desired Due Date (CDDD) and Mean Time to Repair (MTTR) performance data for a customer subscribing to this Contract Tariff in all of the Atlanta Network districts will be used for the Atlanta MSA until specific Atlanta MSA performance data is available.
 - (c) Neither the Company or the customer shall be held liable for any delay or failure in performance of any part of the SLA from any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, embargoes, epidemics, war, terrorists acts, riots, insurrections, fires, explosions, earthquakes, strikes, nuclear accidents, floods, power blackouts, or unusually severe weather. In the event of any such excused delay in the performance of the customer or the Company's obligation(s) under this SLA, the due date for the performance of the original obligation(s) shall be extended by a term equal to the time lost by reason of delay.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

- 25.8 Contract Tariff No. 006 (Cont'd)
- 25.8.1 General Regulations (Cont'd)
 - (G) <u>Service Level Agreement</u> (Cont'd)
 - (3) Performance Metrics Definitions
 - (a) <u>Customer Desired Due Date</u> (CDDD):

 This metric measures the percentage of Special Access and Non-Access Wireless ASRs (Adds and Rearrangements only) completed by the customer desired due date.
 - Exclusions: Test orders, disconnect orders, administrative orders, record orders, and orders that are not completed. (Orders are included in the month that they are completed).
 - Business Rule: The number of Special Access and Non-Access Wireless ASRs (Adds and Rearrangements only) completed by the customer desired due date, divided by total Special Access and Non-Access Wireless ASRs (Adds and Rearrangements only) completed. Orders coded with a Customer Not Ready (CNR) designation are considered an order where CDDD is met.
 - (b) Firm Order Confirmation (FOC) Receipt
 This metric measures the percentage of the Company's FOCs, including electronic facility checks, within the specified timeframes. The FOC is a notice the Company returns to the customer in response to an Access Service Request (ASR), which confirms receipt of the ASR and that the ASR has been created with an assigned due date.
 - Exclusions: Test orders, weekend and holiday hours (other than flow-through), weekend hours (midnight Friday through Midnight Sunday), holiday hours (midnight of the business day preceding the holiday to midnight of the holiday.
 - Business Rule: The number of ASRs where the Company provides Firm Order Commitment to the customer within the required interval divided by the total number of ASRs where the Company is responsible for providing the Firm Order Commitment.

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ACCESS SERVICE

- 25.8 <u>Contract Tariff No. 006</u> (Cont'd)
- 25.8.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (3) Performance Metrics Definitions (Cont'd)
 - (c) New Circuit Failure Rate
 This metric measures the percent of new customer circuits installed by the Company where a reported trouble was found in the network within 30 days of order completion. A service is considered to have a problem or trouble when it becomes unusable to the customer because of a failure of a facility component used to furnish a service under this SLA or in the event that the protective controls applied by the Company result in the loss of use of the service by the customer. A trouble period starts when the customer reports the trouble to the Company and ends when the service is operative.
 - Exclusions: Troubles reported on Company official administrative lines; troubles closed due to Customer action; troubles reported by Company employees in the course of performing preventive maintenance; CPE troubles; subsequent trouble reports where the initial trouble is pending; troubles caused by customer negligence; troubles due to failure of equipment or systems provided by the customer or others; troubles during any period in which the Company is not afforded access to the premises where the service is terminated; troubles when the customer has released the service to the Company for maintenance purposes, to make rearrangements, or for the implementation of an ASR for a change in the service during the time that was negotiated with the customer prior to the release of that service; troubles during periods when the customer elects not to release the service for testing and/or repair and continues to use it on an impaired basis; troubles during periods of temporary discontinuance as set forth in 2.2.1(B) of this Tariff.
 - Business Rule: The number of Measured Trouble Reports (excludes troubles closed to Customer Premises Equipment and Independent Exchange Company Information) on newly installed lines (Adds Only) within thirty-days/divided by total new lines for the previous month.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

- 25.8 <u>Contract Tariff No. 006</u> (Cont'd)
- 25.8.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (3) Performance Metrics Definitions (Cont'd)
 - (d) Mean Time to Repair (MTTR) Hours
 The average duration from the time the Company receives a trouble report to the time the Company clears a trouble. A service is considered to have a trouble when it becomes unusable to the customer because of a failure of a facility component used to furnish a service under this SLA or in the event that the protective controls applied by the Company result in the loss of use of the service by the customer. A trouble period starts when the customer reports the trouble to the Company and ends when the service is operative.
 - Exclusions: Troubles reported on Company official administrative lines; troubles closed due to Customer action; troubles reported by Company employees in the course of performing preventive maintenance, CPE troubles; or subsequent trouble reports where the initial trouble is pending; canceled trouble reports; troubles caused by customer negligence; troubles due to failure of equipment or systems provided by the customer or others; troubles during any period in which the Company is not afforded access to the premises where the service is terminated; troubles when the customer has released the service to the Company for maintenance purposes, to make rearrangements, or for the implementation of an ASR for a change in the service during the time that was negotiated with the customer prior to the release of that service; troubles during periods when the customer elects not to release the service for testing and/or repair and continues to use it on an impaired basis; troubles during periods of temporary discontinuance as set forth in 2.2.1(B) of this Tariff.
 - Business Rule: Total duration (in hours, tenths and hundreths) of all Special Access measured trouble reports, divided by the total number of all Special Access measured customer trouble reports. Calculated as referred out duration subtracted from actual duration. Time needed for delayed maintenance at the customer's request (e.g., for circuit monitoring purposes prior to trouble ticket closure) and no-access time is not included in the actual duration figure.

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.8 <u>Contract Tariff No. 006</u> (Cont'd)
- 25.8.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (4) Customer Obligations

In order to receive the performance remedies specified in this SLA, the customer agrees to the following conditions:

- (a) The customer shall maintain minimum annual Baseline revenue of \$18,200,000 for the first year of this Contract Tariff in the MSAs specified in order for the customer to receive the remedies for any missed performance metric agreed to under this SLA. For the second year of this Contract Tariff, the minimum annual Baseline revenue will be equivalent to the revenue the customer actually achieves at the end of the first year of this Contract Tariff.
- (b) The customer shall maintain existing electronic system interfaces and processes for Access Service Request (ASR) initiation and trouble reporting.
- (c) The customer shall submit ASRs by 3:00 p.m. EST in order for the ASR to be processed the same business day. ASRs received after 3:00 p.m. EST shall be processed the next business day.

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.8 Contract Tariff No. 006 (Cont'd)
- 25.8.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (5) Company Obligations
 - (a) Should BellSouth fail to perform to the service levels detailed in Charts A and B in 25.8.1(G)(6) and (7) following, an SLA Performance Credit of up to 1% of the customers minimum annual Baseline Revenue specified in 25.8.1(G)(1) preceding, will be at risk provided the customer met the obligations detailed in 25.8.1(G)(4), preceding.
 - (b) The Company will evaluate and calculate the performance objectives on a monthly basis. Any applicable SLA Performance Credit will be applied to the customer's account at the end of each contract term year, one month in arrears of the customer's contract anniversary date.
 - (c) The Monthly Revenue at Risk will be determined as follows:

(Minimum Annual Baseline Revenue X 1%) divided by 12 = Monthly Revenue at Risk

 $(\$18,200,000 \times 1\%)$ divided by 12 = \$15,167

(d) The following example illustrates how the Company will calculate the SLA Performance Credits using the Monthly Revenue at Risk above and data from Charts A and B in 25.8.1(G)(6) and (7) following.

Example 1: For DS1 (a.k.a BellSouth SPA DS1) orders, CDDD attainment in the first month is 88%. The performance remedy for such month would be calculated as follows:

(Monthly Revenue at Risk X Weighting) X Penalty = Monthly Remedy

 $($15,167 \times 17.5\%) \times 25\% = 663.56

(e) The Company will sum the SLA Performance Credits for each missed performance metrics to get each month's Total Monthly Performance Credit. The twelve-months Total Monthly Performance Credits will be credited to the customer's account one month in arrears of the customer's contract subscription anniversary date.

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25 - Contract Tariffs (Cont'd)

25.8 Contract Tariff - No. 006 (Cont'd)

25.8.1 General Regulations (Cont'd)

(G) <u>Service Level Agreement</u> (Cont'd)
(6) <u>Performance Metrics - Provisioning Elements</u>
Chart A below provides the weighting, performance targets, and penalties for the specified metric.

| CHART A: Service Level Agreement (Provisioning Elements) | | | |
|--|-----------|---------------------------|--|
| SLA Commitment | | Performance Objectives | Total At Risk=1% of MSA Baseline Billed Rev |
| Measure | Weighting | Performance Targets | Penalty |
| CDDD | | | |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | 17.5% | >= 90% | 0% |
| | | 87.5 - 89.99% | 25% |
| | | 85 - 87.49% | 50% |
| | | <85% | 100% |
| DS1 (a.k.a. BellSouth SPA DS1) | 17.5% | >= 95% | 0% |
| | | 92.5 - 94.99% | 25% |
| | | 90 - 92.49% | 50% |
| | | <90% | 100% |
| FOC Timeliness | | | |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | 5% | >= 85% | 0% |
| within 120 hrs | | 82.5 - 84.99% | 25% |
| | | 80 - 82.49% | 50% |
| | | <80% | 100% |
| DS1 (a.k.a. BellSouth SPA DS1) | 5% | >= 85% | 0% |
| within 48 hrs | | 82.5 - 84.99% | 25% |
| | | 80 - 82.49% | 50% |
| | | <80% | 100% |
| New Circuit Failure Rate | | | |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | 15% | <= 5% | 0% |
| | | 5.01 - 6.25% | 25% |
| | | 6.26 - 7.5% | 50% |
| | | >7.5% | 100% |
| DS1 (a.k.a. BellSouth SPA DS1) | 15% | <= 10% | 0% |
| | | 10.01 - 12.5% | 25% |
| | | 12.26 - 15% | 50% |
| | | >15% | 100% |

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ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.8 Contract Tariff No. 006 (Cont'd)
- 25.8.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (7) Performance Metrics Maintenance Elements
 Chart B below provides the weighting, performance targets, and penalties for the specified metric:

| Chart B: Service Level Agreement (Maintenance Elements) | | | |
|--|-----------|---------------------------|--|
| SLA Commitment | | Performance Objectives | Total At Risk=1% of MSA Baseline Billed Rev |
| Measure | Weighting | Performance Target | Penalty |
| MTTR | | | |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | 12.5% | <=4.0 hrs. | 0% |
| | | 4.1 – 4.17 hrs | 25% |
| | | 4.18 – 4.25 hrs. | 50% |
| | | >4.25 hrs. | 100% |
| DS1 (a.k.a. BellSouth SPA DS1) | 12.5% | <=4.0 hrs. | 0% |
| | | 4.1 – 4.17 hrs. | 25% |
| | | 4.18 – 4.25 hrs. | 50% |
| | | >4.25 hrs. | 100% |

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ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.8 Contract Tariff - No. 006 (Cont'd)

25.8.2 Revenue Volumes and Incentives

- (A) Annual Minimum-Billed Revenues and Incentives
 - (1) Table I below provides the annual minimum-billed revenue volumes and the Annual Incentives. The customer must achieve each year's minimum-billed revenue in order to receive an Annual Incentive, which is applied to the incremental revenue that exceeds the annual minimum-billed revenue. Revenue exceeding the maximum revenue will not be eligible for an Annual Incentive or Product Suite Annual Incentive. Section 25.8.1(F)(1)(d), preceding, provides examples of how incentives in the following tables are determined.

| | | lled Revenue Volumes |
|-------------------------|--------------|----------------------|
| Table 1 | (\$ | (000) |
| | Year 1 | Year 2 |
| Minimum Revenue Volumes | \$21,085 | \$24,458 |
| (%) Annual Incentives | | |
| | > \$21,085 - | > \$24,458 - |
| 5% | 22,139 | 25,681 |
| | > 22,139 - | > 25,681 - |
| 6% | 23,193 | 26,904 |
| | > 23,193 - | > 26,904 - |
| 7% | 24,247 | 28,126 |
| | | |
| Maximum Revenues | \$24,247 | \$28,126 |

(2) Table 2 below provides the product suite and the product suite total annual minimum revenues. The customer must achieve each year's total annual minimum revenue* in order to receive a Product Suite Annual Incentive, which is equivalent to the dollar amount the customer is awarded for the Annual Incentive as specified in 25.8.2(A)(1) above.

| | Product Suite Annua | ll Minimum Revenues |
|---------------------------------|---------------------|---------------------|
| Table 2 | (\$000) | |
| Product Suite | Year 1 | Year 2 |
| LightGate svc.(a.k.a. BellSouth | | |
| SPA Point to Point) | \$ 2,394 | \$ 2,777 |
| DS1 (a.k.a. BellSouth SPA DS1) | 9,965 | 11,559 |
| *Total Annual Minimum Revenues | \$12,359 | \$14,336 |

(3) Table 3 below provides the products eligible for a Product Level Quarterly Incentive. The Product Level Quarterly Incentive is applied on the monthly-billed revenue for these products and awarded on a quarterly basis.

| Table 3 | Quarterly Product Level Incentive | |
|---------------------------------|-----------------------------------|--------|
| | Year 1 | Year 2 |
| LightGate svc.(a.k.a. BellSouth | | |
| SPA Point to Point) | 3% | 3% |
| DS1 (a.k.a. BellSouth SPA DS1) | 3% | 3% |

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ACCESS SERVICE 25 - Contract Tariffs

25.9 Contract Tariff - No. 007

- (A) This Contract Tariff is valid for a period of 25 months and shall terminate on September 16, 2004.
- (B) The regulations, terms, conditions and incentives provided herein shall apply to customers subscribing to Contract Tariff No. 007 in the Metropolitan Statistical Areas (MSAs) defined in 25.9.1(B) below. A customer may subscribe within a period of thirty (30) days following the Contract Tariff's effective date.
- (C) This Contract Tariff contains a Service Level Agreement (SLA), which will apply pursuant to regulations, terms, and conditions specified in 25.9.1(G), following.

25.9.1 General Regulations

(A) Term and Renewal Options

- (1) The customer's term under this Contract Tariff is 24 months. At the end of the contract term, the incentives provided in this Contract Tariff shall be discontinued.
- (2) In order to subscribe to this Contract Tariff, a Letter of Agreement for Firm Order Commitment provided by the Company must be executed by the customer's signature and acknowledged by a Company representative's signature. The Letter of Agreement shall contain the starting date of the customer's term and the Access Customer Name Abbreviations (ACNAs).

(B) Metropolitan Statistical Areas

The regulations, terms and conditions of this Contract Tariff shall apply for the Full Service Relief MSAs listed below. Full Service Relief MSAs are defined in Section 23 of this Tariff. References made throughout this Contract Tariff to the customer's annual revenues shall include monthly recurring revenues for the combined MSAs shown below:

- Atlanta, Baton Rouge, Biloxi, Charlotte, Chattanooga, Daytona Beach, Gainesville, Greensboro-Winston Salem, Jackson, Jacksonville, Knoxville, Lake Charles, Louisville, Memphis, Miami-Ft. Lauderdale, Monroe, Montgomery, Melbourne, Nashville-Davidson, Orlando, Pensacola, Raleigh-Durham, Savannah, Shreveport, Wilmington, West Palm Beach

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.9 Contract Tariff No. 007 (Cont'd)
- 25.9.1 General Regulations (Cont'd)
 - (C) Description of Services
 - (1) This Contract Tariff may include any of the following services for the purpose of determining the customer's annual minimum-billed revenue volume specified in 25.9.2 following. Rates and charges for these services are provided in Section 23 of this Tariff.

BellSouth SWA Dedicated Transport Services

- BellSouth SWA VG
- BellSouth SWA DSO
- BellSouth SWA DS1
- BellSouth SWA DS3
- BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Network Service
- BellSouth SWA Managed Shared Ring Service

Special Access (a.k.a. BellSouth SPA) Services - Metallic (a.k.a. BellSouth SPA Metallic)

- Telegraph Grade (a.k.a. BellSouth SPA Telegraph)
- Voice Grade (a.k.a. BellSouth SPA VG

- WATS Access Line (WAL) (a.k.a. BellSouth SPA WATS Lines)
 Program Audio (a.k.a. BellSouth SPA Program Audio)
 Broadcast Quality Video (a.k.a. BellSouth SPA Broadcast Quality Video)
- Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video_)
- DS3 Digital Video Service (a.k.a. BellSouth SPA DS3 Digital Video)

- BellSouth SPA Modular Video Transport Service
 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
 Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video)
 Wideband Analog (a.k.a. BellSouth SPA Wideband Analog)
 Wideband Data (a.k.a. BellSouth SPA Wideband Data)

- Wideband Data (a.k.a. BellSouth SPA Wideband Analog)
 Wideband Data (a.k.a. BellSouth SPA Wideband Data)
 Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel)
 Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
 High Capacity (a.k.a. BellSouth SPA High Capacity)
 DS1 (a.k.a. BellSouth SPA DS1)

- LightGate svc.(a.k.a. BellSouth SPA Point to Point)
 SMARTGate svc.(a.k.a. BellSouth SPA Managed Shared Ring)
 SMARTPath svc.(a.k.a. BellSouth SPA DS1 & DS3 Shared Ring)
- FlexServ Service (a.k.a. BellSouth SPA Customer Reconfiguration)
- Dry Fiber
- BellSouth SPA Managed Shared Network Service

Fast Packet Access Services

- Exchange Access Frame Relay Service (a.k.a. BellSouth Exchange Access Frame Relay Service)
- Exchange Access Connectionless Data Service (a.k.a. BellSouth Exchange Access Connectionless Data Service)
- BellSouth SPA Managed Shared Frame Relay Service

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¹ Material previously contained in this section has been deleted. SMARTRing, XAATMS, and MSATMS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/quidebook. Contract Offer No. 007 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

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25 - Contract Tariffs (Cont'd)

25.9 Contract Tariff - No. 007 (Cont'd)

25.9.1 General Regulations (Cont'd)

(D) Minimum Revenue Volume for the Combined MSAs

The customer's annual minimum-billed revenues and product level annual minimum-billed revenues are provided in Section 25.9.2, following. The annual minimum-billed revenue volumes are for the combined MSAs set forth in Section 25.9.1(B), preceding, and for the services described in Section 25.9.1(C), preceding. The product level annual minimum-billed revenues are for the combined MSAs set forth in Section 25.9.1(B), preceding, and for the services specified in 25.9.2, Table 2. References made throughout this Contract Tariff to the customer's annual minimum-billed revenue volume or product level annual minimum revenues shall represent revenues for the combined MSAs and services specified herein. These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

(E) Rates and Charges

The services to which the incentives set forth in this Contract Tariff are obtained from Section 23 of this tariff. The Company reserves the right to change the terms, conditions, rates and charges applicable for services in Section 23 or other sections of this Tariff during the term of this Contract Tariff unless otherwise specified in this Contract Tariff.

(F) Classifications, Practices and Regulations

(1) Application of Contract Tariff Incentives
There are two levels of incentives provided in this Contract Tariff:
1) Annual Incentive and 2) Product Level Quarterly Incentive. In order to be eligible for these incentives each contract term year, the customer must achieve the annual minimum-billed revenue and the product level annual minimum-billed revenue (for each individual product) as set forth in Section 25.9.2, Tables 1 and 2, following. The incentives are described as follows:

(a) Annual Incentive
An Annual Incentive will be applied to incremental annual billed revenue that exceeds the annual minimum-billed revenue for each contract term year. The annual minimum-billed revenue volumes and the Annual Incentive percentages are provided in 25.9.2. The following conditions will apply:

- The customer will receive the Annual Incentive each contract term year thirty days following the anniversary date of the customer's subscription to service under this Contract Tariff.

- The customer will not receive the Annual Incentive if the customer fails to achieve the annual minimum-billed revenue for that contract term year. Further, Shortfall Penalty regulations set forth in 25.9.1(F)(2), following, will apply.

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ACCESS SERVICE
25 - Contract Tariffs

- 25.9 Contract Tariff No. 007 (Cont'd)
- 25.9.1 General Regulations (Cont'd)
- (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (b) Product Level Quarterly Incentive
 The two products shown in Section 25.9.2, Table 2, following, are available for a Product Level Quarterly Incentive. This quarterly incentive will be computed on the monthly-billed revenue for the selected products in each contract term year and will be awarded on a quarterly basis under the following conditions:
 - The Company will monitor on a quarterly basis both the customer's annual minimum-billed revenue in Section 25.9.2, Table 1, and the product level annual minimum-billed revenue provided in Section 25.9.2, Table 2, in each contract term year to determine if the customer is on schedule in achieving the quarterly objectives of both the annual minimum-billed revenue and the product level annual minimum-billed revenue. The scheduled objective for the first quarter is 25% of the annual minimum-billed revenue; for the second quarter 50% of the annual minimum-billed revenue and 50% of the product level annual minimum-billed revenue; for the third quarter 75% of the annual minimum-billed revenue and 75% of the product level annual minimum-billed revenue and for the fourth quarter 100% of the annual minimum-billed revenue and 100% of the product level annual minimum-billed revenue and 100% of the product level annual minimum-billed revenue.
 - In each contract term year, the customer will receive the Product Level Quarterly Incentive on a quarterly basis only if the scheduled objectives for both the annual minimum-billed revenue and the product level annual minimum-billed revenues are met. For example, if the first quarter's scheduled objectives are not met, the first quarter incentive award will be delayed until the second quarter. If the second quarter objectives are not met, the monthly incentive award for the first and second quarters will be delayed until the third quarter. If the customer meets the third quarter objectives, the monthly incentives for the first, second and third quarters will be awarded to the customer.

¹The scheduled objective for the product level annual minimum-billed revenues must be achieved for each individual product shown in 25.9.2, Table 2.

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25 - Contract Tariffs

- 25.9 Contract Tariff No. 007 (Cont'd)
- 25.9.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (b) Product Level Quarterly Incentive (Cont'd)
 - If at the end of the fourth quarter the customer does not achieve at least 100% of the annual minimum-billed revenue and the product level annual minimum-billed revenues, the customer will not receive a fourth quarter Product Level Quarterly incentive and must also reimburse the Company all Product Level Quarterly Incentives received for the first, second and third quarters in accordance with Shortfall Penalty regulations in 25.9.1(F)(2).
 - Should the customer in any quarter achieve the scheduled objective for the annual minimum-billed revenue but does not achieve the scheduled objective for one of the specified products, the customer will not be awarded the Product Level Quarterly Incentive for such product. However, the customer will be awarded the Product Level Incentive for the product in which the scheduled objective was achieved.

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ACCESS TARIFF 25 - Contract Tariffs (Cont'd)

25.9 Contract Tariff - No. 007 (Cont'd)

- 25.9.1 General Regulations (Cont'd)
- (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (c) Examples of Contract Tariff Incentives
 - Example 1: Annual Incentive: The customer exceeds the annual minimum-billed revenue volume for the first contract term year with annual billed revenue of \$85,235,400. The customer will be awarded an Annual Incentive of \$1,089,792 computed using Table 1 in 25.9.2 as follows:

(Annual Billed Revenue Achieved — Annual Minimum-Billed Revenue Volume) X Applicable Incentive Percentage = Annual Incentive

 $(85,235,400 - 79,181,000) \times 18\% = \$1,089,792$

- Example 2: Product Level Quarterly Incentive:
The customer achieved monthly revenues for the first quarter for each individual product as follows:

Draduct #1: \$4,242,750

Product #1: \$4,342,750 Product #2: \$5,551,250

The customer met the scheduled objective of 25% for both the annual minimum-billed revenue and the product level annual minimum-billed revenue as shown in Tables 1 and 2 of 25.9.2. Therefore, the customer is eligible for a Product Level Quarterly Incentive for the first quarter of \$494,700 computed as follows:

[(Product #1 Total Quarterly Billed Revenues) X Product #1 Quarterly Incentive Percentage)] + [(Product #2 Total Quarterly Billed Revenues) X Product #2 Quarterly Incentive Percentage)] = Product Level Quarterly Incentive

 $[(\$4,342,750 \times 5\%) + (\$5,551,250 \times 5\%)] = \$494,700$

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25 - Contract Tariffs (Cont'd)

- 25.9 Contract Tariff No. 007 (Cont'd)
- 25.9.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (2) Shortfall Penalty Regulations
 - (a) Shortfall Penalty for Failure to Achieve Minimum-Billed Revenue The customer must achieve the annual minimum-billed revenue specified in 25.9.2, Table 1, following as determined on the anniversary date of the customer's subscription to service under this Contract Tariff in order to be eligible for an Annual Incentive. If the customer does not achieve the annual minimum-billed revenue for any contract term year, the customer will not receive for such year the Annual Incentive as described in 25.9.1(F)(1)(a), preceding.

The customer must achieve both the annual minimum-billed revenue and the product level annual minimum-billed revenue in 25.9.2, Tables 1 and 2, as determined on the customer's contract anniversary date in order to receive the Product Level Quarterly Incentives. If the customer does not achieve both the annual minimum-billed revenue and the product level annual minimum-billed revenue for any contract term year, the customer will not be eligible for the Product Level Quarterly Incentives for such year as described in 25.9.1(F)(1)(b), preceding. Further, the customer must repay the Company any Product Level Quarterly Incentives awarded during such year, and the customer will be billed the full amount of these incentives thirty days following the customer's contract anniversary date.

(b) Shortfall Penalty for Failure to Achieve the SLA Baseline Revenue

The customer must achieve the minimum annual SLA Baseline Revenue each contract term year as specified in 25.9.1(G)(1), following, in order to receive the performance remedies for the Service Level Agreement specified in 25.9.1(G).

Failure to achieve the minimum annual SLA Baseline Revenue for any contract term year will result in termination of the customer's subscription to this Contract Tariff, and the customer will not be eligible for another Contract Tariff for six months following the contract cancellation date. However, the customer may initiate negotiations for a new Contract Tariff within three months following the customer's contract cancellation date.

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25 - Contract Tariffs (Cont'd)

- 25.9 Contract Tariff No. 007 (Cont'd)
- 25.9.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (3) Restrictions
 - (a) A customer subscribing to this Contract Tariff may not subscribe to any other Contract Tariff in the MSAs and for the services specified herein.
 - (b) The incentives provided under this Contract Tariff will not apply to annual billed revenues exceeding the maximum revenues specified in 25.9.2 following.
 - (4) Mergers and Acquisitions
 In the event the customer merges with another company or is acquired by another company, the following regulations will apply:
 - (a) The customer may not combine revenues with the merged or acquired company's revenues for the purpose of obtaining the incentives provided under this Contract Tariff.
 - (b) The customer may continue subscribing to this Contract Tariff for the duration of the contract term provided that the customer continues the subscription as if it were a single entity prior to the merger or acquisition.
 - (c) In the event of a merger or acquisition, the customer may request the Company to prepare a proposal for a new Contract Tariff that reflects the merger or acquisition, provided the customer's remaining term under this Contract Tariff is at least 3 months. The proposed new Contract Tariff will adjust revenue volumes in Tables 1 and 2 in 25.9.2, following, to reflect the merger or acquisition. The proposed new Contract Tariff shall contain the same incentives as those specified in 25.9.2 of this Contract Tariff.

Unless agreed to otherwise, the regulations for the proposed new Contract Tariff shall be the same as those specified in this Contract Tariff, and the term of the proposed new Contract Tariff shall be for the number of months remaining in the customer's term under this Contract Tariff at the time of the proposed new Contract Tariff filing.

Upon the customer's execution of a Letter of Agreement for Firm Order Commitment to accept the proposed new Contract Tariff, the Company will file the Contract Tariff. The customer may cancel its subscription to this Contract Tariff without termination liability if the customer subscribes to the proposed new Contract Tariff prepared in accordance with these provisions.

(d) The Company reserves the right to cancel the customer's subscription to this Contract Tariff if the customer does not adhere to the provisions herein.

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- 25.9 <u>Contract Tariff No. 007</u> (Cont'd)
- 25.9.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (5) Revenue Accumulation by Bill Period
 The customer's annual minimum-billed revenue and product level annual minimum-billed revenues shall be accumulated beginning with the first bill period following the effective date of the customer's subscription to this Contract Tariff and ending with the last bill period prior to the customer's contract anniversary date.
 - (6) <u>Tax Exclusions</u>
 The incentives specified in this Contract Tariff will not be applied to taxes. Taxes will not be included when calculating the customer's annual minimum billed revenues and product level annual minimumbilled revenues.
 - (7) Existing Discount Plans
 The Contract Tariff incentives specified herein are in addition to credits given under existing pricing plans the customer may subscribe to in other Sections of this Tariff (i.e., Transport Savings Plan, Area Commitment Plan, Channel Services Payment Plan, etc.).
 - (8) Performance Measures
 The services, to which the incentives provided under this Contract Tariff apply, shall only be subject to service guarantees specified in Section 2.4.4 (service assurance warranty), Section 2.4.9 (service installation guarantee) and 25.9.1(G) (Service Level Agreement) of this Tariff under the terms and conditions in effect on the day this Contract Tariff becomes effective. Any new or additional performance measures and remedies that may become applicable to the services provisioned under Sections 6, 7, 21, and 23 of this Tariff shall not apply to services subject to this Contract Tariff.

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25 - Contract Tariffs (Cont'd)

- 25.9 Contract Tariff No. 007 (Cont'd)
- 25.9.1 General Regulations (Cont'd)
 - (G) Service Level Agreement

Concurrent with the effective date of this Contract Tariff, a Service Level Agreement (SLA) as specified herein shall become effective and shall remain in effect for the term of this Contract Tariff pursuant to the conditions herein.

The services for which this SLA applies are LightGate Service (a.k.a. BellSouth SPA Point to Point) and DS1 (a.k.a. BellSouth SPA DS1). All rate elements associated with these services are included in this SLA.

- (1) Minimum Annual SLA Baseline Revenue
 In order for the customer to receive the remedies for any missed performance metric agreed to under this SLA, the customer must achieve minimum annual SLA Baseline Revenue of \$68,259,700 for services specified in 25.9.1(C) of this Contract Tariff for the first contract term year. For the second contract term year, the customer's minimum annual SLA Baseline Revenue will be equivalent to the annual billed revenue the customer actually achieves at the end of the first contract term year. Shortfall Penalty regulations specified in 25.9.1(F)(2)(b) will apply if the customer fails to achieve the minimum annual SLA Baseline Revenue.
- (2) Performance Metrics and Measurement Methodology
 - (a) The SLA Commitments, Performance Objectives and Total Revenue at Risk are shown in Charts A and B in 25.9.1(G)(6) and (7) following. The performance metrics that will be tracked monthly and measured are shown below. The definitions are provided in (3) following.
 - Customer Desired Due Date (CDDD) Met - Firm Order Commitment (FOC) Receipt
 - Mean Time to Repair (MTTR) Hours

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- 25.9 Contract Tariff No. 007 (Cont'd)
- 25.9.1 General Regulations (Cont'd)
 - (G) <u>Service Level Agreement</u> (Cont'd) (2) <u>Performance Metrics</u> and Measurement Methodology (Cont'd)
 - (b) The following terms and conditions shall apply for collecting, calculating, reporting and administering the performance measurement data under the Service Level Agreement (SLA) provided herein:
 - The Company will utilize its monthly self-reported performance measurement data to determine performance metrics. The Company's self-reported performance measurement data will be collected and calculated utilizing the Company's internal processes. The Company's calculation of its performance under this Contract Tariff shall be the sole determinate of the Company's obligation to provide a remedy for a missed performance metric. The Company will monitor data collection and calculation to ensure the integrity of self-reported results.
 - Performance metrics and any applicable remedies will be calculated on a regional, state, or district level basis, as currently measured, and prorated to an MSA level.
 - At the point that any MSA specific measurements are instituted, any applicable remedies will be converted to the MSA basis. Following implementation of MSA level measures, performance metrics and any applicable remedies will be calculated solely on an MSA basis. For example, Customer Desired Due Date (CDDD) and Mean Time to Repair (MTTR) performance data for a customer subscribing to this Contract Tariff in all of the Atlanta Network districts will be used for the Atlanta MSA until specific Atlanta MSA performance data is available.
 - The Company will meet with the customer on a quarterly basis to discuss performance measurement results. If the customer presents the Company sufficient information based on customer provided performance data that conflicts with the Company's reported performance results, the Company will take the customer's information under advisement and make a determination whether or not an adjustment of the Company's performance data is warranted.
 - (c) Neither the Company or the customer shall be held liable for any delay or failure in performance of any part of the SLA from any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, embargoes, epidemics, war, terrorists acts, riots, insurrections, fires, explosions, earthquakes, strikes, nuclear accidents, floods, power blackouts, or unusually severe weather. In the event of any such excused delay in the performance of the customer or the Company's obligation(s) under this SLA, the due date for the performance of the original obligation(s) shall be extended by a term equal to the time lost by reason of delay.

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- 25.9 Contract Tariff No. 007 (Cont'd)
- 25.9.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (3) Performance Metrics Definitions
 - (a) <u>Customer Desired Due Date</u> (CDDD):

 This metric measures the percentage of Special Access and Non-Access Wireless ASRs (Adds and Rearrangements only) completed by the customer desired due date.
 - Exclusions: Test orders, disconnect orders, administrative orders, record orders, and orders that are not completed. (Orders are included in the month that they are completed).
 - Business Rule: The number of Special Access and Non-Access Wireless ASRs (Adds and Rearrangements only) completed by the customer desired due date, divided by total Special Access and Non-Access Wireless ASRs (Adds and Rearrangements only) completed. Orders coded with a Customer Not Ready (CNR) designation are considered an order where CDDD is met.
 - (b) Firm Order Confirmation (FOC) Receipt
 This metric measures the percentage of the Company's FOCs, including electronic facility checks, within the specified timeframes. The FOC is a notice the Company returns to the customer in response to an Access Service Request (ASR), which confirms receipt of the ASR and that the ASR has been created with an assigned due date.
 - Exclusions: Test orders, weekend and holiday hours (other than flow-through), weekend hours (midnight Friday through Midnight Sunday), holiday hours (midnight of the business day preceding the holiday to midnight of the holiday.
 - Business Rule: The number of ASRs where the Company provides Firm Order Commitment to the customer within the required interval divided by the total number of ASRs where the Company is responsible for providing the Firm Order Commitment.

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- 25.9 Contract Tariff No. 007 (Cont'd)
- 25.9.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (3) Performance Metrics Definitions (Cont'd)
 - (c) Mean Time to Repair (MTTR) Hours
 The average duration from the time the Company receives a trouble report to the time the Company clears a trouble. A service is considered to have a trouble when it becomes unusable to the customer because of a failure of a facility component used to furnish a service under this SLA or in the event that the protective controls applied by the Company result in the loss of use of the service by the customer. A trouble period starts when the customer reports the trouble to the Company and ends when the service is operative.
 - Exclusions: Troubles reported on Company official administrative lines; troubles closed due to Customer action; troubles reported by Company employees in the course of performing preventive maintenance, CPE troubles; or subsequent trouble reports where the initial trouble is pending; canceled trouble reports; troubles caused by customer negligence; troubles due to failure of the customer's equipment or others; troubles during any period in which the Company is not afforded access to the premises where the service is terminated; troubles when the customer has released the service to the Company for maintenance purposes, to make rearrangements, or for the implementation of an ASR for a change in the service during the time that was negotiated with the customer prior to the release of that service; troubles during periods when the customer elects not to release the service for testing and/or repair and continues to use it on an impaired basis; troubles during periods of temporary discontinuance as set forth in 2.2.1(B) of this Tariff.
 - Business Rule: Total duration (in hours, tenths and hundreths) of all Special Access measured trouble reports, divided by the total number of all Special Access measured customer trouble reports. Calculated as referred out duration subtracted from actual duration. Time needed for delayed maintenance at the customer's request (e.g., for circuit monitoring purposes prior to trouble ticket closure) and no-access time is not included in the actual duration figure.

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25 - Contract Tariffs (Cont'd)

- 25.9 Contract Tariff No. 007 (Cont'd)
- 25.9.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (4) Customer Obligations

In order to receive the performance remedies specified in this SLA, the customer agrees to the following conditions:

- (a) The customer shall maintain minimum annual SLA Baseline revenue of \$68,259,700 for the first year of this Contract Tariff in the MSAs specified in order for the customer to receive the remedies for any missed performance metric agreed to under this SLA. For the second year of this Contract Tariff, the minimum annual SLA Baseline revenue will be equivalent to the annual billed revenue the customer actually achieves at the end of the first year of this Contract Tariff.
- (b) The customer shall submit ASRs by 3:00 p.m. EST in order for the ASR to be processed the same business day. ASRs received after 3:00 p.m. EST shall be processed the next business day.

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25 - Contract Tariffs (Cont'd)

- 25.9 Contract Tariff No. 007 (Cont'd)
- 25.9.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (5) Company Obligations
 - (a) Should BellSouth fail to perform to the service levels detailed in Charts A and B in 25.9.1(G)(6) and (7) following, an SLA Performance Credit of up to 1% of the customers minimum annual SLA Baseline Revenue specified in 25.9.1(G)(1) preceding, will be at risk provided the customer met the obligations detailed in 25.9.1(G)(4), preceding.
 - (b) The Company will evaluate and calculate the performance objectives on a monthly basis. Any applicable SLA Performance Credit will be applied to the customer's account at the end of each contract term year, one month in arrears of the customer's contract anniversary date.
 - (c) The Monthly Revenue at Risk will be determined as follows:

(Minimum Annual SLA Baseline Revenue X 1%) divided by 12 = Monthly Revenue at Risk

(\$68,259,700 X 1%) divided by 12 = \$56,883.08

(d) The following example illustrates how the Company will calculate the SLA Performance Credits using the Monthly Revenue at Risk above and data from Charts A and B in 25.9.1(G)(6) and (7) following.

Example 1: For DS1 (a.k.a BellSouth SPA DS1) orders, CDDD attainment in the first month is 93%. The performance remedy for such month would be calculated as follows:

(Monthly Revenue at Risk X Weighting) X Penalty = Monthly Remedy (\$56,883.08 X 25%) X 25% = \$3,555.19

(e) The Company will sum the SLA Performance Credits for each missed performance metrics to get each month's Total Monthly Performance Credit. The twelve-months Total Monthly Performance Credits will be credited to the customer's account one month in arrears of the customer's contract subscription anniversary date.

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- 25.9 Contract Tariff No. 007 (Cont'd)
- 25.9.1 General Regulations (Cont'd)
 - (G) <u>Service Level Agreement</u> (Cont'd)
 - (6) Performance Metrics Provisioning Elements
 Chart A below provides the weighting, performance targets, and penalties for the specified metric.

| CHART A: Service Level Agreement (Provisioning Elements) | | | | |
|--|-----------|---------------------------|---|--|
| SLA Commitment | | Performance Objectives | Total Rev At Risk=1% of the Minimum Annual SLA Baseline Rev | |
| Measure | Weighting | Performance Targets | Penalty | |
| CDDD | | | | |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | 25% | >= 90% | 0% | |
| | | 87.5 - 89.99% | 25% | |
| | | 85 - 87.49% | 50% | |
| | | <85% | 100% | |
| DS1 (a.k.a. BellSouth SPA DS1) | 25% | >= 95% | 0% | |
| | | 92.5 - 94.99% | 25% | |
| | | 90 - 92.49% | 50% | |
| | | <90% | 100% | |
| FOC Receipt | | | | |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | 10% | >= 85% | 0% | |
| within 120 hrs | | 82.5 - 84.99% | 25% | |
| | | 80 - 82.49% | 50% | |
| | | <80% | 100% | |
| DS1 (a.k.a. BellSouth SPA DS1) | 10% | >= 85% | 0% | |
| within 48 hrs | | 82.5 - 84.99% | 25% | |
| | | 80 - 82.49% | 50% | |
| | | <80% | 100% | |

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ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.9 Contract Tariff No. 007 (Cont'd)
- 25.9.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (7) Performance Metrics Maintenance Elements
 Chart B below provides the weighting, performance targets, and penalties for the specified metric:

| Chart B: Service Level Agreement (Maintenance Elements) | | | lements) |
|--|-----------|---------------------------|---|
| SLA Commitment | | Performance Objectives | Total Rev At Risk=1% of the Minimum Annual SLA Baseline Rev |
| Measure | Weighting | Performance Target | Penalty |
| MTTR | | | |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | 15% | <=4.0 hrs. | 0% |
| | | 4.1 - 4.17 hrs | 25% |
| | | 4.18 - 4.25 hrs. | 50% |
| | | >4.25 hrs. | 100% |
| DS1 (a.k.a. BellSouth SPA DS1) | 15% | <=4.0 hrs. | 0% |
| | | 4.1 – 4.17 hrs. | 25% |
| | | 4.18 - 4.25 hrs. | 50% |
| | | >4.25 hrs. | 100% |

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ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.9 Contract Tariff - No. 007 (Cont'd)

25.9.2 Revenue Volumes and Incentives

- (A) Annual Minimum-Billed Revenues and Incentives
 - (1) Table I below provides the annual minimum-billed revenue volumes and the Annual Incentives. The customer must achieve each year's minimum-billed revenue in order to receive an Annual Incentive, which is applied to the incremental revenue that exceeds the annual minimum-billed revenue. Revenue exceeding the maximum revenue will not be eligible for an Annual Incentive or Product Suite Annual Incentive. Section 25.9.1(F)(1)(c), preceding, provides examples of how incentives in the following tables are determined.

| _ | 1 11 | lled Revenue Volumes | |
|-------------------------|------------------------|------------------------|--|
| Table 1 | (\$000) | | |
| | Year l | Year 2 | |
| Minimum Revenue Volumes | \$79,181 | \$91,850 | |
| (%) Annual Incentives | | | |
| 12% | > \$79,181 - 83,140 | > \$91,850 - 96,443 | |
| 18% | > 83,140 - 87,099 | > 96,443 - 101,035 | |
| 26% | > 87,099 - 91,058 | > 101,035 - 105,628 | |
| Maximum Revenues | \$91,058 | \$105,628 | |

(2) Table 2 below provides the product level annual minimum revenues for each product. In each contract term year, the customer must achieve the product level annual minimum revenue for each individual product in order to receive a Product Level Quarterly Incentive.

| Table 2 | Product Level Annual Minimum-Billed Revenues (\$000) | | |
|---|---|-----------|--|
| Products | Year 1 | Year 2 | |
| LightGate svc.(a.k.a. BellSouth SPA Point to Point) | \$ 17,371 | \$ 19,701 | |
| | 1 | 1 | |

(3) Table 3 below provides the Product Level Quarterly Incentive percentages that will be applied to the monthly-billed revenue the customer achieves for the specified products and awarded on a quarterly basis pursuant to regulations in 25.9.1(F)(1)(b), preceding.

| Table 3 | Product Level Quarterly Incentive | | |
|---|-----------------------------------|--------|--|
| | Year 1 | Year 2 | |
| LightGate svc.(a.k.a. BellSouth SPA Point to Point) | 5% | 5% | |
| | 1 | 1 | |

¹ See (1) on page 25-96.

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ACCESS SERVICE 25 - Contract Tariffs

25.10 Contract Tariff - No. 008

- (A) This Contract Tariff is valid for a period of 37 months and shall terminate on September 30, 2005.
- (B) The regulations, terms, conditions and incentives provided herein shall apply to customers subscribing to Contract Tariff No. 008 in the Metropolitan Statistical Areas (MSAs) defined in 25.10.1(B) below. A customer may subscribe within a period of thirty (30) days following the Contract Tariff's effective date.
- (C) This Contract Tariff contains a Service Level Agreement (SLA), which will apply pursuant to regulations, terms, and conditions specified in 25.10.1(G), following.

25.10.1 General Regulations

(A) Term and Renewal Options

- (1) The customer's term under this Contract Tariff is 36 months. At the end of the contract term, the incentives provided in this Contract Tariff shall be discontinued.
- (2) In order to subscribe to this Contract Tariff, a Letter of Agreement for Firm Order Commitment provided by the Company must be executed by the customer's signature and acknowledged by a Company representative's signature. The Letter of Agreement shall contain the starting date of the customer's term and the Access Customer Name Abbreviations (ACNAs).

(B) Metropolitan Statistical Areas

The regulations, terms and conditions of this Contract Tariff shall apply for the Full Service Relief MSAs listed below. Full Service Relief MSAs are defined in Section 23 of this Tariff. References made throughout this Contract Tariff to the customer's annual revenues shall include monthly recurring revenues for the combined MSAs shown below:

- Baton Rouge, Biloxi, Jackson, Lake Charles, Monroe, Nashville-Davidson, Pensacola, Shreveport

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25 - Contract Tariffs (Cont'd)

- 25.10 Contract Tariff No. 008 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
 - (C) Description of Services
 - (1) This Contract Tariff may include any of the following services for the purpose of determining the customer's annual minimum-billed revenue volume specified in 25.10.2 following. Rates and charges for these services are provided in Section 23 of this Tariff.

BellSouth SWA Dedicated Transport Services

- BellSouth SWA VG
- BellSouth SWA DSO
- BellSouth SWA DS1
- BellSouth SWA DS3
- BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Network Service
- BellSouth SWA Managed Shared Ring Service

Special Access (a.k.a. BellSouth SPA) Services - Metallic (a.k.a. BellSouth SPA Metallic)

- Telegraph Grade (a.k.a. BellSouth SPA Telegraph)
- Voice Grade (a.k.a. BellSouth SPA VG

- WATS Access Line (WAL) (a.k.a. BellSouth SPA WATS Lines)
 Program Audio (a.k.a. BellSouth SPA Program Audio)
 Broadcast Quality Video (a.k.a. BellSouth SPA Broadcast Quality Video)
- Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video)
- DS3 Digital Video Service (a.k.a. BellSouth SPA DS3 Digital Video)

- BellSouth SPA Modular Video Transport Service
 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
 Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video)
 Wideband Analog (a.k.a. BellSouth SPA Wideband Analog)
 Wideband Analog (a.k.a. BellSouth SPA Wideband Data)

- Wideband Data (a.k.a. BellSouth SPA Wideband Analog)
 Wideband Data (a.k.a. BellSouth SPA Wideband Data)
 Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel)
 Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
 High Capacity (a.k.a. BellSouth SPA High Capacity)
 DS1 (a.k.a. BellSouth SPA DS1)

- LightGate svc.(a.k.a. BellSouth SPA Point to Point)
 SMARTGate svc.(a.k.a. BellSouth SPA Managed Shared Ring)
 SMARTPath svc.(a.k.a. BellSouth SPA DS1 & DS3 Shared Ring)
- FlexServ Service (a.k.a. BellSouth SPA Customer Reconfiguration)
- Dry Fiber
- BellSouth SPA Managed Shared Network Service

Fast Packet Access Services

- Exchange Access Frame Relay Service (a.k.a. BellSouth Exchange Access Frame Relay Service)
- Exchange Access Connectionless Data Service (a.k.a. BellSouth Exchange Access Connectionless Data Service)
- BellSouth SPA Managed Shared Frame Relay Service

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¹ Material previously contained in this section has been deleted. SMARTRing, XAATMS, and MSATMS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 008 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website https://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.10 Contract Tariff No. 008 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
 - (D) Minimum Revenue Volume for the Combined MSAs

The customer's annual minimum-billed revenue volume and product suite total annual minimum revenues are provided in Section 25.10.2, following. These revenues are for the combined MSAs set forth in Section 25.10.1(B), preceding, and for the services described in Section 25.10.1(C), preceding. References made throughout this Contract Tariff to the customer's annual minimum-billed revenue volume or product suite total annual minimum revenues shall represent revenues for the combined MSAs and services specified herein. These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

(E) Rates and Charges

The services, to which the incentives set forth in this Contract Tariff apply, are obtained from Section 23 of this Tariff. The Company reserves the right to change the terms, conditions, rates, and charges applicable for services in Section 23 or other sections of this Tariff during the term of this Contract Tariff unless otherwise specified in this Contract Tariff.

- (F) Classifications, Practices and Regulations
 - (1) Application of Contract Tariff Incentives
 In order to be eligible for the incentives offered under this
 Contract Tariff, the customer must achieve the annual minimum-billed
 revenue volume and the product suite total annual minimum revenues
 for each contract term year as set forth in Section 25.10.2
 following. There are three levels of incentives: 1) Annual Incentive,
 2) Product Suite Annual Incentive, and 3) Product Level Quarterly
 Incentive. These incentives are described as follows:
 - (a) Annual Incentive
 An Annual Incentive will be applied to incremental revenue that exceeds the annual minimum-billed revenue for each year of the customer's contract term. The annual minimum-billed revenue volume and the Annual Incentive percentages are provided in 25.10.2. The following conditions will apply:
 - The customer will receive the Annual Incentive each contract term year thirty days following the anniversary date of the customer's subscription to service under this Contract Tariff.
 - The customer will not receive the Annual Incentive if the customer fails to achieve the annual minimum-billed revenue volume for that contract term year. Further, Shortfall Penalty regulations set forth in 25.10.1(F)(2), following, will apply.

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ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.10 Contract Tariff No. 08 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
- (F) <u>Classifications</u>, <u>Practices and Regulations (Cont'd)</u>
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (b) Product Suite Annual Incentive
 The customer's product suite and the product suite total annual minimum revenues are provided in Section 25.10.2 following. The Product Suite Annual Incentive applies if the customer achieves the product suite total annual minimum revenue at the end of each contract term year and will be equal to the same incentive dollar amount the customer is awarded for the Annual Incentive as described in 25.10.1(F)(1)(a), preceding.

The customer will receive the Product Suite Annual Incentive each year of the contract term thirty days following the anniversary date of the customer's subscription to service under this Contract Tariff.

The customer will not receive the Product Suite Annual Incentive if in any year of the contract term the customer fails to achieve the product suite total annual minimum revenue.

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25 - Contract Tariffs

- 25.10 Contract Tariff No. 08 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
- (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (c) Product Level Quarterly Incentive
 The two products shown in Section 25.10.2, following, are available for a Product Level Quarterly Incentive. This quarterly incentive will be computed on the monthly-billed revenue for the selected products in each contract term year and will be awarded on a quarterly basis under the following conditions:
 - The Company will monitor on a quarterly basis the customer's annual minimum-billed revenues provided in Section 25.10.2, Table 1 in each contract term year to determine if the customer is on schedule in achieving the quarterly objective of the annual minimum-billed revenue volume. The scheduled objective for the first quarter is 25% of the annual minimum-billed revenue, for the second quarter 50% of the annual minimum-billed revenue, for the third quarter 75% for the annual minimum-billed revenue, and for the fourth quarter 100% of the annual minimum-billed revenue.
 - For each year of the contract term, the customer will receive the Product Level Quarterly Incentive on a quarterly basis only if the scheduled objectives for the annual minimum-billed revenues are met. For example, if the first quarter's objective is not met, the first quarter incentive award will be delayed until the second quarter. If the second quarter objective is not met, the monthly incentive award for the first and second quarters will be delayed until the third quarter. If the customer meets the third quarter objective, the monthly incentives for the first, second and third quarters will be awarded to the customer.
 - If at the end of the fourth quarter the customer does not achieve at least 100% of the annual minimum-billed revenue volume, the customer will not receive a fourth quarter Product Level Quarterly incentive and must also reimburse the Company all Product Level Quarterly Incentives received for the first, second and third quarters in accordance with Shortfall Penalty regulations in 25.10.1(F)(2), following.

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25 - Contract Tariffs (Cont'd)

- 25.10 Contract Tariff No. 08 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
- (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (d) Examples of Contract Tariff Incentives
 - Example 1: Annual Incentive: The customer exceeds the annual minimum-billed revenue volume for the first contract term year with a revenue achievement of \$1,795,000. The customer will be awarded an Annual Incentive of \$1,980 computed using Table 1 in 25.10.2 as follows:

(Annual Billed Revenue Achieved¹ - Annual Minimum-Billed Revenue Volume) X Applicable Incentive Percentage = Annual Incentive

 $(1.795,000 - 1.696,000) \times 2\% = \1.980

- Example 2: Product Suite Annual Incentive:
 As illustrated in Example 1 above, the customer achieved the first contract term year's annual minimum-billed revenue and also exceeded the product suite total annual minimum revenue with a revenue achievement of \$1,698,000 (see Table 2 in 25.10.2). The customer will be awarded a Product Suite Annual Incentive of \$1,980, which is equivalent to the same dollar amount the customer is awarded for the Annual Incentive in the example above.
- Example 3: Product Level Quarterly Incentive:
 The customer's first quarter monthly revenues achieved are as follows:

Product #1: \$119,250 Product #2: \$305,250

Total Products #1 and #2: \$424,500

The customer achieved the scheduled objective of 25% of the first year's annual minimum-billed revenue as shown in Table 1 of 25.10.2. Therefore, the customer is eligible for a first quarter Product Level Quarterly Incentive of \$6,367.50 computed as follows:

[(Product #1 Total Quarterly Revenues) X Product #1 Incentive
Percentage)] + [(Product #2 Total Quarterly Revenues) X Product #2
Incentive Percentage)] = Product Level Quarterly Incentive

 $[(\$119,250 \times 1.5\%) + (\$305,250 \times 1.5\%)] = \$6,367.50$

Note 1: These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

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25 - Contract Tariffs (Cont'd)

- 25.10 Contract Tariff No. 08 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (2) Shortfall Penalty Regulations
 - (a) Shortfall Penalty for Failure to Achieve Minimum-Billed Revenue The customer must achieve the annual minimum-billed revenue volume specified in 25.10.2 following as determined on the anniversary date of the customer's subscription to service under this Contract Tariff in order to be eligible for an Annual Incentive.

If the customer does not achieve the annual minimum-billed revenue volume for any contract term year, the customer will not receive for such year the Annual Incentive as described in 25.10.1(F)(1)(a), preceding. Further, the customer must repay the Company all Product Level Quarterly Incentives received for such year and will be billed the full amount thirty days following the customer's contract anniversary date.

The customer must achieve the product suite total annual minimum revenue as determined on the customer's contract anniversary date in order to be eligible for a Product Suite Annual Incentive. If the customer does not achieve the product suite total annual minimum revenue for any year of the contract term, the customer will not receive for such year the Product Suite Annual Incentive as described in 25.10.1(F)(1)(b), preceding.

(b) Shortfall Penalty for Failure to Achieve the SLA Baseline Revenue

The customer must achieve the minimum annual SLA Baseline Revenue each contract term year as specified in 25.10.1(G)(1), following, in order to receive the performance remedies for the Service Level Agreement specified in 25.10.1(G).

Failure to achieve the minimum annual SLA Baseline Revenue for any contract term year will result in termination of the customer's subscription to this Contract Tariff, and the customer will not be eligible for another Contract Tariff for six months following the contract cancellation date.

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- 25.10 Contract Tariff No. 08 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (3) Restrictions
 - (a) A customer subscribing to this Contract Tariff may not subscribe to any other Contract Tariff in the MSAs and for the services specified herein.
 - (b) The incentives provided under this Contract Tariff will not apply to annual billed revenues exceeding the maximum revenues specified in 25.10.2 following.
 - (4) Mergers and Acquisitions
 In the event the customer merges with another company or is acquired by another company, the following regulations will apply:
 - (a) The customer may not combine revenues with the merged or acquired company's revenues for the purpose of obtaining the incentives provided under this Contract Tariff.
 - (b) The customer may continue subscribing to this Contract Tariff for the duration of the contract term provided that the customer continues the subscription as if it were a single entity prior to the merger or acquisition.
 - (c) The Company reserves the right to cancel the customer's subscription to this Contract Tariff if the customer does not adhere to the provisions herein.
 - (5) Revenue Accumulation by Bill Period
 The customer's annual billed revenue and product suite annual revenue shall be accumulated beginning with the first bill period following the effective date of the customer's subscription to this Contract Tariff and ending with the last bill period prior to the customer's contract anniversary date.

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- 25.10 Contract Tariff No. 08 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (6) <u>Tax Exclusions</u>
 The incentives specified in this Contract Tariff will not be applied to taxes. Taxes will not be included when calculating the customer's annual minimum billed revenues and product suite annual minimum revenues.
 - (7) Existing Discount Plans
 The Contract Tariff incentives specified herein are in addition to credits given under existing pricing plans the customer may subscribe to in other Sections of this Tariff (i.e., Transport Savings Plan, Area Commitment Plan, Channel Services Payment Plan, etc.).
 - (8) Performance Measures
 The services, to which the incentives provided under this Contract
 Tariff apply, shall only be subject to service guarantees specified
 in Section 2.4.4 (service assurance warranty), Section 2.4.9 (service
 installation guarantee) and 25.10.1(G) (Service Level Agreement) of
 this Tariff under the terms and conditions in effect on the day this
 Contract Tariff becomes effective. Any new or additional performance
 measures and remedies that may become applicable to the services
 provisioned under Sections 6, 7, 21, and 23 of this Tariff shall not
 apply to services subject to this Contract Tariff.

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25 - Contract Tariffs (Cont'd)

- 25.10 Contract Tariff No. 08 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
 - (G) Service Level Agreement

Concurrent with the effective date of this Contract Tariff, a Service Level Agreement (SLA) as specified herein shall become effective and shall remain in effect for the term of this Contract Tariff pursuant to the conditions herein.

The service for which this SLA applies is LightGate Service (a.k.a. BellSouth SPA Point to Point). All rate elements associated with this service are included in this SLA.

- (1) <u>Minimum Annual SLA Baseline Revenue</u> In order for the customer to receive the remedies for any missed performance metric agreed to under this SLA, the customer must achieve minimum annual SLA Baseline Revenue of \$1,304,826 for services specified in 25.10.1(C) of this Contract Tariff for the first contract term year. For each subsequent contract term year, the customer's minimum annual SLA Baseline Revenue will be equivalent to the annual revenue the customer achieves for the preceding contract term year. Shortfall Penalty regulations specified in 25.10.1(F)(2)(b) will apply if the customer fails to achieve the minimum annual SLA Baseline Revenue.
- (2) Performance Metrics and Measurement Methodology
 - (a) The SLA Commitments, Performance Objectives and Total Revenue at Risk are shown in Chart A in 25.10.1(G)(5) and (6) following. The performance metrics that will be tracked and measured are shown below. The definitions are provided in (3) following.

 - Customer Desired Due Date (CDDD) Met Firm Order Confirmation (FOC) Timeliness
 - Mean Time to Repair (MTTR) Hours

Note 1: These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

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- 25.10 Contract Tariff No. 08 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (2) Performance Metrics and Measurement Methodology (Cont'd)
 - (b) The following terms and conditions shall apply for collecting, calculating, reporting and administering the performance measurement data under the Service Level Agreement (SLA) provided herein:
 - The Company will utilize its monthly self-reported performance measurement data to determine performance metrics. The Company's self-reported performance measurement data will be collected and calculated utilizing the Company's internal processes. The Company's calculation of its performance under this Contract Tariff shall be the sole determinate of the Company's obligation to provide a remedy for a missed performance metric. The Company will monitor data collection and calculation to ensure the integrity of self-reported results.
 - Performance metrics and any applicable remedies will be calculated on a regional, state, or district level basis, as currently measured, and prorated to an MSA level.
 - At the point that any MSA specific measurements are instituted, any applicable remedies will be converted to the MSA basis. Following implementation of MSA level measures, performance metrics and any applicable remedies will be calculated solely on an MSA basis. For example, Customer Desired Due Date (CDDD) and Mean Time to Repair (MTTR) performance data for a customer subscribing to this Contract Tariff in all of the Atlanta Network districts will be used for the Atlanta MSA until specific Atlanta MSA performance data is available.
 - (c) Neither the Company or the customer shall be held liable for any delay or failure in performance of any part of the SLA from any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, embargoes, epidemics, war, terrorists acts, riots, insurrections, fires, explosions, earthquakes, strikes, nuclear accidents, floods, power blackouts, or unusually severe weather. In the event of any such excused delay in the performance of the customer or the Company's obligation(s) under this SLA, the due date for the performance of the original obligation(s) shall be extended by a term equal to the time lost by reason of delay.

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- 25.10 Contract Tariff No. 08 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (3) Performance Metrics Definitions
 - (a) <u>Customer Desired Due Date</u> (CDDD):

 This metric measures the percentage of Special Access and Non-Access Wireless ASRs (Adds and Rearrangements only) completed by the customer desired due date.
 - Exclusions: Test orders, disconnect orders, administrative orders, record orders, and orders that are not completed. (Orders are included in the month that they are completed).
 - Business Rule: The number of Special Access and Non-Access Wireless ASRs (Adds and Rearrangements only) completed by the customer desired due date, divided by total Special Access and Non-Access Wireless ASRs (Adds and Rearrangements only) completed. Orders coded with a Customer Not Ready (CNR) designation are considered an order where CDDD is met.
 - (b) Firm Order Confirmation (FOC) Timeliness
 This metric measures the percentage of the Company's FOCs, including electronic facility checks, within the specified timeframes. The FOC is a notice the Company returns to the customer in response to an Access Service Request (ASR), which confirms receipt of the ASR and that the ASR has been created with an assigned due date.
 - Exclusions: Test orders, weekend and holiday hours (other than flow-through), weekend hours (midnight Friday through Midnight Sunday), holiday hours (midnight of the business day preceding the holiday to midnight of the holiday).
 - Business Rule: The number of ASRs where the Company provides Firm Order Commitment to the customer within the required interval divided by the total number of ASRs where the Company is responsible for providing the Firm Order Commitment.

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- 25.10 Contract Tariff No. 08 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (3) Performance Metrics Definitions (Cont'd)
 - (d) Mean Time to Repair (MTTR) Hours
 The average duration from the time the Company receives a trouble report to the time the Company clears a trouble. A service is considered to have a trouble when it becomes unusable to the customer because of a failure of a facility component used to furnish a service under this SLA or in the event that the protective controls applied by the Company result in the loss of use of the service by the customer. A trouble period starts when the customer reports the trouble to the Company and ends when the service is operative.
 - Exclusions: Troubles reported on Company official administrative lines; troubles closed due to Customer action; troubles reported by Company employees in the course of performing preventive maintenance, CPE troubles; or subsequent trouble reports where the initial trouble is pending; canceled trouble reports; troubles caused by customer negligence; troubles due to failure of equipment or systems provided by the customer or others; troubles during any period in which the Company is not afforded access to the premises where the service is terminated; troubles when the customer has released the service to the Company for maintenance purposes, to make rearrangements, or for the implementation of an ASR for a change in the service during the time that was negotiated with the customer prior to the release of that service; troubles during periods when the customer elects not to release the service for testing and/or repair and continues to use it on an impaired basis; troubles during periods of temporary discontinuance as set forth in 2.2.1(B) of this Tariff.
 - Business Rule: Total duration (in hours, tenths and hundreths) of all Special Access measured trouble reports, divided by the total number of all Special Access measured customer trouble reports. Calculated as referred out duration subtracted from actual duration. Time needed for delayed maintenance at the customer's request (e.g., for circuit monitoring purposes prior to trouble ticket closure) and no-access time is not included in the actual duration figure.

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.10 Contract Tariff No. 08 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (4) Customer Obligations

In order to receive the performance remedies specified in this SLA, the customer agrees to the following conditions:

- (a) The customer shall maintain minimum annual SLA Baseline revenue of \$1,304,826 for the first year of this Contract Tariff in the MSAs specified in order for the customer to receive the remedies for any missed performance metric agreed to under this SLA. For each subsequent contract term year, the customer's minimum annual SLA Baseline Revenue will be equivalent to the annual revenue the customer achieves for the preceding contract term year.
- (b) The customer shall maintain existing electronic system interfaces and processes for Access Service Request (ASR) initiation and trouble reporting.
- (c) The customer shall submit ASRs by 3:00 p.m. EST in order for the ASR to be processed the same business day. ASRs received after 3:00 p.m. EST shall be processed the next business day.

Note 1: These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

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25 - Contract Tariffs (Cont'd)

- 25.10 Contract Tariff No. 008 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (5) Company Obligations
 - (a) Should BellSouth fail to perform to the service levels detailed in Charts A and B in 25.10.1(G)(6) and (7) following, an SLA Performance Credit of up to 1% of the customer's minimum annual SLA Baseline Revenue specified in 25.10.1(G)(1) preceding, will be at risk provided the customer met the obligations detailed in 25.10.1(G)(4), preceding.
 - (b) The Company will evaluate and calculate the performance objectives on a monthly basis. Any applicable SLA Performance Credit will be applied to the customer's account at the end of each contract term year, one month in arrears of the customer's contract anniversary date.
 - (c) The Monthly Revenue at Risk will be determined as follows:

(Minimum Annual SLA Baseline Revenue X 1%) divided by 12 = Monthly Revenue at Risk

 $(\$1,304,826 \times 1\%)$ divided by 12 = \$1,087

(d) The following example illustrates how the Company will calculate the SLA Performance Credits using the Monthly Revenue at Risk above and data from Charts A and B in 25.10.1(G)(6) and (7) following.

Example 1: For LightGate Service (a.k.a. BellSouth SPA Point to Point) orders, CDDD attainment in the first month is 87%. The performance remedy for such month would be calculated as follows:

(Monthly Revenue at Risk X Weighting) X Penalty = Monthly Remedy ($$1,087 \times 50\%$) X 50% = \$272

(e) The Company will sum the SLA Performance Credits for each missed performance metrics to get each month's Total Monthly Performance Credit. The twelve-months Total Monthly Performance Credits will be credited to the customer's account one month in arrears of the customer's contract subscription anniversary date.

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ACCESS SERVICE

- 25.10 Contract Tariff No. 008 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
 - (G) <u>Service Level Agreement</u> (Cont'd)
 - (6) Performance Metrics Provisioning Elements
 Chart A below provides the weighting, performance targets, and penalties for the specified metric.

| CHART A: Service Level Agreement (Provisioning Elements) | | | |
|--|-----------|---------------------------|---|
| SLA Commitment | | Performance Objectives | Total Rev At Risk=1% of the Minimum Annual SLA Baseline Rev |
| Measure | Weighting | Performance Targets | Penalty |
| CDDD | | | |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | 50% | >= 90% | 0% |
| | | 87.5 - 89.99% | 25% |
| | | 85 - 87.49% | 50% |
| | | <85% | 100% |
| FOC Timeliness | | | |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | 20% | >= 85% | 0% |
| within 120 hrs | | 82.5 - 84.99% | 25% |
| | | 80 - 82.49% | 50% |
| | | <80% | 100% |

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ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.10 Contract Tariff No. 008 (Cont'd)
- 25.10.1 General Regulations (Cont'd)
 - (G) <u>Service Level Agreement</u> (Cont'd)
 - (7) Performance Metrics Maintenance Elements
 Chart B below provides the weighting, performance targets, and penalties for the specified metric:

| Chart B: Service Level Agreement (Maintenance Elements) | | | |
|--|-----------|---------------------------|---|
| SLA Commitment | | Performance Objectives | Total Rev At Risk=1% of the Minimum Annual SLA Baseline Rev |
| Measure | Weighting | Performance Target | Penalty |
| MTTR | | | |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | 30% | <=4.0 hrs. | 0% |
| | | 4.1 – 4.17 hrs | 25% |
| | | 4.18 – 4.25 hrs. | 50% |
| | | >4.25 hrs. | 100% |

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ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.10 Contract Tariff - No. 008 (Cont'd)

25.10.2 Revenue Volumes and Incentives

- (A) Annual Minimum-Billed Revenues and Incentives
 - (1) Table I below provides the annual minimum-billed revenue volumes and the Annual Incentives. The customer must achieve each year's minimum-billed revenue in order to receive an Annual Incentive, which is applied to the incremental revenue that exceeds the annual minimum-billed revenue. Revenue exceeding the maximum revenue will not be eligible for an Annual Incentive or Product Suite Annual Incentive. Section 25.10.1(F)(1)(d), preceding, provides examples of how incentives in the following tables are determined.

| The chief ve 3 Thi the Tot Town | incentives in the fortowing tables are actermined. | | | |
|---------------------------------|--|----------------------|----------------------|--|
| Table 1 | Annual Minimum Billed Revenue Volumes (\$000) | | | |
| | Year l | Year 2 | Year 3 | |
| Minimum Revenue Volumes | \$1,696 | \$2,205 | \$2,867 | |
| (%) Annual Incentives | | | | |
| 1.5% | > \$1,696 - 1,781 | > \$2,205 - 2,315 | > \$2,867 - 3,010 | |
| 2% | > 1,781 - 1,866 | > 2,315 2,426 | > 3,010 - 3,154 | |
| 2.5% | > 1,866 - 1,951 | > 2,426 - 2,536 | > 3,154 - 3,297 | |
| Maximum Revenues | \$1,951 | \$2,536 | \$3,297 | |

(2) Table 2 below provides the product suite and the product suite total annual minimum revenues. The customer must achieve each year's total annual minimum revenue in order to receive a Product Suite Annual Incentive, which is equivalent to the dollar amount the customer is awarded for the Annual Incentive as specified in 25.10.2(A)(1) above.

| Table 2 | Product Suite Annual Minimum Revenues (\$000) | | |
|---|--|---------|--------|
| Product Suite | Year 1 Year 2 Year 3 | | |
| LightGate svc.(a.k.a. BellSouth SPA Point to Point) | \$ 430 | \$ 536 | \$ 666 |
| Total Annual Minimum Revenues | \$1,637 | \$2,080 | 2,643 |

(3) Table 3 below provides the products eligible for a Product Level Quarterly Incentive. The Product Level Quarterly Incentive is applied on the monthlybilled revenue for these products and awarded on a quarterly basis.

| Table 3 | Quarterly Product Level Incentive | | |
|---|-----------------------------------|------|-----|
| | Year 1 Year 2 Year 3 | | |
| LightGate svc.(a.k.a. BellSouth SPA Point to Point) | 1.5% | 1.5% | 1.5 |
| | 1 | 1 | 1 |

¹ See footnote (1) on page 25-114.

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ACCESS SERVICE 25 - Contract Tariffs

25.11 Contract Tariff - No. 009

- (A) This Contract Tariff is valid for a period of 25 months and shall terminate on November 4, 2004.
- (B) The regulations, terms, conditions and incentives provided herein shall apply to customers subscribing to Contract Tariff No. 009 in the Metropolitan Statistical Areas (MSAs) defined in 25.11.1(B) below. A customer may subscribe within a period of thirty (30) days following the Contract Tariff's effective date.

25.11.1 General Regulations

(A) Term and Renewal Options

- (1) The customer's term under this Contract Tariff is 24 months. At the end of the contract term, the incentives provided in this Contract Tariff shall be discontinued.
- (2) In order to subscribe to this Contract Tariff, a Letter of Agreement for Firm Order Commitment provided by the Company must be executed by the customer's signature and acknowledged by a Company representative's signature. The Letter of Agreement shall contain the starting date of the customer's term and the Access Customer Name Abbreviations (ACNAs).

(B) Metropolitan Statistical Areas

- (1) The regulations, terms and conditions of this Contract Tariff shall apply for the Full Service Relief MSAs listed below. Full Service Relief MSAs are defined in Section 23 of this Tariff. References made throughout this Contract Tariff to the customer's annual revenues shall include monthly recurring revenues for the combined MSAs shown below:
 - Atlanta, Biloxi, Charlotte, Chattanooga, Daytona Beach, Gainesville, Greensboro-Winston Salem, Jacksonville, Knoxville, Louisville, Melbourne, Memphis, Miami-Ft. Lauderdale, Montgomery, Nashville-Davidson, Orlando, Raleigh-Durham, West Palm Beach, Wilmington

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ACCESS SERVICE 25 - Contract Tariffs

25.11 Contract Tariff - No. 009 (Cont'd)

25.11.1 General Regulations (Cont'd)

(C) Description of Services

(1) This Contract Tariff may include any of the following services for the purpose of determining the customer's annual minimum-billed revenue volume specified in 25.11.2 following. Rates and charges for these services are provided in Section 23 of this Tariff.

BellSouth SWA Dedicated Transport Services

- BellSouth SWA VG
- BellSouth SWA DSO
- BellSouth SWA DS1
- BellSouth SWA DS3
- BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Network Service
- BellSouth SWA Managed Shared Ring Service

- Special Access (a.k.a. BellSouth SPA) Services
 Metallic (a.k.a. BellSouth SPA Metallic)
 Telegraph Grade (a.k.a. BellSouth SPA Telegraph)
- Voice Grade (a.k.a. BellSouth SPA VG)
- WATS Access Line (WAL) (a.k.a. BellSouth SPA WATS Lines)
 Program Audio (a.k.a. BellSouth SPA Program Audio)
- Broadcast Quality Video (a.k.a. BellSouth SPA Broadcast Quality Video)
 Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video)
 DS3 Digital Video Service (a.k.a. BellSouth SPA DS3 Digital Video)
- BellSouth SPA Modular Video Transport Service
- 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
 Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video)
 Wideband Analog (a.k.a. BellSouth SPA Wideband Analog)

- Wideband Data (a.k.a. BellSouth SPA Wideband Data)
 Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel)
- Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
- High Capacity (a.k.a. BellSouth SPA High Capacity) DS1 (a.k.a. BellSouth SPA DS1)
- LightGate svc.(a.k.a. BellSouth SPA Point to Point)
- SMARTGate svc.(a.k.a. BellSouth SPA Managed Shared Ring)
- SMARTPath svc. (a.k.a. BellSouth SPA DS1 & DS3 Shared Ring)
- FlexServ Service (a.k.a. BellSouth SPA Customer Reconfiguration)
- Drv Fiber
- BellSouth SPA Managed Shared Network Service

- <u>Fast Packet Access Services</u> <u>Exchange Access Frame Relay Service</u> (a.k.a. BellSouth Exchange
 - Access Frame Relay Service)
- Exchange Access Connectionless Data Service (a.k.a. BellSouth
 - Exchange Access Connectionless Data Service)
- BellSouth SPA Managed Shared Frame Relay Service

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¹ Material previously contained in this section has been deleted. SMARTRing, XAATMS, and MSATMS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 009 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

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ACCESS SERVICE 25 - Contract Tariffs

25.11 Contract Tariff - No. 009 (Cont'd)

25.11.1 General Regulations (Cont'd)

(D) Minimum Revenue Volume for the Combined MSAs
The customer's annual minimum-billed revenue volume and product suite
total annual minimum revenues are provided in Section 25.11.2,
following. These revenues are for the combined MSAs set forth in
Section 25.11.1(B), preceding, and for the services described in Section
25.11.1(C), preceding. References made throughout this Contract Tariff
to the customer's annual minimum-billed revenue volume or product suite
total annual minimum revenues shall represent revenues for the combined
MSAs and services specified herein. These revenues shall include
monthly recurring revenues only and will not be adjusted to reflect
credits or discounts given under existing pricing plans (i.e., Transport
Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes
will not be included in these revenues.

(E) <u>Rates and Charges</u>
The services to which the incentives set forth in this Contract Tariff apply are obtained from Section 23 of this Tariff. The Company reserves the right to change the terms, conditions, rates and charges applicable for services in Section 23 or other sections of this Tariff during the term of this Contract Tariff unless otherwise specified in this Contract Tariff.

(F) Classifications, Practices and Regulations

- (1) Application of Contract Tariff Incentives
 There are two levels of incentives provided in this Contract Tariff:
 1) Quarterly Incentive and 2) Product Suite Quarterly Incentive. The customer will be awarded four Quarterly Incentives and four Product Suite Quarterly Incentives in each contract term year upon achieving each quarter's minimum-billed revenue volume and each quarter's product suite minimum revenue. The two levels of incentives are described as follows:
 - (a) Quarterly Incentive
 In each quarter, the customer must achieve a certain percentage of
 the annual minimum-billed revenue volume shown in 25.11.2, Table 1,
 to be eligible for a Quarterly Incentive. If the customer does not
 achieve the specified minimum billed revenue in a quarter, the
 customer will not be eligible for a Quarterly Incentive for that
 quarter.

The first quarter's minimum-billed revenue is determined as twenty-five percent (25%) of the annual minimum-billed revenue volume for the contract term year. If the customer achieves the first quarter's minimum-billed revenue, the Quarterly Incentive will be derived by applying the applicable Incentive percentage shown in Table 1 of 25.11.2 to the total billed revenue achieved in the first quarter using the following computation: (Total Billed Revenue Achieved from Beginning First Quarter to Ending First Quarter X Applicable Incentive Percentage in Table 1) = First Quarterly Incentive

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25 - Contract Tariffs

- 25.11 Contract Tariff No. 009 (Cont'd)
- 25.11.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (a) Quarterly Incentive (Cont'd)

The second quarter's minimum-billed revenue is determined as fifty percent (50%) of the annual minimum-billed revenue volume for the contract term year. If the customer achieves the second quarter's minimum-billed revenue volume, the Quarterly Incentive will be derived by applying the applicable Incentive percentage to the total cumulative billed revenues the customer achieved from the beginning of the first quarter to the end of the second quarter of the contract term year. This amount will be adjusted by the Quarterly Incentive dollar amount the customer was awarded in the first quarter using the following computation:

(Cumulative Total Billed Revenue Achieved from Beginning First Quarter to ending Second Quarter X Applicable Incentive Percentage in Table 1) — First Quarterly Incentive Award = Second Quarterly Incentive

If the Second Quarterly Incentive dollar amount is positive, the customer's account will be credited to reflect this amount at the end of the second quarter one month in arrears. If the second Quarterly Incentive is negative, the customer will not be awarded a second Quarterly Incentive. However, the negative dollar amount will not be billed to the customer at this time, but an adjustment will be made at the end of the fourth quarter depending on the customer's annual revenue achievement.

The third quarter's minimum-billed revenue is determined as seventy-five percent (75%) of the annual minimum-billed revenue volume for the contract term year. If the customer achieves the third quarter's minimum-billed revenue, the third Quarterly Incentive will be derived by applying the applicable Incentive percentage to the total cumulative billed revenue the customer achieved from the beginning of the first quarter to the end of the third quarter for the contract term year. This amount will be adjusted by the Quarterly Incentive dollar amount the customer was awarded in the first and second quarters using the following computation:

(Cumulative Total Billed Revenue Achieved from Beginning First Quarter to Ending Third Quarter X Applicable Incentive Percentage in Table 1) — (First and Second Quarterly Incentive Awards) = Third Quarterly Incentive

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25 - Contract Tariffs

- 25.11 Contract Tariff No. 009 (Cont'd)
- 25.11.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (a) Quarterly Incentives (Cont'd)

If the third Quarterly Incentive dollar amount is positive, the customer's account will be credited to reflect this amount at the end of the third quarter one month in arrears. If the third Quarterly Incentive dollar amount is negative, the customer will not be awarded a third Quarterly Incentive. However, the negative dollar amount will not be billed to the customer at this time, but an adjustment will be made at the end of the fourth quarter depending on the customer's annual revenue achievement.

The fourth quarter's minimum-billed revenue is determined as one hundred percent (100%) of the annual minimum-billed revenue volume for the contract term year. If the customer achieves the annual minimum-billed revenue volume, the fourth Quarterly Incentive will be derived by applying the applicable incentive percentage to the total cumulative billed revenue the customer achieved from the beginning of the first quarter to the end of the fourth quarter for the contract term year. This amount will be adjusted by the Quarterly Incentive dollar amount the customer earned for the first, second and third quarters using the following computation:

(Cumulative Total Annual Billed Revenue Achieved from Beginning First Quarter to Ending Fourth Quarter X Applicable Incentive Percentage in Table 1) — (First, Second and Third Quarterly Incentive Awards) = Fourth Quarterly Incentive

If the fourth Quarterly Incentive dollar amount is positive, the customer's account will be credited to reflect this amount by the end of each contract term year. In the event the fourth Quarterly Incentive dollar amount is negative, the customer will be billed the negative amount one month in arrears of the customer's contract anniversary date.

The fourth Quarterly Incentive will not be awarded in any contract term year if the customer does not achieve the annual minimumbilled revenue volume for such year as determined on the customer's contract anniversary date. In addition, the customer must repay the Company all Quarterly Incentive dollar amounts received for such contract term year. The customer will be billed this amount one month in arrears of the customer's contract anniversary date. Further, Shortfall Penalty regulations set forth in 25.11.1.F.2, following, will apply.

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25 - Contract Tariffs

- 25.11 Contract Tariff No. 009 (Cont'd)
- 25.11.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (b) Product Suite Quarterly Incentives

The customer's product suite and the product suite total annual minimum revenues are provided in Section 25.11.2, Table 2, following. The customer will be awarded four Product Suite Quarterly Incentives each contract term year upon achieving a certain percentage of the product suite total annual minimum revenue each quarter. The customer will not be awarded a Product Suite Quarterly Incentive in any quarter if the customer does not achieve the product suite minimum revenue for that quarter. However, the customer will be awarded the Product Suite Quarterly Incentives for those quarter(s) in which product suite revenues were not achieved, if at the end of the fourth quarter the customer achieves the product suite total annual minimum revenues.

The first quarter's product suite minimum revenue is determined as twenty-five percent (25%) of the product suite total annual minimum revenue for the contract term year. If the customer achieves the first quarter's product suite minimum revenue, the customer will be awarded a Product Suite Quarterly Incentive, which is equivalent to the same dollar amount the customer is awarded for the first Quarterly Incentive discussed in 25.11.1(F)(1)(a), preceding.

The second quarter's product suite minimum revenue is determined as fifty percent (50%) of the product suite total annual minimum revenue for the contract term year. If the customer achieves the second quarter's product suite minimum revenue, the customer will be awarded a Product Suite Quarterly Incentive, which is equivalent to the same dollar amount the customer is awarded for the second Quarterly Incentive discussed in 25.11.1(F)(1)(a), preceding.

The third quarter's product suite minimum revenue is determined as seventy-five percent (75%) of the product suite total annual minimum revenue for the contract term year. If the customer achieves the third quarter's product suite minimum revenue, the customer will be awarded a Product Suite Quarterly Incentive, which is equivalent to the same dollar amount the customer is awarded for the third Quarterly Incentive discussed in 25.11.1(F)(1)(a), preceding.

The fourth quarter's product suite minimum revenue is determined as one hundred percent (100%) of the product suite annual minimum revenue for the contract term year. If the customer achieves the fourth quarter's product suite minimum revenue, the customer will be awarded a Product Suite Quarterly Incentive, which is equivalent to the same dollar amount the customer is awarded for the fourth Quarterly Incentive discussed in 25.11.1(F)(1)(a), preceding.

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- 25.11 Contract Tariff No. 009 (Cont'd)
- 25.11.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (b) Product Suite Quarterly Incentives

In the event the customer fails to achieve the fourth quarter's product suite minimum revenue, the customer will not be awarded a fourth quarter Product Suite Quarterly Incentive. Further, the customer must repay the Telephone Company any Product Suite Quarterly Incentives received for the first, second, and third quarters, and this amount will be billed to the customer one month in arrears of the customer's Contract Anniversary Date.

- (c) Examples of the Quarterly Incentives
 - The customer achieves the first quarter's minimum revenue volume (first contract term year) with revenues of \$9,618,750. The customer will be awarded the first Quarterly Incentive of \$66,369.38 computed as follows:

\$9,618,750 X .69% = \$66,369.38 (Total Billed Revenue Achieved from Beginning First Quarter to Ending First Quarter) X Applicable Incentive Percentage in Table 1 = First Quarterly Incentive Award

- The customer achieves the second quarter's minimum revenue volume¹ with cumulative revenues of \$19,481,500. The customer will be awarded the Second Quarterly Incentive of \$201,501.25 computed as follows:

(\$19,481,500 X 1.375%) - \$66,369.38 = \$201,501.25 (Cumulative Total Billed Revenue Achieved from Beginning First Quarter to Ending Second Quarter X Applicable Incentive Percentage² in Table 1) - First Quarterly Incentive Award = Second Quarterly Incentive Award

 1 The lst, 2nd, 3rd and 4th quarter's minimum revenues are 25%, 50%, 75% and 100%, respectively, of the annual minimum billed revenue in Table 1 of 25.11.2. These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

²The applicable percentage band is determined by multiplying the revenue volumes in each band (see Table 1 of 25.11.2) by 25%, 50% and 75% for the 1st, 2nd and 3rd quarters, respectively.

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ACCESS SERVICE
25 - Contract Tariffs

- 25.11 Contract Tariff No. 009 (Cont'd)
- 25.11.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (c) Examples of the Quarterly Incentives (Cont'd)
 - The customer achieves the third quarter's revenue volume¹ with cumulative revenues of \$29,943,750. The customer will be awarded a Third Quarterly Incentive of \$275,608.43 computed as follows:

(\$29,943,750 X 1.815%) - (\$66,369.38 + \$201,501.25) = \$275,608.43 (Cumulative Total Billed Revenue Achieved from Beginning First Quarter to Ending Third Quarter X Applicable Incentive Percentage in Table 1) - (First and Second Quarterly Incentive Award) = Third Quarterly Incentive Award

- The customer achieves the fourth quarter's minimum revenue volume with a cumulative revenue achievement of \$41,085,000. The customer will be awarded a Fourth Quarterly Incentive of \$380,933.44 computed as follows.

(\$41,085,000 X 2.25%) - (\$66,369.38 + \$201,501.25 + \$275,608.43) = \$380,933.44 (Cumulative Total Billed Revenue Achieved from Beginning First Quarter to ending Fourth Quarter X Applicable Incentive Percentage in Table 1) - (First, Second and Third Quarterly Incentive Awards) = Fourth Quarterly Incentive Award

¹The lst, 2nd, 3rd and 4th quarter's minimum revenues are 25%, 50%, 75% and 100%, respectively, of the annual minimum billed revenue in Table 1 of 25.11.2. These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

 2 The applicable percentage band is determined by multiplying the revenue volumes in each band (see Table 1 of 25.11.2) by 25%, 50% and 75% for the lst, 2nd and 3rd quarters, respectively.

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ACCESS SERVICE
25 - Contract Tariffs

- 25.11 Contract Tariff No. 009 (Cont'd)
- 25.11.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (d) Examples of Product Suite Quarterly Incentives
 - The customer meets the first quarter's Product Suite revenue volume (first contract year) with a revenue achievement of \$9,585,000. The customer will be awarded a Product Suite Quarterly Incentive of \$66,369.38, which is equivalent to the same dollar amount awarded for the First Quarterly Incentive shown in the above example in 25.11.1(F)(1)(c).
 - The customer does not meet the second and third quarters' Product Suite revenue volumes and, therefore, will not be awarded the Product Suite Quarterly Incentives for these quarters. However, the customer will be awarded the second and third quarters' award at the end of the fourth quarter if the customer achieves the fourth quarter's Product Suite total annual revenue volumes.
 - The customer meets the fourth quarter's Product Suite revenue volume with a revenue achievement of \$39,580,000. The customer will be awarded a Product Suite Quarterly Incentive of \$858,043.12, which is equivalent to the amount the customer received for the second, third and fourth Quarterly Incentives in the above example in 25.11.1(F)(1)(c).

¹These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

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ACCESS SERVICE
25 - Contract Tariffs

- 25.11 Contract Tariff No. 009 (Cont'd)
- 25.11.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (2) Shortfall Penalty Regulations
 - (a) Shortfall Penalty for Failure to Achieve Minimum-Billed Revenue
 The customer must achieve the annual minimum-billed revenue volume
 specified in 25.11.2, Table 1, following, as determined on the
 anniversary date of the customer's subscription to this Contract
 Tariff in order to receive the Quarterly Incentives specified
 herein.

If the customer does not achieve the annual minimum-billed revenue volume for any contract term year, the customer must repay the Company all Quarterly Incentives awarded for such year as described in 25.11.1(F)(1)(a), preceding.

Failure to achieve the annual minimum-billed revenue volume for any contract term year will also result in cancellation of the customer's subscription to this Contract Tariff, and the customer will not be eligible for another Contract Tariff for six months following the customer's subscription cancellation date. However, the customer may initiate negotiations for a new Contract Tariff immediately following the Contract Tariff cancellation date.

The customer must achieve the product suite total annual minimum revenue as determined on the customer's contract anniversary date in order to be eligible for the Product Suite Annual Incentives specified herein. If the customer does not achieve the product suite total annual minimum revenue for any contract term year, the customer must repay the Company all Product Suite Quarterly incentives received for such year as described in 25.5.1(F)(1)(b).

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25 - Contract Tariffs

- 25.11 Contract Tariff No. 009 (Cont'd)
- 25.11.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (3) Maximum Revenues for Incentives
 The incentives provided under this Contract Tariff shall not apply to annual billed revenues exceeding the maximum revenues specified in 25.11.2 following.
 - (4) Revenue Accumulation by Bill Period
 The customer's quarterly and annual billed revenue and product suite quarterly and annual revenue shall be accumulated beginning with the first bill period following the effective date of the customer's subscription to this Contract Tariff and ending with the last bill period prior to the customer's contract anniversary date.
 - (5) <u>Tax Exclusions</u>
 The incentives specified in this Contract Tariff will not be applied to taxes. Taxes will not be included when calculating the customer's annual minimum billed revenues and product suite annual minimum revenues.
 - (6) Existing Discount Plans
 The Contract Tariff incentives specified herein are in addition to credits given under existing pricing plans the customer may subscribe to in other Sections of this Tariff (i.e., Transport Savings Plan, Area Commitment Plan, Channel Services Payment Plan, etc.).
 - (7) Mergers and Acquisitions
 In the event the customer merges with another company or is acquired by another company, the following regulations will apply:
 - (a) The customer may not combine revenues with the merged or acquired company's revenues for the purpose of obtaining the incentives provided under this Contract Tariff.
 - (b) The customer may continue subscribing to this Contract Tariff for the duration of the contract term provided that the customer continues the subscription as if it were a single entity prior to the merger or acquisition.
 - (c) The Company reserves the right to cancel the customer's subscription to this Contract Tariff if the customer does not adhere to the provisions herein.
 - (8) Performance Measures
 The services, to which the incentives provided under this Contract
 Tariff apply, shall only be subject to service guarantees specified
 in Section 2.4.4 (service assurance warranty) and Section 2.4.9
 (service installation guarantee) of this Tariff under the terms and
 conditions in effect on the day this Contract Tariff becomes
 effective. Any new or additional performance measures and remedies
 that may become applicable to the services provisioned under Sections
 6, 7, 21, and 23 of this Tariff shall not apply to services subject
 to this Contract Tariff.

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ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

25.11 Contract Tariff - No. 009 (Cont'd)

25.11.2 Revenue Volumes and Incentives

- (A) Annual Minimum-Billed Revenues and Incentives
 - (1) Table 1 below provides the annual minimum-billed revenue volumes and the annual incentives for each contract term year. The customer will be awarded four Quarterly Incentives each contract term year upon achieving the specified quarterly minimum-billed revenues set forth in 25.11.1(F)(1)(a), preceding. See 25.11.1(F)(1)(c) for examples. Table 1 below provides the maximum revenues eligible for the incentives specified herein.

| T.13.3 | Annual Minimum Billed Revenue Volumes | | |
|--------------------------|---------------------------------------|--------------|--|
| Table l | (\$000) | | |
| | Year 1 | Year 2 | |
| Minimum Revenue Volumes: | \$ 37,983 | \$44,060 | |
| (%) Annual Incentives | | | |
| | > \$ 37,983 - | > \$44,060 - | |
| .69 % | 38,933 | 45,162 | |
| | > \$ 38,933 - | > \$45,162 - | |
| 1.375% | 39,882 | 46,263 | |
| | > \$ 39,882 - | > \$46,263 - | |
| 1.815% | 40,832 | 47,365 | |
| | > \$ 40,832 - | > \$47,365 - | |
| 2.25 % | 41,781 | 48,466 | |
| | > \$ 41,781 - | > \$48,466 - | |
| 2.625% | 42,731 | 49,568 | |
| | > \$ 42,731 - | > \$49,568 - | |
| 3.00 % | 43,680 | 50,669 | |
| | | | |
| Maximum Revenues | \$ 43,680 | \$50,669 | |

(2) Table 2 below provides the product suite and the product suite total annual minimum revenue for each contract term year. The customer will be awarded four Product Suite Quarterly Incentives each contract term year upon achieving the specified product suite quarterly minimum revenue described in 25.11.1(F)(1)(b), preceding. The Product Suite Quarterly Incentives will be equivalent to the same dollar amount the customer is awarded for the Quarterly Incentives described in 25.11.1(F)(1)(a), preceding. See 25.11.1(F)(1)(d) for examples.

| Table 2 - Product Suite | Product Suite Annual Minimum Revenues (\$000) | |
|--|---|-------------------|
| | Year 1 | Year 2 |
| LightGate svc. (a.k.a. BellSouth SPA Point to Point) | \$4,038 | \$4,685 |
| | 1 | 1 |
| DS1 (a.k.a. BellSouth SPA DS1) | 27,844 | 32,299 |
| Total Annual Minimum Revenues | \$37,543 | \$43 , 551 |

¹ See footnote (1) on page 25-132.

(This page filed under Transmittal No. 1)

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ACCESS SERVICE 25 - Contract Tariffs

25.12 Contract Tariff - No. 010

- (A) This Contract Tariff is valid for a period of 25 months and shall terminate on January 14, 2005.
- (B) The regulations, terms, conditions and incentives provided herein shall apply to customers subscribing to Contract Tariff No. 010 in the Metropolitan Statistical Areas (MSAs) defined in 25.12.1(B) below. A customer may subscribe within a period of thirty (30) days following the Contract Tariff's effective date.
- (C) This Contract Tariff contains a Service Level Agreement (SLA), which will apply pursuant to regulations, terms, and conditions specified in 25.12.1(G), following. The Service Level Agreement sets forth the minimum and maximum circuit levels required at the time of subscription to this Contract Tariff.

25.12.1 General Regulations

(A) Term and Renewal Options

- (1) The customer's term under this Contract Tariff is 24 months. At the end of the contract term, the incentives and Service Level Agreement provided in this Contract Tariff shall be discontinued.
- (2) In order to subscribe to this Contract Tariff, a Letter of Agreement for Firm Order Commitment provided by the Company must be executed by the customer's signature and acknowledged by a Company representative's signature. The Letter of Agreement shall contain the starting date of the customer's term and the Access Customer Name Abbreviations (ACNAs).

(B) Metropolitan Statistical Areas

The regulations, terms and conditions of this Contract Tariff shall apply for the Full Service Relief MSAs listed below. Full Service Relief MSAs are defined in Section 23 of this Tariff. References made throughout this Contract Tariff to the customer's annual revenues shall include monthly recurring revenues for the combined MSAs shown below:

- Atlanta, Baton Rouge, Biloxi, Charlotte, Chattanooga, Daytona Beach, Gainesville, Greensboro-Winston Salem, Jackson, Jacksonville, Knoxville, Lake Charles, Louisville, Memphis, Miami-Ft. Lauderdale, Monroe, Montgomery, Melbourne, Nashville-Davidson, Orlando, Pensacola, Raleigh-Durham, Savannah, Shreveport, Wilmington, West Palm Beach ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

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25 - Contract Tariffs (Cont'd)

25.12 Contract Tariff - No. 010 (Cont'd)

25.12.1 General Regulations (Cont'd)

- (C) Description of Services
 - (1) This Contract Tariff may include any of the following services for the purpose of determining the customer's annual minimum-billed revenue volume specified in 25.12.2 following. Rates and charges for these services are provided in Section 23 of this

BellSouth SWA Dedicated Transport Services

- BellSouth SWA VG
- BellSouth SWA DSO
- BellSouth SWA DS1
- BellSouth SWA DS3
- BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Network Service BellSouth SWA Managed Shared Ring Service

Special Access (a.k.a. BellSouth SPA) Services

- Metallic (a.k.a. BellSouth SPA Metallic)
 Telegraph Grade (a.k.a. BellSouth SPA Telegraph)
 Voice Grade (a.k.a. BellSouth SPA VG
- WATS Access Line (WAL) (a.k.a. BellSouth SPA WATS Lines)
- Program Audio (a.k.a. BellSouth SPA Program Audio)
- Broadcast Quality Video (a.k.a. BellSouth SPA Broadcast Quality Video) Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video)
- DS3 Digital Video Service (a.k.a. BellSouth SPA DS3 Digital Video)
- BellSouth SPA Modular Video Transport Service
- 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
- Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video) Wideband Analog (a.k.a. BellSouth SPA Wideband Analog)
- Wideband Data (a.k.a. BellSouth SPA Wideband Data)
- Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel)
 Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
- High Capacity (a.k.a. BellSouth SPA High Capacity) DS1 (a.k.a. BellSouth SPA DS1)
- LightGate svc.(a.k.a. BellSouth SPA Point to Point)
- SMARTGate svc. (a.k.a. BellSouth SPA Managed Shared Ring)
- SMARTPath svc. (a.k.a. BellSouth SPA DS1 & DS3 Shared Ring)
- FlexServ Service (a.k.a. BellSouth SPA Customer Reconfiguration)
- Dry Fiber
- BellSouth SPA Managed Shared Network Service

Fast Packet Access Services

- Exchange Access Frame Relay Service (a.k.a. BellSouth Exchange Access Frame Relay Service)
- Exchange Access Connectionless Data Service (a.k.a. BellSouth Exchange Access Connectionless Data Service)
- BellSouth SPA Managed Shared Frame Relay Service

(This page filed under Transmittal No. 1)

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¹ Material previously contained in this section has been deleted. SMARTRing, XAATMS, and MSATMS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/quidebook. Contract Offer No. 010 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website https://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

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25 - Contract Tariffs (Cont'd)

25.12 Contract Tariff - No. 010 (Cont'd)

25.12.1 General Regulations (Cont'd)

(D) Minimum Revenue Volume for the Combined MSAs

The customer's annual minimum-billed revenue volumes are provided in Section 25.12.2, following. These revenues are for the combined MSAs set forth in Section 25.12.1(B), preceding, and for the services described in Section 25.12.1(C), preceding. References made throughout this Contract Tariff to the customer's annual minimum-billed revenue volumes shall represent revenues for the combined MSAs and services specified herein. These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

(E) Rates and Charges

The services, to which the incentives set forth in this Contract Tariff apply, are obtained from Section 23 of this Tariff. The Company reserves the right to change the terms, conditions, rates, and charges applicable for services in Section 23 or other sections of this Tariff during the term of this Contract Tariff unless otherwise specified in this Contract Tariff.

(F) Classifications, Practices and Regulations

(1) Application of Contract Tariff Incentives
In order to be eligible for the incentives offered under this
Contract Tariff, the customer must achieve the annual minimum-billed
revenue volume for each contract term year as set forth in Section
25.12.2 following. This Contract Tariff offers two levels of
incentives: 1) an Annual Incentive and 2) a Product Level Quarterly
Incentive, which are described as follows:

(a) Annual Incentive

An Annual Incentive will be applied to incremental revenue that exceeds the annual minimum-billed revenue each year of the customer's contract term. The annual minimum-billed revenue volume and the Annual Incentive percentages are provided in 25.12.2, Table 1. The following conditions will apply:

- The customer will receive the Annual Incentive each contract term year thirty days following the anniversary date of the customer's subscription to this Contract Tariff.
- The customer will not receive the Annual Incentive if the customer fails to achieve the annual minimum-billed revenue volume for that contract term year. Further, Shortfall Penalty regulations set forth in 25.12.1(F)(2), following, will apply.

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ACCESS SERVICE
25 - Contract Tariffs

- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
- (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (b) Product Level Quarterly Incentive
 The two products shown in Section 25.12.2, Table 2, following, are available for a Product Level Quarterly Incentive. This quarterly incentive will be computed on the monthly-billed revenue for the selected products in each contract term year and will be awarded on a quarterly basis under the following conditions:
 - The Company will monitor on a quarterly basis the customer's annual minimum-billed revenues provided in Section 25.12.2, Table 1, in each contract term year to determine if the customer is on schedule in achieving the quarterly objective of the annual minimum-billed revenue volume. The scheduled objective for the first quarter is 25% of the annual minimum-billed revenue, for the second quarter 50% of the annual minimum-billed revenue, for the third quarter 75% for the annual minimum-billed revenue, and for the fourth quarter 100% of the annual minimum-billed revenue.
 - For each contract term year, the customer will receive the Product Level Quarterly Incentive on a quarterly basis only if the scheduled objectives for the annual minimum-billed revenues are met. For example, if the first quarter's objective is not met, the first quarter incentive award will be delayed until the second quarter. If the second quarter objective is not met, the quarterly incentive award for the first and second quarters will be delayed until the third quarter. If the customer meets the third quarter objective, the monthly incentives for the first, second and third quarters will be awarded to the customer.
 - If at the end of the fourth quarter the customer does not achieve at least 100% of the annual minimum-billed revenue volume, the customer will not receive a fourth quarter Product Level Quarterly incentive and must also reimburse the Company all Product Level Quarterly Incentives received for the first, second and third quarters in accordance with Shortfall Penalty regulations in 25.12.1.F.2 following.

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25 - Contract Tariffs (Cont'd)

- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (c) Example of Contract Tariff Annual Incentive
 - Example 1: Annual Incentive: The customer exceeds the annual minimum-billed revenue volume for the first contract term year with a revenue achievement of \$9,595,000. The customer will be awarded an Annual Incentive of \$79,500 computed using Table 1 in 25.12.2 as follows:

(Annual Billed Revenue Achieved¹ - Annual Minimum-Billed Revenue Volume) X Applicable Incentive Percentage = Annual Incentive

 $(9,595,000 - 8,800,000) \times 10\% = $79,500$

- Example 2: Product Level Quarterly Incentives
The customer's first quarter monthly revenues are as follows:
Product #1: \$350,000
Product #2: \$1,525,000
Total Products #1 and #2: \$1,875,000

The customer achieved the scheduled objective of 25% of this first year's annual minimum-billed revenue as shown in Table 1 of 25.12.2. Therefore, the customer is eligible for a first quarter Product Level Quarterly Incentive of \$56,250 computed as follows:

[(Product #1 Total Quarterly Revenues) X Product #1 Incentive
Percentage)] + [(Product #2 Total Quarterly Revenues) X Product #2
Incentive Percentage)] = Product Level Quarterly Incentive

 $[(\$350,000 \times 3\%) + (\$1,525,000 \times 3\%)] = \$56,250$

¹These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

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25 - Contract Tariffs (Cont'd)

- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (2) Shortfall Penalty Regulations
 - (a) <u>Shortfall Penalty for Failure to Achieve Annual Minimum-Billed</u> Revenue

The customer must achieve the annual minimum-billed revenue volume specified in 25.12.2 following as determined on the anniversary date of the customer's subscription to this Contract Tariff in order to be eligible for the incentives set forth herein.

If the customer does not achieve the annual minimum-billed revenue volume for any contract term year, the following conditions will apply:

- The customer will not receive for such year the Annual Incentive as described in 25.12.1(F)(1)(a), preceding.
- In addition, the customer must repay the Company all Product Level Quarterly Incentives, as described in 25.12.1(F)(1)(b), received for such year and will be billed the full amount thirty days following the customer's contract anniversary date.
- For the remaining term of this Contract Tariff, all incentives (i.e., Annual Incentive and Product Level Quarterly Incentive) set forth herein shall be cancelled, and the customer will not be eligible for another Contract Tariff with new annual minimumbilled revenues and incentives for six months following the cancellation of the incentives in this Contract Tariff unless the Company waives the six month waiting period.
- The Service Level Agreement set forth in 25.12.1.(G), following, shall continue for the remaining term of this Contract Tariff, and all performance remedies will be paid in accordance with regulations set forth in 25.12.1(G), following.

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- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (3) Restrictions
 - (a) A customer subscribing to this Contract Tariff may not subscribe to any other Contract Tariff in the MSAs and for the services specified herein. Notwithstanding any provision in another Contract Tariff, the six-month waiting period shall not apply to a subscriber of this Contract Tariff.
 - (b) The incentives provided under this Contract Tariff will not apply to annual billed revenues exceeding the maximum revenues specified in 25.12.2 following.
 - (4) Mergers and Acquisitions
 In the event the customer merges with another company or is acquired by another company, the following regulations will apply:
 - (a) The customer may not combine revenues with the merged or acquired company's revenues for the purpose of obtaining the incentives provided under this Contract Tariff.
 - (b) The customer may continue subscribing to this Contract Tariff for the duration of the contract term provided that the customer continues the subscription as if it were a single entity prior to the merger or acquisition. The customer may also elect to cancel subscription to this Contract Tariff.
 - (c) The Company reserves the right to cancel the customer's subscription to this Contract Tariff if the customer does not adhere to the provisions herein.
 - (5) Revenue Accumulation by Bill Period
 The customer's annual billed revenue shall be accumulated beginning with the first bill period following the effective date of the customer's subscription to this Contract Tariff and ending with the last bill period prior to the customer's contract anniversary date.

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- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (6) <u>Tax Exclusions</u>
 The incentives specified in this Contract Tariff will not be applied to taxes. Taxes will not be included when calculating the customer's annual minimum-billed revenues.
 - (7) Existing Discount Plans
 The Contract Tariff incentives specified herein are in addition to credits given under existing pricing plans the customer may subscribe to in other Sections of this Tariff (i.e., Transport Savings Plan, Area Commitment Plan, Channel Services Payment Plan, etc.).
 - (8) Performance Measures
 The services, to which the incentives provided under this Contract Tariff apply, shall only be subject to service guarantees specified in Section 25.12.1(G) (Service Level Agreement). Service guarantees specified in Section 2.4.4 (service assurance warranty) and Section 2.4.9 (service installation guarantee) do not apply to services subject to this Contract Tariff; however, these service guarantees will be reinstated and will become effective immediately upon expiration of this Contract Tariff. Any new or additional performance measures and remedies that may become applicable to the services provisioned under Sections 6, 7, 21, and 23 of this Tariff shall not apply to services subject to this Contract Tariff.

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25 - Contract Tariffs (Cont'd)

25.12 Contract Tariff - No. 010 (Cont'd)

25.12.1 General Regulations (Cont'd)

(G) Service Level Agreement Concurrent with the effective date of this Contract Tariff, a Service Level Agreement (SLA) as specified herein shall become effective and shall remain in effect for the term of this Contract Tariff pursuant to the conditions herein.

(1) Minimum and Maximum Circuit Requirements

In order to subscribe to this Contract Tariff, a customer must have at least the minimum circuit levels for each class of service shown in the chart below but cannot exceed the maximum circuit levels shown in the chart below at the time of subscription.

| Classes of Service | Minimum Circuits at Subscription | Maximum Circuits at Subscription |
|-----------------------|----------------------------------|----------------------------------|
| DS1 Services | 2,000 | 4,500 |
| DS3 Services | 35 | 200 |

<u>Services Eligible for SLA</u> The services for which this SLA applies are described below. All rate elements associated with these services are included in this SLA.

- DS1 Services: BellSouth SWA DS1; BellSouth SWA Managed Shared Network Service; DS1 (a.k.a. BellSouth SPA DS1); BellSouth SPA Managed Shared Network Service
- DS3 Services: BellSouth SWA Managed Shared Network Service; BellSouth SPA Managed Shared Network Service; LightGate svc. (a.k.a. BellSouth SPA Point to Point)

(3) SLA Performance Metrics and Measurement Methodology

- (a) The following performance metrics will be tracked and measured in accordance with terms and conditions described in this SLA. The definitions for these performance metrics are provided in (4), following.
- Firm Order Confirmation (FOC) Receipt Firm Order Confirmation (FOC) Receipt Past Due Offered Versus Requested Due Date SA-2:
- SA-3:
- On Time Performance to FOC Due Date SA-4:
- SA-5: Days Late
- Average Intervals Requested, Offered, Installed Past Due Circuits SA-6:
- New Circuit Failure Rate SA-8:
- SA-9: Failure Rate
- SA-10: Mean Time to Restore
- SA-11: Repeat Trouble Report Rate

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- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (3) SLA Performance Metrics and Measurement Methodology (Cont'd)
 - (b) The following terms and conditions shall apply for collecting, calculating, reporting and administering the performance measurement data under the Service Level Agreement (SLA) provided herein
 - The Company will utilize its self-reported performance measurement data to determine performance metrics for each reporting period. The reporting period is defined as a full calendar month. Performance measurement results will be reported for DS1 and DS3 services separately. The Company's self-reported performance measurement data will be collected and calculated utilizing the Company's internal processes. The Company's calculation of its performance under this Contract Tariff shall be the determinant of the Company's obligation to provide a remedy for a missed performance metric. The Company will monitor data collection and calculation to ensure the integrity of self-reported results.

 Performance metrics and quantities will be calculated at a
 - regional level and prorated to an MSA level using state and district data attributes as available until MSA specific measurements are instituted. For example, FOC Receipt and Mean Time to Restore (MTTR) performance data for a customer subscribing to this Contract Tariff in all of the Atlanta Network districts will be used for the Atlanta MSA until specific Atlanta MSA performance data is available.
 - At the point in time that MSA specific measurements are instituted, performance metrics and any applicable SLA remedies will be calculated on aggregate MSA results. The applicable MSAs are set forth in 25.12.1(B).
 - (c) Neither the Company or the customer shall be held liable for any delay or failure in performance of any part of the SLA from any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, embargoes, epidemics, war, terrorists acts, riots, insurrections, fires, explosions, earthquakes, strikes, nuclear accidents, floods, power blackouts, or unusually severe weather. In the event of any such excused delay in the performance of the customer or the Company's obligation(s) under this SLA, the due date for the performance of the original obligation(s) shall be extended by a term equal to the time lost by reason of delay. In the event of such delay, the Company shall give prompt written notice to the customer specifying the nature of the excused delay, the date of inception, and the expected duration. During such delay, the Company shall perform its obligations at a performance level no less than that which it uses for its own operations. Further, in the event of such delay or failure in the Company's performance, the Company agrees to resume performance in a nondiscriminatory manner and not favor provisioning its own services above that of the customer.

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- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (4) Performance Metrics Definitions
 - (a) <u>SA-1: Firm Order Confirmation (FOC) Receipt</u>
 This metric is the Company's response to a clean Access Service Request (ASR), whether an initial or supplement ASR, that provides the customer with the specific Due Date on which the requested circuit or circuits will be installed. The expectation is that the Company will conduct a minimum of an electronic facilities check to ensure due dates delivered in FOCs can be relied upon. The performance standard for FOCs received within the standard interval (see 25.12.1(G)(7) for standard intervals in Chart A, SA-1, following) is expressed as a percentage of the total FOCs received during the reporting period. A diagnostic distribution is required along with a diagnostic count of ASRs withdrawn at the Company's request due to a lack of Company facilities or otherwise.
 - Business Rules: Counts are based on each instance of a FOC received from the Company. If one or more supplement ASRs are issued to correct or change a request, each corresponding FOC, which is received during the reporting period, is counted and measured. Days shown are business days, Monday to Friday, excluding National Holidays. Activity starting on a weekend, or holiday, will reflect a start date of the next business day, and activity ending on a weekend, or holiday, will be calculated with an end date of the last previous business day. Projects are included.
 - Exclusions: Unsolicited FOCs, Disconnect ASRs, Cancelled ASRs, Record ASRs.

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- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (4) Performance Metrics Definitions (Cont'd)
 - (b) SA-2: FOC Receipt Past Due
 This metric tracks all ASR requests that have not received a FOC from the Company within the standard FOC receipt interval (see 25.12.1(G)(7) for standard intervals in Chart A, SA-1, following), as of the last day of the reporting period and do not have an open, or outstanding, Query/Reject. This measure gauges the magnitude of late FOCs and ensures that FOCs are being received in a timely manner from the Company. A distribution of these late FOCs, along with a report of those late FOCs that do have an open Query/Reject, is required for diagnostic purposes.
 - Business Rule: All counts are based on the latest ASR request sent to the Company. Where one or more subsequent ASRs have been sent, only the latest ASR would be recorded as Past Due if no FOC had yet been returned. The Expected FOC Receipt Interval, used in the calculations, will be the interval identified in the Performance Standards for the FOC Receipt measure. Days shown are business days, Monday to Friday, excluding National Holidays. Activity starting on a weekend, or holiday, will reflect a start date of the next business day, and activity ending on a weekend, or holiday, will be calculated with an end date of the last previous business day. Projects are included.
 - Exclusions: Unsolicited FOCs, Disconnect ASRs, Cancelled ASRs, Record ASRs

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- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (4) Performance Metrics Definitions (Cont'd)
 - (c) <u>SA-3: Offered Versus Requested Due Date</u>
 This metric reflects the degree to which the Company is committing to install service on the Customer's Requested Due Date (CRDD), when a Due Date Request is equal to or greater than the Company's stated interval. The difference between the CRDD and the Offered Date for these FOCs is required for diagnostic purposes.
 - Business Rule: Counts are based on each instance of a FOC received from the Company. If one or more supplement ASRs are issued to correct or change a request, each corresponding FOC, which is received during the reporting period, is counted and measured. Days shown are business days, Monday to Friday, excluding National Holidays. Activity starting on a weekend, or holiday, will reflect a start date of the next business day, and activity ending on a weekend, or holiday, will be calculated with an end date of the last previous business day. Projects are included.
 - Exclusions: Unsolicited FOCs, Disconnect ASRs, Cancelled ASRs, Record ASRs

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25 - Contract Tariffs (Cont'd)

- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (4) Performance Metrics Definitions (Cont'd)
 - (d) <u>SA-4: On Time Performance to FOC Due Date</u>
 This metric measures the percentage of circuits that are completed on or before the FOC Due Date, as recorded from the FOC received in response to the last ASR sent. Customer Not Ready (CNR) situations may result in an installation delay. The On Time Performance To FOC Due Date is calculated both with CNR consideration and without CNR consideration, i.e. measuring the percentage of time the service is installed on the FOC due date while counting CNR coded orders as an appointment met, and without CNR consideration. The denominator for both calculations is the total count of circuits completed during the reporting period, including all circuits, with and without a CNR code.
 - Business Rules: Measures are based on the last ASR sent and the associated FOC Due Date received from the Company. Selection is based on circuits completed by the Company during the reporting period. An ASR may provision more than one circuit and the Company may break the ASR into separate internal orders, however, the ASR is not considered completed for measurement purposes until all circuits are completed. The Company Completion Date is the date upon which the Company completes installation of the circuit, as noted on a completion advice to the customer. Projects are included. A Customer Not Ready (CNR) is defined as a verifiable situation beyond the normal control of the Company that prevents the Company from completing an order, including the following: The customer is not ready; end user is not ready; connecting company, or CPE (Customer Premises Equipment) supplier, is not ready. The Company must ensure that established procedures are followed to notify the customer of a CNR situation and allow a reasonable period of time for the customer to correct the situation.
 - Exclusions: Unsolicited FOCs, Disconnect ASRs, Cancelled ASRs, Record ASRs

¹diagnostic only

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- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (4) Performance Metrics Definitions (Cont'd)
 - (e) <u>SA-5: Days Late</u>
 This metric captures the magnitude of the delay, both in average and distribution, for those circuits not completed on the FOC Due Date, and the delay was not a result of a verifiable CNR situation. A breakdown of delay days caused by a lack of Company facilities is required for diagnostic purposes.
 - Measures are based on the last ASR sent and the associated FOC Due Date received from the Company. Selection is based on circuits completed by the Company during the reporting period. An ASR may provision more than one circuit and the Company may break the ASR into separate internal orders, however, the ASR is not considered completed for measurement purposes until all circuits are completed. Days shown are business days, Monday to Friday, excluding National Holidays. Activity starting on a weekend, or holiday, will reflect a start date of the next business day, and activity ending on a weekend, or holiday, will be calculated with an end date of the last previous business day. A Customer Not Ready (CNR) is defined as a verifiable situation beyond the normal control of the Company that prevents the Company from completing an order, including the following: customer not ready; end user is not ready; connecting company, or CPE (Customer Premises Equipment) supplier, is not ready. The Company must ensure that established procedures are followed to notify the customer of a CNR situation and allow a reasonable period of time for the customer to correct the situation. The customer is required to forecast facility requirements to MSA/CO level on a quarterly basis.
 - Exclusions: Unsolicited FOCs, Disconnect ASRs, Cancelled ASRs, Record ASRs, Projects

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- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (4) Performance Metrics Definitions (Cont'd)
 - (f) <u>SA-6: Average Intervals Requested/Offered/Installation</u>
 For diagnostic purposes, this metric captures three aspects of the ordering and provisioning processes and displays them in relation to each other. The Average Customer Requested Interval, the Average Company Offered Interval, and the Average Installation Interval, provide a comprehensive view of provisioning, with the ultimate goal of having these three intervals equivalent.
 - Business Rule: Measures are based on the last ASR sent and the associated FOC Due Date received from the Company. Selection is based on circuits completed by the Company during the reporting period. An ASR may provision more than one circuit and the Company may break the ASR into separate internal orders, however, the ASR is not considered completed for measurement purposes until all circuits are completed. Days shown are business days, Monday to Friday, excluding National Holidays. Activity starting on a weekend, or holiday, will reflect a start date of the next business day, and activity ending on a weekend, or holiday, will be calculated with an end date of the last previous business day. Projects are included. The Average Installation Interval includes all completions.
 - Exclusions: Unsolicited FOCs, Disconnect ASRs, Cancelled ASRs, Record ASRs, CNRs (installation interval only)

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- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (4) Performance Metrics Definitions (Cont'd)
 - This metric provides a snapshot view of circuits not completed as of the end of the reporting period. The count is taken from those circuits that have received a FOC Due Date but the due date has passed. Results are separated into those held for Company reasons and those held for customer reasons (CNRs), with a breakdown, for diagnostic purposes, of Past Due Circuits due to a lack of Company facilities. A diagnostic measure, Percent Cancellations After FOC Due Date, is included to show a percent of all cancellations processed during the reporting period where the cancellation took place after the FOC Due Date had passed. This measurement is calculated by taking the count of all circuits not completed at the end of the reporting period > 5 days beyond the FOC Due Date, grouped separately for Total Company Reasons, Lack of Company Facility Reasons, and Total Customer Reasons, each divided by the total uncompleted circuits past FOC Due Date, for all missed reasons, at the end of the reporting period, expressed as a percentage.
 - Business Rule: Calculation of Past Due Circuits is based on the most recent ASR and associated FOC Due Date. An ASR may provision more than one circuit and the Company may break the ASR into separate internal orders, however, the ASR is not considered completed for measurement purposes until all segments are completed. Days shown are business days, Monday to Friday, excluding National Holidays. Activity starting on a weekend, or holiday, will reflect a start date of the next business day, and activity ending on a weekend, or holiday will be calculated with an end date of the last previous business day. Projects are included. A Customer Not Ready (CNR) is defined as a verifiable situation beyond the normal control of the Company that prevents the Company from completing an order, including the following: customer not ready; end user is not ready; connecting company, or CPE (Customer Premises Equipment) supplier, is not ready. The Company must ensure that established procedures are followed to notify the customer of a CNR situation and allow a reasonable period of time for the customer to correct the situation. The customer is required to forecast facility requirements to MSA/CO level on a quarterly basis.
 - Exclusions: Unsolicited FOCs, Disconnect ASRs, Record ASRs

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25 - Contract Tariffs (Cont'd)

- 25.12 <u>Contract Tariff No. 010</u> (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (4) Performance Metrics Definitions (Cont'd)
 - (h) SA-8: New Circuit Failure Rate¹
 This metric measures the quality of the installation work by capturing the rate of new circuit failures and is calculated by dividing the count of circuits with a measured customer report within 30 calendar days of installation by the total number of circuits installed in the reporting period.
 - Business Rule: The Company's Completion Date is the date upon which the Company completes installation of the circuit, as noted on a completion advice to the customer. The calculation for the preceding 30 calendar days is based on the creation date of the trouble ticket.
 - In order for the monthly reporting period results of this metric (SA-8) to be valid, customer reports closed out to Test OK (TOK) and No Trouble Found (NTF) cannot exceed 10% of total measured reports within the respective measured reporting period.
 - Exclusions: Trouble tickets that are canceled at the customer's request; CPE (Customer Premises Equipment), or other customer caused troubles; Company trouble reports associated with administrative service; tickets used to track referrals of misdirected calls; the customer's requests for informational tickets; Repeat Trouble Reports; subsequent trouble reports defined as those cases where a customer called to check on the status of an existing open trouble ticket

If multiple customer trouble reports are correlated to a common cause, a single customer trouble report will be generated at the common cause/circuit and will be measured against the maintenance SLA measurements (provided the close code disposition is not excluded in the business rules). Multiple reports associated with a common cause will only be reported once and counted as a single incident (occurrence) in the (SA-8) metric. For example, if a Point-to-Point OC-12 fails, the Company does not take customer trouble reports on the thousands of potential lower level circuits nor are each of the lower level service outages included in the company's maintenance measures including (SA-8).

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25 - Contract Tariffs (Cont'd)

- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
- (G) Service Level Agreement (Cont'd)
 - (4) Performance Metrics Definitions (Cont'd)
 - (i) <u>SA-9: Failure Rate</u>¹
 This metric measures the overall quality of the circuits being provided by the Company and is calculated by dividing the number of measured customer trouble report resolved during the reporting period by the total number of "in service" circuits, at the end of the reporting period.
 - Business Rule: A customer trouble report/ticket is any record (whether paper or electronic) used by the Company for the purposes of tracking related action and disposition of a service repair or maintenance situation. A trouble is resolved when the Company issues notice to the customer that the circuit has been restored to normal operating parameters. Where more than one trouble is resolved on a specific circuit during the reporting period, each trouble is counted in the Trouble Report Rate.

In order for the monthly reporting period results of this metric (SA-9) to be valid, customer reports closed out to Test OK (TOK) and No Trouble Found (NTF) cannot exceed 10% of total measured reports within the respective measured reporting period.

- Exclusions: Trouble tickets that are canceled at the customer's request; CPE (Customer Premises Equipment), or other customer caused trouble; Company trouble reports associated with administrative service; customers requests for informational tickets; tickets used to track referrals of misdirected calls; subsequent trouble reports - defined as those cases where a customer called to check on the status of an existing open trouble ticket

¹If multiple customer trouble reports are correlated to a common cause, a single customer trouble report will be generated at the common cause/circuit and will be measured against the maintenance SLA measurements (provided the close code disposition is not excluded in the business rules). Multiple reports associated with a common cause will only be reported once and counted as a single incident (occurrence) in the (SA-9) metric. For example, if a Point-to-Point OC-12 fails, the Company does not take customer trouble reports on the thousands of potential lower level circuits nor are each of the lower level services outages included in the company's maintenance measures including (SA-9). In the case where a valid customer trouble report is linked to the same common cause of a previously resolved customer trouble report, the new customer trouble report will be considered a new occurrence and will be included in the (SA-9) metric.

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ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

25.12 Contract Tariff - No. 010 (Cont'd)

- 25.12.1 <u>General Regulations</u> (Cont'd)
 (G) Service Level Agreement (Cont'd)
 - (4) Performance Metrics Definitions (Cont'd)
 - (j) <u>SA-10: Mean Time to Restore</u>

 This metric measures the promptness in restoring circuits to normal operating levels when a problem or trouble is referred to the Company. The Individual customer trouble report duration is calculated as the elapsed time from the customer's submission of a trouble report to the Company to the time the Company closes the trouble, less any Customer Hold Time or Delayed Maintenance Time due to valid customer caused delays. A breakdown of Mean Time to Restore for those troubles recorded as Found OK/ Test OK, is required for diagnostic purposes. Aggregate MTTR is calculated by summing the individual customer trouble report durations divided by the count of customer trouble reports resolved in a reporting period.
 - Business Rule: A trouble report or trouble ticket is any record (whether paper or electronic) used by the Company for the purposes of tracking related action and disposition of a service repair or maintenance situation. Elapsed time is measured on a 24-hour, seven-day per-week basis, without consideration of weekends or holidays. Multiple reports in a given period are included, unless the multiple reports for the same customer is categorized as "subsequent" (an additional report on an already open ticket). "Restore" means to return to the normally expected operating parameters for the service regardless of whether or not the service, at the time of trouble ticket creation, was operating in a degraded mode or was completely unusable. A trouble is "resolved" when the Company issues notice to the customer that the customer's service is restored to normal operating parameters. Customer Hold Time or Delayed Maintenance Time resulting from verifiable situations of no access to the end user's premises, or other customer caused delays, such as holding the ticket open for monitoring, is deducted from the total resolution interval.
 - Exclusions: Trouble tickets that are canceled at the customer's request; CPE (Customer Premises Equipment), or other customer caused troubles; Company trouble reports associated with administrative service; the customer's request for informational tickets; trouble tickets created for tracking and/or monitoring circuits; tickets used to track referrals of misdirected calls; subsequent trouble reports defined as those cases where a customer called to check on the status of an existing open trouble ticket

¹If multiple customer trouble reports are correlated to a common cause, a single customer trouble report will be generated at the common cause/circuit and will be measured against the maintenance SLA measurements (provided the close code disposition is not excluded in the business rules). Multiple reports associated with a common cause will only be reported once and counted as a single incident (occurrence) in the (SA-10) metric. For example, if a Point-to-Point OC-12 fails, the Company does not take customer trouble reports on the thousands of potential lower level circuits nor are each of the lower level services outages included in the company's maintenance measures including (SA-10). In the case where a valid customer trouble report is linked to the same common cause of a previously resolved customer trouble report, the new customer trouble report will be considered a new occurrence and will be included in the (SA-10) metric.

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25 - Contract Tariffs (Cont'd)

- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (4) Performance Metrics Definitions (Cont'd)
 - (k) <u>SA-11:</u> Repeat Trouble Report Rate The Repeat Trouble Report Rate measures the percent of maintenance customer trouble reports resolved during the current reporting period that had at least one prior trouble ticket any time in the preceding 30 calendar days from the creation date of the current trouble report.
 - Business Rule: A trouble report or trouble ticket is any record (whether paper or electronic) used by the Company for the purposes of tracking related action and disposition of a service repair or maintenance situation. A trouble is resolved when the Company issues notice to the customer that the circuit has been restored to normal operating parameters. If a trouble ticket was closed out previously with the disposition code classifying it as FOK/TOK, then the second trouble must be counted as a repeat trouble report if it is resolved to Company's reasons. The trouble resolution need not be identical between the repeated reports for the incident to be counted as a repeated trouble.
 - In order for the monthly reporting period results of this metric (SA-11) to be valid, customer reports closed out to Test OK (TOK) and No Trouble Found (NTF) cannot exceed 10% of total measured reports within the respective measured reporting period.
 - Exclusions: Trouble tickets that are canceled at the customer's request; CPE (Customer Premises Equipment), or other customer caused troubles; Company trouble reports associated with administrative service; subsequent trouble reports defined as those cases where a customer called to check on the status of an existing open trouble ticket; excludes informational tickets

¹If multiple customer trouble reports are correlated to a common cause, a single customer trouble report will be generated at the common cause/circuit and will be measured against the maintenance SLA measurements (provided the close code disposition is not excluded in the business rules). Multiple reports associated with a common cause will only be reported once and counted as a single incident (occurrence) in the (SA-11) metric. For example, if a Point-to-Point OC-12 fails, the Company does not take customer trouble reports on the thousands of potential lower level circuits nor are each of the lower level services outages included in the company's maintenance measures including (SA-11). In the case where a valid customer trouble report is linked to the same common cause of a previously resolved customer trouble report, the new customer trouble report will be considered a new occurrence and will be included in the (SA-11) metric.

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25 - Contract Tariffs (Cont'd)

- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (5) <u>Customer Obligations</u>

In order to receive the performance remedies specified in this SLA, the customer agrees to the following conditions:

- (a) The customer shall maintain existing electronic system interfaces and processes for Access Service Request (ASR) initiation and trouble reporting.
- (b) The customer shall submit ASRs by 3:00 p.m. EST in order for the ASR to be processed the same business day. ASRs received after 3:00 p.m. EST shall be processed and considered received on the next business day.
- (c) The customer must maintain the minimum circuit levels shown in the chart below for the classes of service indicated in order for SLA remedies to be applied. Failure to maintain the minimum circuit levels will result in a waiver of SLA remedies for the month for the affected service. Circuit levels are based on end of reporting period data.

| Classes of Service | Minimum Circuits | | |
|-----------------------|------------------|--|--|
| DS1 Services | 2,000 | | |
| DS3 Services | 35 | | |

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25 - Contract Tariffs (Cont'd)

- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) <u>Service Level Agreement</u> (Cont'd)
 - (6) Company Obligations
 - (a) Should the Company fail to perform to the performance objectives provided in this SLA, the performance remedies set forth in 25.12.1(G)(7) through (9), following, shall apply pursuant to the customer meeting the obligations set forth in 25.12.1(G)(5), preceding.
 - (b) The Company will calculate performance metrics on a monthly basis. The Company will calculate performance remedies using monthly reporting period results, provided sufficient ordering, provisioning, and maintenance volumes are incurred during the monthly reporting period. If insufficient ordering, provisioning, and maintenance volumes are incurred during the monthly reporting period, monthly results will be aggregated to calculate and evaluate quarterly performance metrics and remedies.

Sufficient ordering, provisioning, and maintenance volumes are as follows:

- SA-1: If customer-ordering ASR and ASR supplement volumes per class of service are greater than 30 ASRs per month, then remedy evaluation will be assessed on monthly performance metric results, otherwise remedy evaluation will be based on aggregate quarterly results.
- SA-4, SA-7, SA-8: If customer-provisioning volumes per class of service are greater than 30 circuits per month, then remedy evaluation will be assessed on monthly performance metric results, otherwise remedy evaluation will be based on aggregate quarterly results.
- SA-9, SA-11: If customer's measured trouble ticket volumes per class of service are greater than 30 troubles per month, then remedy evaluation will be assessed on monthly performance metric results, otherwise remedy evaluation will be based on aggregate quarterly results.
- (c) The Company will sum the credits for each missed performance metric to get each month's total monthly credits. The credits for each quarter will be applied to the customer's account one month in arrears.

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25 - Contract Tariffs (Cont'd)

- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (7) Performance Metrics Ordering Elements

Chart A below provides the services, objectives, and remedies for each performance metric. The DS1 and DS3 services specified in Chart A below are set forth in 25.12.1(G)(2), preceding.

| CHART A: Service Level | Agreement | (Ordering | Elements) |
|--|------------------------|-----------|---|
| Performance Metrics and Services | Performance Objectives | | Performance Remedy |
| | Year 1 | Year 2 | |
| SA-1: FOC Receipt | | | |
| DS1 services (within 2 business days), | >=85% | >=90% | \$0 |
| DS3 services (within 5 business days) | < 85% | < 90% | \$50 per missed occurrence below the stated performance objective |
| SA-2: FOC Receipt Past Due | | | Diagnostic Only |
| DS1 and DS3 services | < 15% | < 10% | N/A |
| SA-3: Offered Vs. Requested Due Date | | | Diagnostic Only |
| DS1 and DS3 services | >= 90% | >= 95% | N/A |

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- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (8) Performance Metrics Provisioning Elements
 Chart B below provides the services, objectives, and remedies for
 each performance metric. The DS1 and DS3 services specified in Chart
 B below are set forth in 25.12.1(G)(2), preceding.

| Chart B: Service Level Agreement (Provisioning Elements) | | | |
|---|-----------------------|----------------------|---|
| Performance Metrics and Services | Performance Year 1 | Objectives Year 2 | Performance Remedy |
| SA-4: On Time to FOC Due Date Performance | | | |
| DS1 and DS3 services | >=90% | >=95% | \$ 0 |
| (with customer not ready considerations) | < 90% | < 95% | NR charge credit per occurrence (in order of occurrence) below the stated performance objective |
| SA-5: Days Late | | | Diagnostic Only |
| DS1 and DS3 services | 5 Days | 3 Days | N/A |
| SA-6: Average Intervals | | | Diagnostic Only |
| DS1 and DS3 services | N/A | N/a | N/A |
| SA-7: Past Due Circuits | | | |
| DS1 and DS3 services (> 5 days beyond FOC Due Date for Company reasons) | < 3% | < 3% | \$ O |
| DS1 and DS3 services (> 5 days beyond FOC Due Date for Company reasons) | >=3% | >=3% | Monthly Rec charge credit per occurrence (in order of occurrence) exceeding the stated performance objective |

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- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (8) Performance Metrics Provisioning Elements (Cont'd)
 Chart B below provides the services, objectives, and remedies for each performance metric. The DS1 and DS3 services specified in Chart B below are set forth in 25.12.1(G)(2), preceding.

| Chart B: Service Level Agreement (Provisioning Elements) | | | | |
|--|------------------------------|---------|---|--|
| Performance Metrics and Services | d Services Performance Objec | | tives Performance Remedy | |
| | Year 1 | Year 2 | | |
| SA-8: New Installation Trouble Report Rate | | | | |
| DS1 services | <= 7% | <= 5.5% | \$ 0 | |
| | > 7% | > 5.5% | Monthly Rec charge credit per occurrence (in order of occurrence) exceeding the stated performance objective | |
| DS3 services | <= 3% | <= 2.5% | \$ 0 | |
| | > 3% | > 2.5% | Monthly Rec charge credit per occurrence (in order of occurrence) exceeding the stated performance objective | |

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- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) <u>Service Level Agreement</u> (Cont'd)
 - (9) Performance Metrics Maintenance & Repair Elements
 Chart C below provides the services, objectives, and remedies for each performance metric. The DS1 and DS3 services specified in Chart C below are set forth in 25.12.1(G)(2), preceding.

| Chart C: Service Level Agreement (Maintenance & Repair Elements) | | | |
|--|------------------------|-------------------------|--|
| Performance Metrics and Services | Performance Objectives | | Performance Remedy |
| | Year 1 | Year 2 | |
| SA-9: Failure Rate | | | |
| DS1 services | <= 3% | <= 2.6% | \$ 0 |
| | > 3% | > 2.6% | Monthly Rec charge credit per occurrence (in order of occurrence) exceeding the stated performance objective |
| | <= 2.25% | <= 1.7% | \$ 0 |
| DS3 services | > 2.25% | > 1.7% | Monthly Rec charge credit per occurrence (in order of occurrence) exceeding the stated performance objective |
| SA-10: Mean Time to Restore | | | |
| | <= 4 hrs per month | <= 3.5 hrs per month | \$ 0 |
| DS1 and DS3 services | > 4 hrs per month | > 3.5 hrs per month | Monthly Rec charge credit per individual occurrence exceeding the stated performance objective |

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- 25.12 Contract Tariff No. 010 (Cont'd)
- 25.12.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (9) Performance Metrics Maintenance & Repair Elements (Cont'd) Chart C below provides the services, objectives, and remedies for each performance metric. The DS1 and DS3 services specified in Chart C below are set forth in 25.12.1(G)(2), preceding.

| Chart C: Service Level Agreement (Maintenance & Repair Elements) | | | |
|--|------------------------|--------|--|
| Performance Metrics and Services | Performance Objectives | | Performance Remedy |
| | Year 1 | Year 2 | |
| SA-11: Repeat Trouble Report Rate | | | |
| | <= 22% | <= 20% | \$ 0 |
| DS1 services | > 22% | > 20% | Monthly Rec charge credit per occurrence (in order of occurrence) exceeding the stated performance objective |
| | <= 10% | <= 9% | \$ 0 |
| DS3 services | > 10% | > 9% | Monthly Rec charge credit per occurrence (in order of occurrence) exceeding the stated performance objective |

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ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.12 Contract Tariff - No. 010 (Cont'd)

25.12.2 Revenue Volumes and Incentives

(A) Annual Minimum-Billed Revenues and Incentives

(1) Table 1 below provides the annual minimum-billed revenue volumes and the Annual Incentives. The customer must achieve each year's minimum-billed revenue in order to receive an Annual Incentive, which is applied to the incremental revenue that exceeds the annual minimum-billed revenue. Revenue exceeding the maximum revenue will not be eligible for an Annual Incentive or Product Suite Annual Incentive. Section 25.12.1(F)(1)(c), preceding, provides examples of how incentives in the following tables are determined.

| Table 1 | Annual Minimum Billed Revenue Volumes (\$000) | | | |
|-------------------------|---|------------------------|--|--|
| | Year 1 | Year 2 | | |
| Minimum Revenue Volumes | \$8,800 | \$10,100 | | |
| (%) Annual Incentives | | | | |
| 5% | >\$8,800 - 9,240 | > \$10,100 - 10,605 | | |
| 10% | > 9,240 - 9,680 | > 10,605 11,110 | | |
| 15% | > 9,680 - 10,120 | > 11,110 11,615 | | |
| Maximum Revenues | \$10,120 | \$11,615 | | |

(2) Table 2 below provides the products eligible for a Product Level Quarterly Incentive. The Product Level Quarterly Incentive is applied on the monthly-billed revenue for these products and awarded on a quarterly basis.

| Table 2 | Quarterly Produc | t Level Incentive |
|---|------------------|-------------------|
| | Year 1 | Year 2 |
| LightGate svc. (a.k.a. BellSouth SPA Point to Point | 3% | 3% |
| DS1 (a.k.a. BellSouth SPA DS1) | 3% | 3% |

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ACCESS SERVICE 25 - Contract Tariffs

25.13 Contract Tariff - No. 011

- (A) This Contract Tariff is valid for a period of 25 months and shall terminate on February 18, 2005.
- (B) The regulations, terms, conditions and incentives provided herein shall apply to customers subscribing to Contract Tariff No. 011 in the Metropolitan Statistical Areas (MSAs) defined in 25.13.1.B below. A customer may subscribe within a period of thirty (30) days following the Contract Tariff's effective date.
- (C) This Contract Tariff contains a Service Level Agreement (SLA), which will apply pursuant to regulations, terms, and conditions specified in 25.13.1(G), following.

25.13.1 General Regulations

(A) Term and Renewal Options

- (1) The customer's term under this Contract Tariff is 24 months. At the end of the contract term, the incentives provided in this Contract Tariff shall be discontinued.
- (2) In order to subscribe to this Contract Tariff, a Letter of Agreement for Firm Order Commitment provided by the Company must be executed by the customer's signature and acknowledged by a Company representative's signature. The Letter of Agreement shall contain the starting date of the customer's term and the Access Customer Name Abbreviations (ACNAs).

(B) Metropolitan Statistical Areas

The regulations, terms and conditions of this Contract Tariff shall apply for the Full Service Relief MSAs listed below. Full Service Relief MSAs are defined in Section 23 of this Tariff. References made throughout this Contract Tariff to the customer's annual revenues shall include monthly recurring revenues for the combined MSAs shown below:

- Atlanta, Charlotte, Greensboro-Winston Salem, Jacksonville, Knoxville, Louisville, Melbourne, Miami-Ft. Lauderdale, Montgomery, Nashville-Davidson, Orlando, Owensboro, Savannah, West Palm Beach

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25 - Contract Tariffs (Cont'd)

25.13 Contract Tariff - No. 011 (Cont'd)

25.13.1 General Regulations (Cont'd)

(C) Description of Services

(1) This Contract Tariff may include any of the following services for the purpose of determining the customer's annual minimum-billed revenue volume specified in 25.13.2 following. Rates and charges for these services are provided in Section 23 of this Tariff.

BellSouth SWA Dedicated Transport Services

- BellSouth SWA VG
- BellSouth SWA DSO
- BellSouth SWA DS1
- BellSouth SWA DS3
- BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Network Service
- BellSouth SWA Managed Shared Ring Service

Special Access (a.k.a. BellSouth SPA) Services - Metallic (a.k.a. BellSouth SPA Metallic)

- Telegraph Grade (a.k.a. BellSouth SPA Telegraph) Voice Grade (a.k.a. BellSouth SPA VG

- WATS Access Line (WAL) (a.k.a. BellSouth SPA WATS Lines)
 Program Audio (a.k.a. BellSouth SPA Program Audio)
 Broadcast Quality Video (a.k.a. BellSouth SPA Broadcast Quality Video)
- Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video_)
- DS3 Digital Video Service (a.k.a. BellSouth SPA DS3 Digital Video)

- BellSouth SPA Modular Video Transport Service
 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
 Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video)
 Wideband Analog (a.k.a. BellSouth SPA Wideband Analog)
 Wideband Cata (a.k.a. BellSouth SPA Wideband Data)

- Wideband Data (a.k.a. BellSouth SPA Wideband Analog)
 Wideband Data (a.k.a. BellSouth SPA Wideband Data)
 Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel)
 Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
 High Capacity (a.k.a. BellSouth SPA High Capacity)
 DS1 (a.k.a. BellSouth SPA DS1)

- LightGate svc.(a.k.a. BellSouth SPA Point to Point)
 SMARTGate svc.(a.k.a. BellSouth SPA Managed Shared Ring)
 SMARTPath svc.(a.k.a. BellSouth SPA DS1 & DS3 Shared Ring)
- FlexServ Service (a.k.a. BellSouth SPA Customer Reconfiguration)
- Dry Fiber
- BellSouth SPA Managed Shared Network Service

Fast Packet Access Services

- Exchange Access Frame Relay Service (a.k.a. BellSouth Exchange Access Frame Relay Service)
- Exchange Access Connectionless Data Service (a.k.a. BellSouth Exchange Access Connectionless Data Service)
- BellSouth SPA Managed Shared Frame Relay Service

(This page filed under Transmittal No. 1)

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¹ Material previously contained in this section has been deleted. SMARTRing, XAATMS, and MSATMS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/quidebook. Contract Offer No. 011 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

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25 - Contract Tariffs (Cont'd)

25.13 Contract Tariff - No. 011 (Cont'd)

25.13.1 General Regulations (Cont'd)

(D) Minimum Revenue Volume for the Combined MSAs

The customer's annual minimum-billed revenue volume and product suite total annual minimum revenues are provided in Section 25.13.2, following. These revenues are for the combined MSAs set forth in Section 25.13.1(B), preceding, and for the services described in Section 25.13.1(C), preceding. References made throughout this Contract Tariff to the customer's annual minimum-billed revenue volume or product suite total annual minimum revenues shall represent revenues for the combined MSAs and services specified herein. These revenues shall include monthly recurring revenues only and will not be adjusted to reflect credits or discounts given under existing pricing plans (i.e., Transport Savings Plan, Area Commitment Plan). Non-recurring revenues and taxes will not be included in these revenues.

(E) Rates and Charges

The services, to which the incentives set forth in this Contract Tariff apply, are obtained from Section 23 of this Tariff. The Company reserves the right to change the terms, conditions, rates, and charges applicable for services in Section 23 or other sections of this Tariff during the term of this Contract Tariff unless otherwise specified in this Contract Tariff.

(F) Classifications, Practices and Regulations

(1) Application of Contract Tariff Incentives
In order to be eligible for the incentives offered under this
Contract Tariff, the customer must achieve the annual minimum-billed
revenue volume and the product suite total annual minimum revenues
for each contract term year as set forth in Section 25.13.2
following. There are three levels of incentives: 1) Annual Incentive,
2) Product Suite Annual Incentive, and 3) Product Level Quarterly
Incentive. These incentives are described as follows:

(a) Annual Incentive

An Annual Incentive will be applied to incremental revenue that exceeds the annual minimum-billed revenue for each year of the customer's contract term. The annual minimum-billed revenue volume and the Annual Incentive percentages are provided in 25.13.2. The following conditions will apply:

- The customer will receive the Annual Incentive each contract term year thirty days following the anniversary date of the customer's subscription to service under this Contract Tariff.
- The customer will not receive the Annual Incentive if the customer fails to achieve the annual minimum-billed revenue volume in any contract term year. Further, the customer's subscription to this Contract Tariff shall be cancelled in accordance with Shortfall Penalty regulations set forth in 25.13.1(F)(2), following.

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25 - Contract Tariffs (Cont'd)

- 25.13 Contract Tariff No. 011 (Cont'd)
- 25.13.1 General Regulations (Cont'd)
- (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (b) Product Suite Annual Incentive
 The customer's product suite and the product suite total annual minimum revenues are provided in Section 25.13.2 following. The Product Suite Annual Incentive applies if the customer achieves the product suite total annual minimum revenue at the end of each contract term year and will be equal to the same incentive dollar amount the customer is awarded for the Annual Incentive as described in 25.13.1(F)(1)(a), preceding.

The customer will receive the Product Suite Annual Incentive each year of the contract term thirty days following the anniversary date of the customer's subscription to service under this Contract Tariff.

The customer will not receive the Product Suite Annual Incentive if in any year of the contract term the customer fails to achieve the product suite total annual minimum revenue.

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ACCESS SERVICE
25 - Contract Tariffs

- 25.13 Contract Tariff No. 011 (Cont'd)
- 25.13.1 General Regulations (Cont'd)
- (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (c) Product Level Quarterly Incentive
 The two products shown in Section 25.13.2, following, are available for a Product Level Quarterly Incentive. This quarterly incentive will be computed on the monthly-billed revenue for the selected products in each contract term year and will be awarded on a quarterly basis under the following conditions:
 - The Company will monitor on a quarterly basis the customer's annual minimum-billed revenues provided in Section 25.13.2, Table 1 in each contract term year to determine if the customer is on schedule in achieving the quarterly objective of the annual minimum-billed revenue volume. The scheduled objective for the first quarter is 25% of the annual minimum-billed revenue, for the second quarter 50% of the annual minimum-billed revenue, for the third quarter 75% for the annual minimum-billed revenue, and for the fourth quarter 100% of the annual minimum-billed revenue.
 - For each year of the contract term, the customer will receive the Product Level Quarterly Incentive on a quarterly basis only if the scheduled objectives for the annual minimum-billed revenues are met. For example, if the first quarter's objective is not met, the first quarter incentive award will be delayed until the second quarter. If the second quarter objective is not met, the monthly incentive award for the first and second quarters will be delayed until the third quarter. If the customer meets the third quarter objective, the monthly incentives for the first, second and third quarters will be awarded to the customer.
 - If at the end of the fourth quarter the customer does not achieve at least 100% of the annual minimum-billed revenue volume, the customer will not receive a fourth quarter Product Level Quarterly incentive and must also reimburse the Company all Product Level Quarterly Incentives received for the first, second and third quarters in accordance with Shortfall Penalty regulations in 25.13.1(F)(2) following.

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ACCESS TARIFF

25 - Contract Tariffs (Cont'd)

- 25.13 Contract Tariff No. 011 (Cont'd)
- 25.13.1 General Regulations (Cont'd)
- (F) Classifications, Practices and Regulations (Cont'd)
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (d) Examples of Contract Tariff Incentives
 - Example 1: Annual Incentive: The customer exceeds the annual minimum-billed revenue volume for the first contract term year with a revenue achievement of \$6,254,000. The customer will be awarded an Annual Incentive of \$4,080 computed using Table 1 in 25.13.2 as follows:

(Annual Revenue Achieved — Annual Minimum Revenue Volume) X Applicable Incentive Percentage = Annual Incentive

 $(6,254,000 - 5,982,000) \times 1.5\% = $4,080$

- Example 2: Product Suite Annual Incentive:
 As illustrated in Example 1 above, the customer achieved the first contract term year's annual minimum-billed revenue and also exceeded the product suite total annual minimum revenue with a revenue achievement of \$5,475,000 (see Table 2 in 25.13.2). The customer will be awarded a Product Suite Annual Incentive of \$4,080, which is equivalent to the same dollar amount the customer is awarded for the Annual Incentive in the example above.
- Example 3: Product Level Quarterly Incentive:
 The customer's first quarter monthly revenues are as follows:
 Product #1: \$555,680
 Product #2: \$792,864
 Total Products #1 and #2: \$1,348,544

The customer achieved the scheduled objective of 25% of the first year's annual minimum-billed revenue as shown in Table 1 of 25.13.2. Therefore, the customer is eligible for a first quarter Product Level Quarterly Incentive of \$26,970.88 computed as follows:

[(Product #1 Total Quarterly Revenues) X Product #1 Incentive
Percentage)] + [(Product #2 Total Quarterly Revenues) X Product #2
Incentive Percentage)] = Product Level Quarterly Incentive

 $[(\$555,680 \times 2\%) + (\$792,864 \times 2\%)] = \$26,970.88$

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.13 <u>Contract Tariff No. 011</u> (Cont'd)
- 25.13.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (2) Shortfall Penalty Regulations
 - (a) Shortfall Penalty for Failure to Achieve Minimum-Billed Revenue The customer must achieve the annual minimum-billed revenue volume specified in 25.13.2 following as determined on the anniversary date of the customer's subscription to service under this Contract Tariff in order to be eligible for an Annual Incentive.

If the customer does not achieve the annual minimum-billed revenue volume for any contract term year, the customer will not receive for such year the Annual Incentive as described in 25.13.1(F)(1)(a), preceding. Further, the customer must repay the Company all Product Level Quarterly Incentives received for such year and will be billed the full amount thirty days following the customer's contract anniversary date.

The customer must achieve the product suite total annual minimum revenue as determined on the customer's contract anniversary date in order to be eligible for a Product Suite Annual Incentive. If the customer does not achieve the product suite total annual minimum revenue for any year of the contract term, the customer will not receive for such year the Product Suite Annual Incentive as described in 25.13.1(F)(1)(b), preceding.

(b) Shortfall Penalty for Failure to Achieve the SLA Baseline Revenue

The customer must achieve the minimum annual Baseline Revenue each contract term year as specified in 25.13.1(G)(1), following, in order to receive the performance remedies for the Service Level Agreement specified in 25.13.1(G).

Failure to achieve the minimum annual Baseline Revenue for any contract term year will result in termination of the customer's subscription to this Contract Tariff, and the customer will not be eligible for another Contract Tariff for six months following the contract cancellation date.

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ACCESS SERVICE

- 25.13 Contract Tariff No. 011 (Cont'd)
- 25.13.1 General Regulations (Cont'd)
 - (F) Classifications, Practices and Regulations (Cont'd)
 - (3) Restrictions
 - (a) A customer subscribing to this Contract Tariff may not subscribe to any other Contract Tariff in the MSAs and for the services specified herein.
 - (b) The incentives provided under this Contract Tariff will not apply to annual billed revenues exceeding the maximum revenues specified in 25.13.2 following.
 - (c) Customers must subscribe to the Transport Payment Plan for the applicable services provided in this Contract Tariff.
 - (4) Mergers and Acquisitions
 In the event the customer merges with another company or is acquired by another company, the following regulations will apply:
 - (a) The customer may not combine revenues with the merged or acquired company's revenues for the purpose of obtaining the incentives provided under this Contract Tariff.
 - (b) The customer may continue subscribing to this Contract Tariff for the duration of the contract term provided that the customer continues the subscription as if it were a single entity prior to the merger or acquisition.
 - (c) The Company reserves the right to cancel the customer's subscription to this Contract Tariff if the customer does not adhere to the provisions herein.
 - (5) Revenue Accumulation by Bill Period
 The customer's annual billed revenue and product suite annual revenue shall be accumulated beginning with the first bill period following the effective date of the customer's subscription to this Contract Tariff and ending with the last bill period prior to the customer's contract anniversary date.

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ACCESS SERVICE

- 25.13 Contract Tariff No. 011 (Cont'd)
- 25.13.1 General Regulations (Cont'd)
 - (F) <u>Classifications</u>, <u>Practices and Regulations</u> (Cont'd)
 - (6) <u>Tax Exclusions</u>
 The incentives specified in this Contract Tariff will not be applied to taxes. Taxes will not be included when calculating the customer's annual minimum billed revenues and product suite annual minimum revenues.
 - (7) Existing Discount Plans
 The Contract Tariff incentives specified herein are in addition to credits given under existing pricing plans the customer may subscribe to in other Sections of this Tariff (i.e., Transport Savings Plan, Area Commitment Plan, Channel Services Payment Plan, etc.).
 - (8) Performance Measures
 The services, to which the incentives provided under this Contract
 Tariff apply, shall only be subject to service guarantees specified
 in Section 2.4.4 (service assurance warranty), Section 2.4.9 (service
 installation guarantee) and 25.13.1(G) (Service Level Agreement) of
 this Tariff under the terms and conditions in effect on the day this
 Contract Tariff becomes effective. Any new or additional performance
 measures and remedies that may become applicable to the services
 provisioned under Sections 6, 7, 21, and 23 of this Tariff shall not
 apply to services subject to this Contract Tariff.

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.13 <u>Contract Tariff No. 011</u> (Cont'd)
- 25.13.1 General Regulations (Cont'd)
 - (G) Service Level Agreement

Concurrent with the effective date of this Contract Tariff, a Service Level Agreement (SLA) as specified herein shall become effective and shall remain in effect for the term of this Contract Tariff pursuant to the conditions herein.

The services for which this SLA applies are LightGate Service (a.k.a. BellSouth SPA Point to Point) and DS1 (a.k.a. BellSouth SPA DS1). All rate elements associated with these services are included in this SLA.

- (1) Minimum Annual Baseline Revenue
 In order for the customer to receive the remedies for any missed performance metric agreed to under this SLA, the customer must achieve minimum annual Baseline Revenue of \$5,248,000 for services specified in 25.13.1(C) of this Contract Tariff for the first contract term year. For the second contract term year, the customer's minimum annual Baseline Revenue will be equivalent to the revenue the customer actually achieves at the end of the first contract term year. Shortfall Penalty regulations specified in 25.13.1(F)(2)(b) will apply if the customer fails to achieve the minimum annual Baseline Revenue.
- (2) Performance Metrics and Measurement Methodology
 - (a) The SLA Commitments, Performance Objectives and Total Revenue at Risk are shown in Chart A in 25.13.1(G)(6) and (7) following. The performance metrics that will be tracked and measured are shown below. The definitions are provided in (3) following.
 - Customer Desired Due Date (CDDD) Met
 - Firm Order Confirmation (FOC) Receipt
 - Mean Time to Repair (MTTR) Hours

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ACCESS SERVICE

- 25.13 Contract Tariff No. 011 (Cont'd)
- 25.13.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (2) Performance Metrics and Measurement Methodology (Cont'd)
 - (b) The following terms and conditions shall apply for collecting, calculating, reporting and administering the performance measurement data under the Service Level Agreement (SLA) provided herein:
 - The Company will utilize its monthly self-reported performance measurement data to determine performance metrics. The Company's self-reported performance measurement data will be collected and calculated utilizing the Company's internal processes. The Company's calculation of its performance under this Contract Tariff shall be the sole determinate of the Company's obligation to provide a remedy for a missed performance metric. The Company will monitor data collection and calculation to ensure the integrity of self-reported results.
 - Performance metrics and any applicable remedies will be calculated on a regional, state, or district level basis, as currently measured, and prorated to an MSA level.
 - At the point that any MSA specific measurements are instituted, any applicable remedies will be converted to the MSA basis. Following implementation of MSA level measures, performance metrics and any applicable remedies will be calculated solely on an MSA basis. For example, Customer Desired Due Date (CDDD) and Mean Time to Repair (MTTR) performance data for a customer subscribing to this Contract Tariff in all of the Atlanta Network districts will be used for the Atlanta MSA until specific Atlanta MSA performance data is available.
 - (c) Neither the Company or the customer shall be held liable for any delay or failure in performance of any part of the SLA from any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, embargoes, epidemics, war, terrorists acts, riots, insurrections, fires, explosions, earthquakes, strikes, nuclear accidents, floods, power blackouts, or unusually severe weather. In the event of any such excused delay in the performance of the customer or the Company's obligation(s) under this SLA, the due date for the performance of the original obligation(s) shall be extended by a term equal to the time lost by reason of delay.

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ACCESS SERVICE

- 25.13 Contract Tariff No. 011 (Cont'd)
- 25.13.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (3) Performance Metrics Definitions
 - (a) <u>Customer Desired Due Date</u> (CDDD):

 This metric measures the percentage of Special Access and Non-Access Wireless ASRs (Adds and Rearrangements only) completed by the customer desired due date.
 - Exclusions: Test orders, disconnect orders, administrative orders, record orders, and orders that are not completed. (Orders are included in the month that they are completed).
 - Business Rule: The number of Special Access and Non-Access Wireless ASRs (Adds and Rearrangements only) completed by the customer desired due date, divided by total Special Access and Non-Access Wireless ASRs (Adds and Rearrangements only) completed. Orders coded with a Customer Not Ready (CNR) designation are considered an order where CDDD is met.
 - (b) Firm Order Confirmation (FOC) Receipt
 This metric measures the percentage of the Company's FOCs,
 including electronic facility checks, within the specified
 timeframes. The FOC is a notice the Company returns to the customer
 in response to an Access Service Request (ASR), which confirms
 receipt of the ASR and that the ASR has been created with an
 assigned due date.
 - Exclusions: Test orders, weekend and holiday hours (other than flow-through), weekend hours (midnight Friday through Midnight Sunday), holiday hours (midnight of the business day preceding the holiday to midnight of the holiday.
 - Business Rule: The number of ASRs where the Company provides Firm Order Commitment to the customer within the required interval divided by the total number of ASRs where the Company is responsible for providing the Firm Order Commitment.

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ACCESS SERVICE

- 25.13 Contract Tariff No. 011 (Cont'd)
- 25.13.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (3) Performance Metrics Definitions (Cont'd)
 - (c) Mean Time to Repair (MTTR) Hours
 The average duration from the time the Company receives a trouble report to the time the Company clears a trouble. A service is considered to have a trouble when it becomes unusable to the customer because of a failure of a facility component used to furnish a service under this SLA or in the event that the protective controls applied by the Company result in the loss of use of the service by the customer. A trouble period starts when the customer reports the trouble to the Company and ends when the service is operative.
 - Exclusions: Troubles reported on Company official administrative lines; troubles closed due to Customer action; troubles reported by Company employees in the course of performing preventive maintenance, CPE troubles; or subsequent trouble reports where the initial trouble is pending; canceled trouble reports; troubles caused by customer negligence; troubles due to failure of equipment or systems provided by the customer or others; troubles during any period in which the Company is not afforded access to the premises where the service is terminated; troubles when the customer has released the service to the Company for maintenance purposes, to make rearrangements, or for the implementation of an ASR for a change in the service during the time that was negotiated with the customer prior to the release of that service; troubles during periods when the customer elects not to release the service for testing and/or repair and continues to use it on an impaired basis; troubles during periods of temporary discontinuance as set forth in 2.2.1(B) of this Tariff.
 - Business Rule: Total duration (in hours, tenths and hundreths) of all Special Access measured trouble reports, divided by the total number of all Special Access measured customer trouble reports. Calculated as referred out duration subtracted from actual duration. Time needed for delayed maintenance at the customer's request (e.g., for circuit monitoring purposes prior to trouble ticket closure) and no-access time is not included in the actual duration figure.

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.13 Contract Tariff No. 011 (Cont'd)
- 25.13.1 General Regulations (Cont'd)
 - (G) <u>Service Level Agreement</u> (Cont'd)
 - (4) Customer Obligations

In order to receive the performance remedies specified in this SLA, the customer agrees to the following conditions:

- (a) The customer shall maintain minimum annual Baseline revenue of \$5,248,000 for the first year of this Contract Tariff in the MSAs specified in order for the customer to receive the remedies for any missed performance metric agreed to under this SLA. For the second year of this Contract Tariff, the minimum annual Baseline revenue will be equivalent to the revenue the customer actually achieves at the end of the first year of this Contract Tariff.
- (b) The customer shall maintain existing electronic system interfaces and processes for Access Service Request (ASR) initiation and trouble reporting.
- (c) The customer shall submit ASRs by 3:00 p.m. EST in order for the ASR to be processed the same business day. ASRs received after 3:00 p.m. EST shall be processed the next business day.

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.13 Contract Tariff No. 011 (Cont'd)
- 25.13.1 General Regulations (Cont'd)
 - (G) Service Level Agreement (Cont'd)
 - (5) Company Obligations
 - (a) Should BellSouth fail to perform to the service levels detailed in Charts A and B in 25.13.1(G)(6) and (7) following, an SLA Performance Credit of up to 1% of the customers minimum annual Baseline Revenue specified in 25.13.1(G)(1) preceding, will be at risk provided the customer met the obligations detailed in 25.13.1(G)(4), preceding.
 - (b) The Company will evaluate and calculate the performance objectives on a monthly basis. Any applicable SLA Performance Credit will be applied to the customer's account at the end of each contract term year, one month in arrears of the customer's contract anniversary date.
 - (c) The Monthly Revenue at Risk will be determined as follows:

(Minimum Annual Baseline Revenue X 1%) divided by 12 = Monthly Revenue at Risk

 $(\$5,248,000 \times 1\%)$ divided by 12 = \$4,373.33

(d) The following example illustrates how the Company will calculate the SLA Performance Credits using the Monthly Revenue at Risk above and data from Charts A and B in 25.13.1(G)(6) and (7) following.

Example 1: For DS1 (a.k.a BellSouth SPA DS1) orders, CDDD attainment in the first month is 88%. The performance remedy for such month would be calculated as follows:

(Monthly Revenue at Risk X Weighting) X Penalty = Monthly Remedy $(\$4.373.33 \times 25\%) \times 25\% = \273.33

(e) The Company will sum the SLA Performance Credits for each missed performance metrics to get each month's Total Monthly Performance Credit. The twelve-months Total Monthly Performance Credits will be credited to the customer's account one month in arrears of the customer's contract subscription anniversary date.

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- 25.13 Contract Tariff No. 011 (Cont'd)
- 25.13.1 General Regulations (Cont'd)
 - (G) <u>Service Level Agreement</u> (Cont'd)
 - (6) <u>Performance Metrics Provisioning Elements</u>
 Chart A below provides the weighting, performance targets, and penalties for the specified metric.

| CHART A: Service Level Agreement (Provisioning Elements) | | | | |
|--|-----------|---------------------------|--|--|
| SLA Commitment | | Performance Objectives | Total At Risk=1% of MSA Baseline Billed Rev | |
| Measure | Weighting | Performance Targets | Penalty | |
| CDDD | | | | |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | 25% | >= 90% | 0% | |
| | | 87.5 - 89.99% | 25% | |
| | | 85 - 87.49% | 50% | |
| | | <85% | 100% | |
| DS1 (a.k.a. BellSouth SPA DS1) | 25% | >= 95% | 0% | |
| | | 92.5 - 94.99% | 25% | |
| | | 90 - 92.49% | 50% | |
| | | <90% | 100% | |
| FOC Receipt | | | | |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | 10% | >= 85% | 0% | |
| within 120 hrs | | 82.5 - 84.99% | 25% | |
| | | 80 - 82.49% | 50% | |
| | | <80% | 100% | |
| DS1 (a.k.a. BellSouth SPA DS1) | 10% | >= 85% | 0% | |
| within 48 hrs | | 82.5 - 84.99% | 25% | |
| | | 80 - 82.49% | 50% | |
| | | <80% | 100% | |

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ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.13 Contract Tariff No. 011 (Cont'd)
- 25.13.1 General Regulations (Cont'd)
 - (G) <u>Service Level Agreement</u> (Cont'd)
 - (7) Performance Metrics Maintenance Elements
 Chart B below provides the weighting, performance targets, and penalties for the specified metric:

| Chart B: Service Level Agreement (Maintenance Elements) | | | | |
|--|-----|---------------------------|--|--|
| SLA Commitment | | Performance Objectives | Total At Risk=1% of MSA Baseline Billed Rev | |
| Measure Weighting | | Performance Target | Penalty | |
| MTTR | | | | |
| LightGate Service (a.k.a. BellSouth SPA Point to Point) | 15% | <=4.0 hrs. | 0% | |
| | | 4.1 - 4.17 hrs | 25% | |
| | | 4.18 – 4.25 hrs. | 50% | |
| | | >4.25 hrs. | 100% | |
| DS1 (a.k.a. BellSouth SPA DS1) | 15% | <=4.0 hrs. | 0% | |
| | | 4.1 - 4.17 hrs. | 25% | |
| | | 4.18 - 4.25 hrs. | 50% | |
| | | >4.25 hrs. | 100% | |

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ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.13 Contract Tariff - No. 011 (Cont'd)

25.13.2 Revenue Volumes and Incentives

- (A) Annual Minimum-Billed Revenues and Incentives
 - (1) Table I below provides the annual minimum-billed revenue volumes and the Annual Incentives. The customer must achieve each year's minimum-billed revenue in order to receive an Annual Incentive, which is applied to the incremental revenue that exceeds the annual minimum-billed revenue. Revenue exceeding the maximum revenue will not be eligible for an Annual Incentive or Product Suite Annual Incentive. Section 25.13.1(F)(1)(d), preceding, provides examples of how incentives in the following tables are determined.

| | Annual Minimum Bi | lled Revenue Volumes |
|-------------------------|-------------------|----------------------|
| Table 1 | (\$ | (000) |
| | Year 1 | Year 2 |
| Minimum Revenue Volumes | \$5,982 | \$6,820 |
| (%) Annual Incentives | | |
| | > \$5,982- | > \$6,820 - |
| 1.5% | 6,282 | 7,161 |
| | > 6,282 - | > 7,161 - |
| 2.5% | 6,581 | 7,502 |
| | > 6,581 - | > 7,502 - |
| 3.5% | 6,880 | 7,843 |
| | | |
| Maximum Revenues | \$6,880 | \$7,843 |

(2) Table 2 below provides the product suite and the product suite total annual minimum revenues. The customer must achieve each year's total annual minimum revenue* in order to receive a Product Suite Annual Incentive, which is equivalent to the dollar amount the customer is awarded for the Annual Incentive as specified in 25.13.2(A)(1) above.

| | Product Suite Annua | 1 Minimum Revenues | |
|---------------------------------|---------------------|--------------------|--|
| Table 2 | (\$000) | | |
| Product Suite | Year 1 | Year 2 | |
| LightGate svc.(a.k.a. BellSouth | | | |
| SPA Point to Point) | \$ 2,220 | \$ 2,552 | |
| DS1 (a.k.a. BellSouth SPA DS1) | 3,170 | 3,645 | |
| *Total Annual Minimum Revenues | \$ 5,390 | \$ 6,198 | |

(3) Table 3 below provides the products eligible for a Product Level Quarterly Incentive. The Product Level Quarterly Incentive is applied on the monthly-billed revenue for these products and awarded on a quarterly basis.

| Table 3 | Quarterly Product Level Incentive | | |
|---------------------------------|-----------------------------------|--------|--|
| | Year l | Year 2 | |
| LightGate svc.(a.k.a. BellSouth | | | |
| SPA Point to Point) | 2% | 2% | |
| DS1 (a.k.a. BellSouth SPA DS1) | 2% | 2% | |

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ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.14 Contract Tariff - No. 012

- (A) This Contract Tariff is valid for the period beginning March 1, 2004, and ending August 31, 2004.
- (B) The regulations, terms and conditions provided herein shall apply to customers subscribing to Contract Tariff No. 012 in the Metropolitan Statistical Areas (MSAs) defined in 25.14.1.B below.

25.14.1 General Regulations

(A) Term and Renewal Options

(1)Customers subscribing to this Contract Tariff must have an existing Area Commitment Plan (ACP) in service as of January 1, 2004, or the customer must have an existing BellSouth Premium Service Incentive Plan (PSIP). ACP is set forth in Section 2.4.8(B) of this Tariff and provides two term plans, i.e., ACP A (24 months to 48 months) and ACP B (49 months to 72 months). BellSouth PSIP has a three year term and is set forth in Section 2.4.8(G) of this Tariff.

Effective April 7, 2004, customers with a BellSouth PSIP may subscribe to this Contract Tariff.

- (2) Termination liability for ACP or PSIP shall apply to services provided in this Contract Tariff as set forth in Section 2.4.8 of this Tariff.
- (3) The customer may elect to participate in this Contract Tariff by contacting a Company representative. The Company shall provide a Letter of Agreement (LOA), which will be executed by the customer's signature and acknowledged by a Company representative's signature. The signed LOA shall indicate the customer's understanding and agreement to the terms of this Contract Tariff and the effective date the customer elects to begin participation in this Contract Tariff.
- (4) The customer's effective date for participation in this Contract Tariff shall begin on the first calendar day of any month that falls within the specified contract period shown in 25.14(A) above. Customers requesting an effective date on the first calendar day of the beginning month of the contract period will have 15 business days from the start of the beginning month to indicate their election to participate in this Contract Tariff.
- (B) Metropolitan Statistical Areas
 Atlanta, Baton Rouge, Biloxi, Charlotte, Chattanooga, Daytona
 Beach, Gainesville, Greensboro-Winston Salem, Jackson,
 Jacksonville, Knoxville, Lake Charles, Louisville, Memphis, MiamiFt. Lauderdale, Monroe, Montgomery, Melbourne, Nashville-Davidson,
 Orlando, Pensacola, Raleigh-Durham, Savannah, Shreveport, Wilmington,
 West Palm Beach
- (C) <u>Description of Services</u>
 The credits provided in this Contract Tariff shall apply to Local Channels associated with DS1 (a.k.a. BellSouth SPA DS1) service.

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ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.14 Contract Tariff - No. 012 (Cont'd)

25.14.1 General Regulations

(D) Minimum Requirement
To be eligible for credits under this Contract Tariff, the customer must have a minimum of two consecutive months of positive net Local Channels for DS1 (a.k.a. BellSouth SPA DS1) service, which includes net Local Channels prior to the beginning month of the contract period specified in 25.14(A) preceding. Net Local Channels represent the difference between the Local Channels installed and the Local Channels disconnected within any given month. The customer's net Local Channels will be determined at the end of each month.

(E) Rates and Charges
Rates and charges for DS1 (a.k.a. BellSouth SPA DS1) service are set forth in Section 23 of this Tariff. The Company reserves the right to change the rates and charges for services in Section 23.

(F) <u>Classifications</u>, <u>Practices and Regulations</u>

- (1) At the end of each month of the contract period, the customer must have achieved a minimum of 10% net Local Channels over the previous month's net Local Channels. The customer's net Local Channels must be positive for two consecutive months to qualify for credits at which time the customer may receive credits the second month, if applicable.
- (2) If the customer maintains the requirements in (1) above each month of the contract period, the customer shall receive a \$400 credit for each net Local Channel. Credit will be given each month up to a maximum of 15% of net Local Channels achieved over the previous month's net Local Channels.
- (3) Should the customer fail to achieve the requirements in (1) above, the customer will not qualify for a credit for such month. However, the customer may continue to participate for the duration of the specified contract period.
- (4) A maximum credit of 60% will be given for the entire contract period, which will be determined by summing the percentages of net Local Channels for those months qualifying for credit.
- (5) Credits the customer earns under this Contract Tariff will be accumulated and applied to the customer's bill within 75 days following the end date of this Contract Tariff.
- (6) Customers may subscribe to this Contract Tariff on or after the effective date. However, customers subscribing after the effective date may only participate for the duration of the Contract Tariff.
- (7) Applicable taxes will be computed based on the full tariff price for DS1 (a.k.a. BellSouth SPA DS1) service, and credits will be applied to the service's full tariff price. Credits will not be applied to taxes.

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ACCESS SERVICE 25 - CONTRACT TARIFFS

25.16 <u>Incentive Plans</u> (Cont'd)

25.16.2 Incentive Plan for LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) and SMARTGate DS3 service (a.k.a. BellSouth SPA Managed Shared Ring Network)

25.16.2.1 General Regulations

- (A)An Incentive Plan will be offered for a six-month period beginning November 11, 2004, through May 10, 2005, for new subscriptions to non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) (electrical service only) and SMARTGate DS3 Service (a.k.a. BellSouth SPA Managed Shared Ring Network) (Off-Net).
- (B) Customers must elect to participate in this Incentive Plan within forty-five days of the Incentive Plan's start day shown in (A) above by signing a Letter of Agreement, which will be provided by the Company and acknowledged by a Company representative's signature.
- (C)The rates and charges for the services in this Incentive Plan are set forth in Section 23 of this Tariff. The terms and conditions in this Incentive Plan shall apply to the Full Service Relief Metropolitan Statistical Areas (MSAs) set forth in Section 23 of this Tariff shown as follows:
 - Atlanta, Baton Rouge, Biloxi, Charlotte, Chattanooga, Columbia, Daytona Beach, Evansville, Gainesville, Greensboro-Winston Salem, Jackson, Jacksonville, Knoxville, Lafayette, Lake Charles, Louisville, Memphis, Miami-Ft. Lauderdale, Monroe, Montgomery, Melbourne, Nashville-Davidson, Orlando, Owensboro, Pensacola, Raleigh-Durham, Savannah, Shreveport, Wilmington, West Palm Beach

25.16.2.2 Description

- (A)This Incentive Plan provides rewards in the form of credits that will be applied to the customer's bill upon the customer meeting the terms and conditions set forth herein.
- (B)Customers subscribing to non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point-to-Point) in this Incentive Plan under a Transport Payment Plan (TPP) B (37-60 months) or Plan C (61-96 months) shall receive rewards on the TPP monthly recurring rates for the Local Channel and Interoffice Channel Mileage as shown in the following chart. Customers subscribing to SMARTGate DS3 Service (a.k.a. BellSouth SPA Managed Shared Ring Network) under a Plan B (60 months) commitment plan shall receive rewards on the Off-Net Service commitment plan monthly recurring rates as shown in the following chart. Customers must submit a firm order for service with the application date within the six-month Incentive Plan period specified in 25.16.2.1(A) above, and the service must be installed by November 10, 2005. For the purposes of this provision, orders for services with application dates preceding the effective date of this tariff that are cancelled subsequent to this tariff's effective date and then reordered during the six-month Incentive Plan period shall not qualify for this Incentive Plan.

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25 - CONTRACT TARIFFS

- 25.16 Incentive Plans (Cont'd)
- 25.16.2 <u>Incentive Plan for LightGate DS3 Svc. (a.k.a. BellSouth SPA Point to Point Network) and SMARTGate DS3 service (a.k.a. BellSouth SPA Managed Shared Ring Network)</u> (Cont'd)
- 25.16.2.2 Description (Cont'd)
 - (B) (Cont'd)

An existing TPP whose length of service is changed pursuant to regulations in 2.4.8(D)(6)(a) does not qualify for this Incentive Plan.

(C) The rewards are provided in the chart below:

| Service | USOCS | Rate Elements | Term Payment Plan | % Discount (Rewards) |
|--|---|--------------------|-------------------------|----------------------------|
| Non-channelized LightGate DS3 svc. (a.k.a. BellSouth SPA Point to Point Network) | HFSC7, 1LPEA, 1LPE8, 1LPE9, 1LPE6, 1LPS8, 1LPS9, 1LPS6 | | TPP B, C | 20% |
| SmartGate DS3 service (a.k.a. BellSouth SPA Managed Shared Ring Network) | вмзхх | Off Net Service | Plan B | 20% |

- (D) The rewards for services in this Incentive Plan will not apply as follows:
 - When UNEs or combination of UNEs are commingled with services in this Incentive Plan.
 - For lower level circuits riding on the services in this Incentive Plan and for interfaces or other optional features and functions other than those specified in this Incentive Plan.
- (E) The Company will determine the applicable rewards for services meeting the requirements of this Incentive Plan. After services have been installed, the customer's bill will be credited each month the applicable rewards one month in arrears.
- (F) TPP regulations in Section 2.4.8 of this Tariff apply for non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point-to-Point) and the SMARTGate Service (a.k.a. BellSouth SPA Managed Shared Ring Network) commitment plan regulations in Section 7.4.22 shall apply including the termination liability regulations. In addition, if the customer disconnects the service prior to the end of the contract term, the customer must repay all credits received under this Incentive Plan and the Company will bill such amount to the customer within 90 days of the termination date.

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25 - CONTRACT TARIFFS

- 25.16 <u>Incentive Plans</u>(Cont'd)
- 25.16.2 <u>Incentive Plan for LightGate DS3 Svc. (a.k.a. BellSouth SPA Point to Point Network) and SMARTGate DS3 service (a.k.a. BellSouth SPA Managed Shared Ring Network)</u> (Cont'd)
- 25.16.2.2 Description (Cont'd)
 - (G) Customers may qualify for the rewards in this Incentive Plan if:
 - (1) The customer renews a TPP contract that expires within the six-month Incentive Plan period to a renewed TPP B or C contract for one of the services in this Incentive Plan. The term activation date of the renewed TPP commences on the day after expiration of the existing TPP.
 - (2) The customer moves its existing services that are under a month-to-month arrangement to a TPP B or C contract.
 - (H) The rewards in this Incentive Plan will be computed as credits on the full TPP B or C tariff price for services in this Incentive Plan. Credits will not be applied to taxes.
 - (I) Customers receiving rewards under other Incentive Plans, promotions or contract tariffs that contain the services specified in this Incentive Plan may not subscribe to this Incentive Plan. However, credits in this Incentive Plan are in addition to credits the customer receives under Transport Savings Plan (TSP), Premium Service Incentive Plan (PSIP) or TPP.

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25 - CONTRACT TARIFFS

- 25.16 Incentive Plans (Cont'd)
- 25.16.4 <u>Incentive Plan Non-Channelized LightGate DS3 Service (a.k.a.</u> BellSouth SPA Point to Point Network)

25.16.4.1 General Regulations

- (A) An Incentive Plan will be offered for a nine-month period beginning November 15, 2005, through August 14, 2006, for new subscriptions to non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) (electrical service only).
- (B) The rates and charges for the services in this Incentive Plan are set forth in Section 23 of this Tariff. The terms and conditions in this Incentive Plan shall apply to the Full Service Relief Metropolitan Statistical Areas (MSAs) set forth in Section 23 of this Tariff shown as follows:
 - Atlanta, Baton Rouge, Biloxi, Charlotte, Chattanooga, Columbia, Daytona Beach, Evansville, Gainesville, Greensboro-Winston Salem, Jackson, Jacksonville, Knoxville, Lafayette, Lake Charles, Louisville, Memphis, Miami-Ft. Lauderdale, Monroe, Montgomery, Melbourne, Nashville-Davidson, Orlando, Owensboro, Pensacola, Raleigh-Durham, Savannah, Shreveport, Wilmington, West Palm Beach

25.16.4.2 Description

- (A) This Incentive Plan provides rewards in the form of credits for new subscriptions to non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point-to-Point) provisioned to an end user location.
- (B) Customers subscribing to non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point-to-Point) under a Transport Payment Plan (TPP) A (24 month minimum), TPP B (37 60 months) or TPP C (61 96 months) shall receive the credits shown in the chart below on the TPP monthly recurring rates for the Local Channel and Interoffice Channel Mileage.
 - TPP A (24 month minimum): 20% credit - TPP B (37 to 60 months): 30% credit - TPP C (61 to 96 months): 30% credit
- (C) Customers must submit a firm order for service with the application date within the nine-month Incentive Plan period specified in 25.16.4.1(A) above, and the service must be installed by September 15, 2006.

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25 - CONTRACT TARIFFS

- 25.16 Incentive Plans (Cont'd)
- 25.16.4 <u>Incentive Plan Non-Channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network)</u> (Cont'd)
- 25.16.4.2 Description (Cont'd)
 - (D) For the purposes of this provision, orders for services with application dates preceding the effective date of this tariff that are cancelled subsequent to this tariff's effective date and then reordered during the six-month Incentive Plan period shall not qualify for this Incentive Plan.
 - (E) An existing TPP whose length of service is changed pursuant to regulations in 2.4.8(D)(6)(a) does not qualify for this Incentive Plan.
 - (F) The rewards in this Incentive Plan will apply to the following:

| Service | Rate Elements | USOCS |
|--|--|--|
| Non-channelized LightGate DS3 svc. (a.k.a. BellSouth SPA Point to Point Network) | Local Channel, I/O Channel Mileage | HFSC7, 1LPEA 1LPE8, 1LPE9 1LPE6, 1LPS8 1LPS9, 1LPS6 |

- (G) The rewards for services in this Incentive Plan will not apply as follows:
 - When UNEs or combination of UNEs are commingled with services in this Incentive Plan.
 - For lower level circuits riding on the services in this Incentive Plan and for interfaces or other optional features and functions other than those specified in this Incentive Plan.
 - For Local Channels terminating at a location other than an end user location (i.e., rewards will not apply for Local Channels terminating at an inter-exchange carrier's point-of-presence.)
 - When services in this Promotion terminate in a physical or virtual collocation arrangement in a Company central office.
- (H) The Company will determine the applicable rewards for services meeting the requirements of this Incentive Plan. After services have been installed, the customer's bill will be credited each month the applicable rewards one month in arrears.

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25 - CONTRACT TARIFFS

- 25.16 Incentive Plans (Cont'd)
- 25.16.4 <u>Incentive Plan Non-Channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network)</u> (Cont'd)
- 25.16.4.2 Description (Cont'd)
 - (I) TPP regulations in Section 2.4.8 of this Tariff apply for non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point-to-Point). In addition, if the customer disconnects the service prior to the end of the contract term, the customer must repay all credits received under this Incentive Plan and the Company will bill such amount to the customer within 90 days of the termination date.
 - (J) Customers may qualify for the rewards in this Incentive Plan if:
 - (1) The customer renews a TPP contract that expires within the nine-month Incentive Plan period to a renewed TPP A (24 month minimum), TPP B or TPP C contract for one of the services in this Incentive Plan. The term activation date of the renewed TPP commences on the day after expiration of the existing TPP.
 - (2) The customer moves its existing services that are under a month-to-month arrangement to a TPP A (24 month minimum), TPP B or TPP C contract.
 - (3) The customer renews a TPP contract during the 9-month Incentive Plan period to a TPP B or C contract when the existing TPP contract term has been fulfilled with no termination liability required.
 - (K) The rewards in this Incentive Plan will be computed as credits on the full TPP tariff price for services in this Incentive Plan. Credits will not be applied to taxes.
 - (L) Customers receiving rewards under other Incentive Plans, promotions or contract tariffs that contain the services specified in this Incentive Plan may not subscribe to this Incentive Plan. However, credits in this Incentive Plan are in addition to credits the customer receives under Transport Advantage Plan (TAP), Premium Service Incentive Plan (PSIP) or TPP.

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25 - CONTRACT TARIFFS

- 25.16 Incentive Plans (Cont'd)
- 25.16.5 <u>Incentive Plan Channelized LightGate Service (a.k.a. BellSouth SPA Point-to-Point Network)</u> (Cont'd)

25.16.5.1 General Regulations

- (A) An Incentive Plan for Channelized LightGate Service (a.k.a. BellSouth SPA Point-to-Point Network) will be offered for a nine-month period beginning November 15, 2005, through August 14, 2006, subject to the regulations, terms and conditions provided herein.
- (B) The regulations, terms and conditions for this Incentive Plan shall apply for the Full Service Relief Metropolitan Statistical Areas (MSAs) set forth in Section 23 of this Tariff.
- (C) Rates and charges for services in this Incentive Plan are provided in Section 23 of this Tariff. The Company reserves the right to change the rates, charges, terms and conditions for services in Section 23 and other sections of this Tariff during the Incentive Plan period in (A) above.

25.16.5.21.2 <u>Description</u>

- (A) To qualify for the rewards in this Incentive Plan, the customer must subscribe to new LightGate Service (a.k.a. BellSouth SPA Point to Point Network), described in (F) following, under a Transport Payment Plan (TPP) A (24 month minimum), TPP B (37 to 60 months) or TPP C (61 to 96 months). The TPP regulations, in Section 2.4.8 of this Tariff shall apply, including termination liability regulations.
- (B) Upon subscribing to new LightGate Service (a.k.a. BellSouth SPA Point to Point Network) described in (F) following, the customer will receive credit, as shown below, on the TPP monthly recurring rates for the Local Channel Systems, Optical Terminations, Central Office and Customer Interfaces, Channelization Systems and Interoffice Fixed and Per Mile Channels associated with the service. The credit on TPP rates will apply each month for the duration of the TPP term and will be applied to the customer's bill one month in arrears.
 - TPP A (24 month minimum): 20% credit - TPP B (37 to 60 months): 30% credit - TPP C (61 to 96 months): 30% credit
- (C) Should the customer disconnect service prior to the TPP term, the customer must repay all monthly recurring credits received under this Incentive Plan and such amount will be billed to the customer within 90 days of the service termination date.

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25 - CONTRACT TARIFFS

25.16 Incentive Plans (Cont'd)

25.16.5 Incentive Plan - Channelized LightGate Service (a.k.a. BellSouth SPA Point-to-Point Network) (Cont'd)

25.16.5.2 Description (Cont'd)

- (D) Customers who renew a TPP contract that expires during the Incentive Plan period specified in 25.16.5.1(A) above for the services in herein will qualify for credit on TPP monthly recurring rates. Eligible TPPs for renewal are those that expire during the Incentive Plan period and where termination liability does not apply. The customer may take advantage of this Incentive Plan by renewing the expired TPP under a new TPP A, B or C.
- (E) In addition to (D) above, customers who have fulfilled the minimum term of an existing TPP (i.e., 12 months of TPP A, 37 months of TPP B and 61 months of TPP C) may qualify for this Incentive Plan by either renewing the TPP or entering into a new TPP with a term of 24, 37 or 61 months, as applicable.
- (F) Customers must submit orders during the Incentive Plan period in 25.16.5.1(A) above for the new LightGate Service (a.k.a. BellSouth SPA Point to Point Network) and the service must be installed no later than September 15, 2006.
- (G) The chart below provides the services and rate elements for which the rewards in this Incentive Plan shall apply.

| Service Description | Rate Elements | USOCS |
|---|---|--|
| LightGate 1, 2, 3, and 4 Services (a.k.a. BellSouth SPA Point to Point Network) | Local Channel Systems | HFSCE, HFSCG HFSC7, HFSCJ, 1LPEA |
| 1 | 1 | 1 |
| LightGate 2, 3, and 4 Services (a.k.a. BellSouth SPA Point to Point Network) | DS3 CO and Customer Channel Interfaces | 1PQEC, 1PQEP MQ3CO, 1PQE3 |
| LightGate 1, 2, 3, and 4 Services (a.k.a. BellSouth SPA Point to Point Network) | 28 DS1 Channel System | MQ3C0, MQ3C1 |
| LightGate 1 Service (a.k.a. BellSouth SPA Point to Point Network) | I/O Fixed & Per Mile Channels (0-8 & 9-25 mileage bands only) | 1LPS8, 1LPE8 1LPE9, 1LPS9 |

[&]quot;Material previously contained in this section has been deleted. LightGate (OCN) services formerly contained in this Incentive Plan are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been detariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. This incentive plan shall remain in effect according to its existing terms and conditions for the duration of the existing terms. Customers may refer to the base documents containing the rates, terms and conditions associated with existing incentive plan (i.e., those in place prior to de-tariffing) on the Commissions' website https://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

(This page filed under Transmittal No. 1)

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ACCESS SERVICE

25 - CONTRACT TARIFFS

- 25.16 Incentive Plans (Cont'd)
- 25.16.5 <u>Incentive Plan Channelized LightGate Service (a.k.a. BellSouth SPA Point-to-Point Network)</u> (Cont'd)
- 25.16.5.2 Description (Cont'd)
 - (H) The rewards in this Incentive Plan will not apply:
 - (1) When UNEs or combination of UNEs commingled with services in this Incentive Plan exceed 14 DS1s of an eligible DS3 service capacity. Annual reviews will be performed to determine if commingling of such services has exceeded 14 DS1s of the service capacity of an eligible DS3 facility, at such time credits will be discontinued.
 - (2) When UNEs do not terminate and originate at the same serving wire center as the Local Channel for LightGate Service (a.k.a. BellSouth SPA Point-to-Point Network).
 - (3) When UNEs connect to a SPA DS1 Interoffice Channel.
 - (4) When UNEs connect to an Interoffice Channel and Local Channel for LightGate DS3 Service (a.k.a. BellSouth SPA Point-to-Point Network).
 - (5) For lower level circuits riding on the services in this Incentive Plan and for optional features and functions other than those specified herein.
 - (6) When services in this Incentive Plan terminate in a physical or virtual collocation arrangement in a Company central office.
 - (7) When services in this Incentive Plan are under a month-to-month billing arrangement.
 - (8) Non-Channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point-to-Point Network).
 - (I) Credits in this Incentive Plan will be applied to the full TPP monthly rates for services in this Incentive Plan and will not be applied to taxes.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.16 Incentive Plans (Cont'd)

25.16.6 Incentive Plan - DS1 Service (a.k.a. BellSouth SPA DS1) (Cont'd)

25.16.6.1 General Regulations

This Incentive Plan is being cancelled with the effective date of this Tariff. No new subscriptions to this Incentive Plan will be accepted after December 21, 2005. All subscriptions received on or before December 21, 2005, will be honored.

- (A) An Incentive Plan for DS1 Service (a.k.a. BellSouth SPA DS1) will be offered for a three (3) month period beginning January 1, 2006, through March 31, 2006, subject to the regulations, terms and conditions provided herein.
- (B) Customers may subscribe to this Incentive Plan during the period in (A) above by signing a Letter of Agreement (LOA) provided by the Company and acknowledged by a Company representative's signature. The LOA shall contain the customer's Access Customer Name Abbreviations (ACNAs).
- (C) The regulations, terms and conditions for this Incentive Plan shall apply for the Full Service Relief Metropolitan Statistical Areas (MSAs) set forth in Section 23 of this Tariff.
- (D) Rates and charges for services in this Incentive Plan are provided in Section 23 of this Tariff. The Company reserves the right to change the rates, charges, terms and conditions for services in Section 23 and other sections of this Tariff during the Incentive Plan period in (A) above.

25.16.6.2 Description

- (A) This Incentive Plan rewards long-term customers who have had their existing DS1 Service (a.k.a. BellSouth SPA DS1) for 36 months or longer. The reward in (B) below will be provided subject to the following conditions:
 - (1) The customer's SPA DS1 Service must be under a CSPP contract term of 49 months or greater or an Area Commitment Plan (ACP) B. The CSPP and ACP regulations, terms and conditions provided in Section 2.4.8 of this Tariff shall apply including termination liability regulations.
 - (2) The customer must have seventy percent (70%) or more of their SPA DS1 Local Channels and Interoffice Channels under the ACP B.
 - (3) The customer must have a minimum of five hundred (500) SPA DS1 Local Channels or nine thousand (9,000) Interoffice Channel miles under the ACP B.
- (B) The customer will be rewarded a ten percent (10%) credit on the CSPP and ACP monthly recurring rates for the SPA DS1 Local Channel and Interoffice Channel. The ten percent (10%) credit will apply for the duration of the CSPP or ACP contract term and will continue to apply as long as the customer keeps the SPA DS1 Service in service.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

- 25.16 <u>Incentive Plans</u> (Cont'd)
- 25.16.6 Incentive Plan DS1 Service (a.k.a. BellSouth SPA DS1) (Cont'd)
- 25.16.6.2 Description (Cont'd)
 - (C) The credit in (B) above will apply in addition to the ACP and CSPP discounts.
 - (D) The credit will be applied to the customer's bill one month in arrears.
 - (E) The credit will not apply to services that terminate in a physical or virtual collocation arrangement in a Company central office.
 - (F) The credit will be applied to the service's full tariff price and will not be applied to taxes.

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25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

- (A) Customers may subscribe to this Contract Tariff within a period of fifteen (15) days following the Contract Tariff's effective date. The subscription period expires April 16, 2005.
- (B) The regulations, terms, conditions and incentives provided herein shall apply to customers subscribing to Contract Tariff No. 14 in the Full Service Relief Metropolitan Statistical Areas (MSAs) defined in Section 23 of this Tariff.
- (C) This Contract Tariff provides a Service Level Agreement (SLA), which shall apply pursuant to regulations, terms and conditions in 25.17.2 following.
- (D) The Company reserves the right to change the terms, conditions, rates, and charges for services in Section 23 or other sections of this Tariff during the term of this Contract Tariff unless otherwise specified herein.
- (E) Upon subscription to this Contract Tariff, the customer must have Total Billed Revenue (TBR) for Qualifying Services for 2004 of at least \$400M.

25.17.1 General Regulations

(A) Term and Renewal Options

- (1) The customer's term under this Contract Tariff is 36 months. At the end of the contract term, the incentives provided in this Contract Tariff shall be discontinued.
- (2) Customers may subscribe to this Contract Tariff within the 15-day subscription period above by signing a Letter of Agreement (LOA) provided by the Company and acknowledged by a Company representative's signature. The LOA shall contain the start date of the customer's contract term and the Access Customer Name Abbreviations (ACNAs).

(B) Metropolitan Statistical Areas

The regulations, terms and conditions provided herein shall apply for the Full Service Relief MSAs as said MSAs are defined in Section 23 of this Tariff.

(C) Description of Services

(1) Qualifying Services for Calculating Total Billed Revenue

The following Special Access and Switched Access dedicated transport services will be used in determining the customer's Qualifying Annual TBR pursuant to regulations in (D) following. Rates and charges for these services are set forth in Section 6, Section 7, Section 9, Section 10, Section 21, Section 23, Section 28 and Section 1 of this Tariff.

All AT&T and BellSouth marks contained herein and as set forth in the trademarks and service marks section of the BellSouth Tariff are owned by AT&T Intellectual Property or AT&T affiliated companies.

¹ Material previously contained in this section has been deleted. BellSouth Metro Ethernet, BellSouth Wavelength, DSLAS and SMARTRing services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at <a href="https://www.decentrol.org/de

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ACCESS SERVICES

25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.1 General Regulations

- (C) Description of Services (Cont'd)
 - (1) Qualifying Services for Calculating Total Billed Revenue (Cont'd)

BellSouth SWA Dedicated Transport Service (Section 6 and Section 23)

- BellSouth SWA VG
- BellSouth SWA DSO
- BellSouth SWA DS1
- BellSouth SWA DS3
- BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Network Service
- BellSouth SWA Managed Shared Ring Service

Special Access (a.k.a. BellSouth SPA) Services (Section 7 and Section 23)

- Metallic (a.k.a. BellSouth SPA Metallic)
- Telegraph Grade (a.k.a. BellSouth SPA Telegraph)
- Voice Grade (a.k.a. BellSouth SPA VG)
- WATS Access Line (WAL) (a.k.a. BellSouth SPA WATS Lines)
- Program Audio (a.k.a. BellSouth SPA Program Audio)
- Broadcast Quality Video (a.k.a. BellSouth SPA Broadcast Quality Video) Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video_)
- DS3 Digital Video Service (a.k.a. BellSouth SPA DS3 Digital Video)
- BellSouth SPA Modular Video Transport Service
- 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
- Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video)
- Wideband Analog (a.k.a. BellSouth SPA Wideband Analog)
- Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel)
 Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
 DS1 High Capacity (a.k.a. BellSouth SPA High Capacity)
- LightGate svc.(a.k.a. BellSouth SPA Point to Point Network)
- SMARTGate svc. (a.k.a. BellSouth SPA Managed Shared Ring)
- SMARTPath svc.(a.k.a. BellSouth SPA DS1 & DS3 Shared Ring)
- FlexServ Service (a.k.a. BellSouth SPA Customer Reconfiguration)
- Dry Fiber
- BellSouth SPA Managed Shared Network Service
- Alternate Serving Wire Center
- Special Access (a.k.a. BellSouth SPA) Surcharge and Message Station Equipment Recovery Charge

BellSouth Directory Assistance Access (Section 9)

- BellSouth Directory Transport

Special Federal Government Access Services (Section 10)

- Federal Government Transport Plan for Special Access Services

Fast Packet Access Services (Section 21 and Section 23)

Exchange Access Frame Relay Service (a.k.a. BellSouth Exchange Access Frame Relay Service)

(This page filed under Transmittal No. 1)

¹ See footnote (1) on page 25-203.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.1 General Regulations

- (C) <u>Description of Services</u> (Cont'd)
 - (1) Qualifying Services for Calculating Total Billed Revenue (Cont'd)

(2) Eligible Services for Calculating Total Billed Revenue

The following Special Access and Switched Access dedicated transport services will be used in determining the customer's eligible total billed revenue for the MSAs set forth in 25.17.1(B) preceding for which the incentives in this Contract Tariff shall apply.

BellSouth SWA Dedicated Transport Service (Section 23)

- BellSouth SWA VG
- BellSouth SWA DSO
- BellSouth SWA DS1
- BellSouth SWA DS3
- BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Network Service
- BellSouth SWA Managed Shared Ring Service

Special Access (a.k.a. BellSouth SPA) Services (Section 23)

- Voice Grade (a.k.a. BellSouth SPA VG)
- Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
- DS1 High Capacity (a.k.a. BellSouth SPA DS1)
- Alternate Serving Wire Center
- LightGate svc.(a.k.a. BellSouth SPA Point to Point Network)
- SMARTGate svc.(a.k.a. BellSouth SPA Managed Shared Ring)
- BellSouth SPA Managed Shared Network Service

1

See footnote (1) on page 25-203.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.1 General Regulations

(D) Minimum Total Billed Revenue

To qualify for the discount incentives as set forth in 25.17.3(A)(1), the customer must achieve an Annual TBR volume level provided in Table 1, Section 25.17.3, calculated monthly. The Qualifying Annual TBR volumes in Table 1 represent monthly recurring revenues for services in 25.17.1(C)(1) preceding, billed to the customer on a region-wide basis. These revenues will not be adjusted to reflect credits or discounts earned under other pricing plans (e.g., Area Commitment Plan, etc). Non-recurring charges and taxes assessed will not be included in these revenues.

The customer's Eligible TBR represents monthly recurring revenues for services in 25.17.1(C)(2) preceding, which are billed to the customer in the MSAs set forth in 25.17.1(B) preceding. These revenues will not be adjusted to reflect credits or discounts earned under other pricing plans (e.g., Area Commitment Plan, etc). Non-recurring charges and taxes assessed will not be included in these revenues.

(E) Classifications, Practices and Regulations

(1) Application of Contract Tariff Incentives

(a) The incentives in this Contract Tariff will be provided in the form of credits that will be applied to the customer's bill. If the customer achieves an annual TBR volume level in Table 1, as calculated in this subsection (E)(1), the applicable incentive percentage will be applied to the customer's monthly TBR for the Eligible Services in 25.17.1(C)(2) preceding provided in the MSAs set forth in 25.17.1(B). The incentive percentage will not be applied to the region-wide annual TBR the customer achieves.

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25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.1 General Regulations

- (E) Classifications, Practices and Regulations
 - (1) Application of Contract Tariff Incentives (Cont'd)
 - (a) Cont'd The incentives will be determined as described below. Table 1 (25.17.3(A)(1)) provides an example of how the incentives will apply.
 - At the end of each month, the customer's monthly TBR will be annualized to determine the annual TBR volume level. If the annualized TBR volume level falls within a volume level shown in Table 1 following, the incentive percentage associated with that volume level will be used to determine the incentive the customer earns for such month. The incentive percentage will be applied to the customer's monthly TBR for Eligible Services in 25.17.1(C)(2), preceding.
 - (b) If in any month of the contract term the customer does not achieve an annualized TBR volume level shown in Table 1, there will be no shortfall penalty nor will the customer qualify for an incentive for such month nor will the Contract Tariff be terminated.
 - (c) The incentive the customer earns each contract term month will be applied to the customer's bill one month in arrears.
 - (2) Alternate Serving Wire Center Credit

Customers subscribing to this Contract Tariff will receive a 50% credit on an applicable Transport Payment Plan (TPP) rates for new subscriptions and renewals to Alternate Serving Wire Center (ASWC) (USOC 1HAXX). The credit will be applied to the customer's bill one month in arrears for the duration of the contract term.

In the event an ASWC service interruption occurs pursuant to regulations for credit allowance for service interruptions in 2.4.8(B)(a) of this Tariff, the Company will make a manual billing adjustment which shall be the difference in the ASWC TPP rate prior to the 50% credit and the ASWC TPP rate after the 50% credit.

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25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.1 General Regulations

(E) <u>Classifications</u>, <u>Practices and Regulations</u>

(3) ¹

Customers subscribing to ¹ subsequent to the effective date of this Contract Tariff in the MSAs set forth in 25.17.1(B) under a 37 or 61 month TPP (i.e., TPP B or C), the Company shall waive termination liability upon the customer fulfilling 36 months of the 37 month TPP and 60 months of the 61 month TPP.

(4) Restrictions

- (a) The customer may not sign up for another Contract Tariff for the same MSAs and the same services set forth in this Contract Tariff, unless the customer terminates its subscription under this Contract Tariff when it moves to any other Contract Tariff. Such termination would be without any liability.
- (b) The incentives in this Contract Tariff will not be applied to taxes.

(5) Mergers and Acquisitions

Should the customer merge with another company or is acquired by another company, the following regulations shall apply:

(a) The customer may not combine revenues with the merged or acquired company's revenues in order to obtain the incentives or credits provided in this Contract Tariff.

¹ See footnote (1) on page 25-203.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.2 <u>Service Level Agreement</u>

(A) Service Level Agreement

This Service Level Agreement (SLA) as specified herein shall become effective on the first full calendar month following the effective date of the Contract Tariff, and shall remain in effect for the term of this Contract Tariff pursuant to the conditions herein.

Unless otherwise stated herein, the services for which this SLA applies are SPA DS1 and SPA DS3 ordered pursuant this Contract Tariff.

(1) Performance Metrics and Measurement Methodology

- (a) The SLA Performance Targets and maximum SLA Performance Credits are shown in Tables A-1, A-2, A-3, and Table B in 25.17.2(A) (5)(a) following. The performance measures that will be tracked and measured are as follows:
 - On-Time Performance (OTP)
 - New Circuit Failure Rate (NCFR)
 - Mean Time to Repair (MTTR)
 - Failure Frequency (FF)

With the exception of DS3 On-Time Performance (OTP), which is not included in this SLA, each of these performance measures will be applied separately to the SPA DS1 and SPA DS3 classes of service, resulting in the seven individual performance measures provided in Tables A-1, A-2, and A-3 in 25.17.2(A) (5)(a) following. All performance measures as described will be derived from provisioning and maintenance records having or relating directly to the reporting ACNA agreed upon by the Company and the Customer.

(b) The following terms and conditions shall apply for collecting, calculating, reporting and administering the performance measurement data provided under this SLA:

Data Collection and Reporting

- The Company will utilize its self-reported performance measurement data to assess, at regular intervals, progress of individual measurements versus Performance Targets. The Company's self reported performance measurement data will be collected and calculated utilizing the Company's internal processes. The Company's calculation of its performance under this Contract Tariff shall be the sole determinate of the Company's obligation to provide a SLA Performance Credit. The Company will monitor data collection and calculation to ensure the integrity of self-reported results.

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25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.2 Service Level Agreement

- (A) Service Level Agreement
 - (1) Performance Metrics and Measurement Methodology (Cont'd)
 - (b) (Cont'd)
 <u>Data Collection and Reporting</u> (Cont'd)
 - Reports will display all percentages and averages to two decimal points, using standard rounding rules.
 - BellSouth will provide performance reports quarterly by the last business day of the month following the reported quarter.
 - SLA data collection procedures shall include only data and results from all MSAs of the BellSouth region.
 - A minimum of 30 transactions (orders/new installations) must be completed in the annual reporting period for the performance measurement to be assessed. Performance measurements with less than the minimum of 30 transactions will be awarded 14.3 points.

Calculation

At the conclusion of each Contract Tariff agreement year, the 12-month results for each performance measure will receive a point value of 14.3 points if its established SLA Performance Target for the appropriate Contract Tariff year is met. Partial point adjustments, as calculated below, will be awarded if an individual 12-month performance measurement either falls below or exceeds its target performance level and stays within the maximum and minimum range. These results will then be totaled (seven (7) individual metrics) to provide an overall performance score. This total score will determine the appropriate SLA Performance Credit as described in Table B in A (5)(b) following.

Partial point values for performance measurements are determined by the fractional degree to which the SLA Performance Target was exceeded or missed. Maximum and minimum Performance Targets are provided in tables A-1, A-2 and A-3 of section A (5) (a) following. For performance below the established Performance Target, but exceeding the minimum, the achieved percentage of possible basis points between the minimum and the Performance Target will be multiplied by 14.3 to provide the points earned. For performance above the established Performance Target, the achieved percentage of possible basis points between the maximum service level and the Performance Target shall be multiplied by 10.7, and that result added to 14.3, to provide the points earned. A maximum of 25 points will be awarded for performance above the established maximum Performance Target, and no points will be awarded for performance below the minimum Performance Target.

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25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.2 <u>Service Level Agreement</u>

- (A) Service Level Agreement
 - (1) Performance Metrics and Measurement Methodology (Cont'd)
 - (b) (Cont'd)

Calculation (Cont'd)

- Example 1 (Illustrative)

The end of year result for DS1 Failure Frequency (DS1 FF) is 22.0%. The established SLA Target for this individual performance measure is 20.50%, with a maximum service level of 18.45% and a minimum of 22.55%.

The points earned for this individual result will be determined as follows:

Total Basis Points (vs. Minimum) = 22.55 - 20.50 = 2.05 Earned Basis Points = 22.55 - 22.0 = 0.55

Percentage of Basis Points Earned = 0.55 / 2.05 = .268 (27%)

Since performance was below the Performance Target, Points Earned = 27% * 14.3 = 3.8

- Example 2 (Illustrative)

The end of year result for DS1 On-Time Provisioning (DS1 OTP) is 97.50%. The established SLA Performance Target for this individual performance measure is 96.0%, with a maximum of 99.0% and a minimum of 93%.

The points earned for this individual result will be determined as follows:

Total Basis Points (vs. Maximum) = 99.0 - 96.0 = 3.0Earned Basis Points = 97.5 - 96.0 = 1.5Percentage of Basis Points Earned = 1.5/3.0 = .5 (50%)

Since performance is above the Performance Target, Points Earned = (50% * 10.7) + 14.3 = 19.7

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25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.2 <u>Service Level Agreement</u>

- (A) <u>Service Level Agreement</u>
 - (1) <u>Performance Metrics and Measurement Methodology</u> (Cont'd)
 - (b) (Cont'd)

Restrictions

Neither the Company or the customer shall be held liable for any delay or failure in performance of any part of the SLA from any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, embargoes, epidemics, war, terrorist acts, riots, insurrections, fires, explosions, strikes, nuclear accidents or power blackouts.

In the event of a failure or delay in the collection of data necessary in the Company's performance of its obligations for this SLA, the due date for the performance of the original obligation(s) shall be extended by a term equal to the time lost due to delay.

(2) Performance Metrics Definitions

(a) Mean Time to Repair (MTTR) Hours

The average duration from the time the Company receives a trouble report to the time the Company clears a trouble. A service is considered to have a trouble when it becomes unusable to the customer because of a failure of a facility component used to furnish a service under this SLA or in the event that the protective controls applied by the Company result in the loss of use of the service by the customer. A trouble period starts when the customer reports the trouble to the Company and ends when the service is operative. This measurement includes all troubles found in the Company's network: Central Office (CO), Station (STN), Service Bureau (SVB) and Facility (FAC). Also included are the following trouble conditions not found in the Company's network: Test OK (TOK), No Trouble Found (NTF) and Came Clear (CC).

Exclusions: Troubles opened as information tickets, release tickets or test assist are not included in this measurement, neither are tickets closed as Serving Bureau — ICO (SVB-47), Customer Premise Equipment (CPE), Inter-exchange Carrier (IEC) and Informational (INF) Tickets.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.2 <u>Service Level Agreement</u>

(A) Service Level Agreement

(2) Performance Metrics Definitions (Cont'd)

(a) Mean Time to Repair (MTTR) Hours (Cont'd)

Business Rule: Mean Time To Restore is calculated by dividing the total number of trouble duration hours for troubles occurring in the yearly review period by the total number of troubles in the yearly review period. Time needed for delayed maintenance at the customer's request (e.g., for circuit monitoring purposes prior to trouble ticket closure) and no-access time is not included in the actual duration result.

(b) <u>Failure Frequency</u>

Failure Frequency is represented as an annualized percent of applicable exchange access circuits (excluding message Tls) provided by the Company that have had a trouble occurrence, exclusive of troubles not assignable to the Company. For Meet Point and Joint Provided Access circuits, only troubles assignable to the Company shall be included. For Type 2 Access circuits, only troubles where the Company exhibits primary control shall be included.

Exclusions: Troubles opened as information tickets, release tickets or test assists are not included as failures assignable to the Company. Also not included are trouble tickets closed out as Test Okay (TOK), No Trouble Found (NTF), Serving Bureau — ICO (SVB-47), Customer Premise Equipment (CPE), Inter-exchange Carrier (IEC) and Informational (INF) Tickets.

Business Rule: Failure Frequency is calculated by dividing the total number of circuit failures assignable to the Company by the total number of applicable circuits provided by the Company and annualized by multiplying by 12.

(c) New Circuit Failure Rate

This metric measures the percent of new customer circuits installed by the Company where a reported trouble was found in the Company network within 30 calendar days of order completion. A service is considered to have a problem or trouble when it becomes unusable to the customer because of a failure of a facility component used to furnish a service under this SLA or in the event that the protective controls applied by the Company result in the loss of use of the service by the customer. A trouble period starts when the customer reports the trouble to the Company and ends when the service is operative.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.2 Service Level Agreement

- (A) Service Level Agreement (Cont'd)
 - (2) Performance Metrics Definitions (Cont'd)
 - (c) New Circuit Failure Rate (Cont'd)

Exclusions: Troubles attributed to Test OK (TOK), No Trouble Found (NTF), Serving Bureau — ICO (SVB-47), Customer Premise Equipment (CPE), Inter-exchange Carrier (IEC), and Informational (INF) Tickets.

Business Rule: The total number of circuits with trouble reports within thirty-days of installation, divided by the total number of new circuits installed for the review period. Only Add orders are considered for this measurement.

(d) On-Time Provisioning

This metric measures the percentage of Access Services provisioned in such a manner that the customer does not experience any installation delays beyond the Customer Desired Due Date.

Exclusions: Test orders, disconnect orders, administrative orders, record orders, and orders that are not completed. Missed due dates attributable to ICO's. (Orders are included in the review period that they are completed).

Business Rule: On-Time Performance is calculated by dividing the number of ASRs that have missed Customer Desired Due Date (DDD) for reasons assignable to the Company by the number of ASRs completed in the reporting period.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.2 Service Level Agreement

(A) <u>Service Level Agreement</u> (Cont'd)

(3) Customer Obligations

In order to receive the SLA Performance Credits specified in this SLA, the customer agrees to the following conditions:

- (a) Achieve minimum annual Total Billed Revenue (TBR) of \$350M.
- (b) The customer shall maintain existing electronic system interfaces and processes for Access Service Request (ASR) initiation and trouble reporting.
- (c) The customer shall submit ASRs by 3:00 p.m. EST in order for the ASR to be processed the same business day. ASRs received after 3:00 p.m. EST shall be processed the next business day.

(4) Company Obligations

- (a) The Company will evaluate and calculate the SLA performance on an annual basis. Any applicable SLA Performance Credit will be applied to the customer's account at the end of each yearly evaluation, two months in arrears of the customer's Contract Tariff anniversary date. The annual SLA Performance Credit will be applied to Customer's Qualifying Services provisioned in the Company's Price Flex MSAs, as defined in Section 25.17.1 (B).
- (b) At the time of evaluation, the Company will calculate the prior 12-months of TBR, as described in Section 25.17.1 (C)(1). The Customer's TBR for the prior 12 months will be utilized in the calculation of the maximum SLA Performance Credit, as set forth below. That percentage will then be multiplied by the TBR for the Price Flex MSAs for the prior 12-month period in order to determine a maximum SLA Performance Credit amount used in the calculations following.

| TBR | Percentage of Price Flex Revenue Eligible For SLA Credit |
|-------------|---|
| > 500 - 525 | 1.0% |
| > 475 - 500 | 0.9% |
| > 450 - 475 | 0.8% |
| > 425 - 450 | 0.7% |
| > 350 - 425 | 0.6% |

Example:

\$430M in Qualifying Services TBR, Qualifies for maximum SLA performance credit of 0.7% x \$250M (hypothetical Price Flex Revenue) = \$1.75M

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

- 25.17 Contract Tariff No. 014
- 25.17.2 <u>Service Level Agreement</u>
 - (A) <u>Service Level Agreement</u> (Cont'd)
 - (4) Company Obligations (Cont'd)
 - (c) The Annual SLA Performance Credit will be determined as follows:
 Maximum SLA Performance Credit amount (as described above)
 multiplied by the applicable payout percentage determined in Table
 A of 27.17.2 (A)(5)(b) following.
 - (d) The following example illustrates how the Company will calculate the SLA Performance Credits.

A hypothetical view of End of Year Results and the SLA Review is provided in the table below. The Performance Targets, Points Earned and Results used are presented for illustrative purposes only.

| SLA Performance Measure | Target | Target MIN | Target MAX | EOY Result | Points Earned |
|---------------------------------|--------|---------------|---------------|---------------|------------------|
| Failure Frequency (FF) | | | | | |
| DS3 | 5.60% | 6.16% | 5.04% | 5.90% | 6.6 |
| DS1 | 20.50% | 22.55% | 18.45% | 22.00% | 3.8 |
| Mean Time to Repair (MTTR) | | | | | |
| DS3 | 1.55 | 1.71 | 1.40 | 1.54 | 14.8 |
| DS1 | 3.60 | 3.96 | 3.24 | 3.72 | 9.5 |
| New Circuit Failure Rate (NCFR) | | | | | |
| DS3 | 2.20% | 2.42% | 1.98% | 2.15% | 16.7 |
| DS1 | 4.50% | 4.95% | 4.05% | 4.62% | 10.5 |
| On-Time Provisioning (OTP) | | | | | |
| DS1 | 96.0% | 93.0% | 99.0% | 97.50% | 19.7 |
| Total Score | | | | | 81.6 |

If the Total Billed Revenue for the prior 12-month period was \$430M, the percentage applied to eligible Price Flex Revenue would be 0.7%. If given \$250M in Price Flex Revenue, the maximum SLA Performance Credit amount would be determined as follows: 0.7% * \$250,000,000 = \$1,750,000. Given the resulting SLA performance points score of 81.6, 25% credit would be applied to the \$1,750,000 eligible amount in determining the applicable SLA Performance Credit. This would yield a resulting SLA Credit of \$437,500 to the Customer's Qualifying Services provisioned in the Company's Price Flex MSAs.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.2 <u>Service Level Agreement</u>

- (A) <u>Service Level Agreement</u> (Cont'd)
 - (5) SLA Performance Evaluation Criteria

(a) Service Levels

Tables A-1, A-2 and A-3 below provide target service levels for each measured SLA component, with their respective minimum and maximum performance band criteria:

Table A-1 SLA Performance Criteria For Year 1

| SLA Performance Measure | Performance Target | Minimum Target | Maximum Target |
|---------------------------------|-----------------------|-------------------|-------------------|
| Failure Frequency (FF) | | | |
| DS3 | 5.60% | 6.16% | 5.04% |
| DS1 | 20.50% | 22.55% | 18.45% |
| Mean Time to Repair (MTTR) | | | |
| DS3 | 1.55 | 1.71 | 1.40 |
| DS1 | 3.60 | 3.96 | 3.24 |
| New Circuit Failure Rate (NCFR) | | | |
| DS3 | 2.20% | 2.42% | 1.98% |
| DS1 | 4.50% | 4.95% | 4.05% |
| On-Time Provisioning (OTP) | | | |
| DS1 | 96.00% | 93.00% | 99.00% |

Table A-2 SLA Performance Criteria For Year 2

| SLA Performance Measure | Performance Target | Minimum Target | Maximum Target |
|---------------------------------|-----------------------|-------------------|-------------------|
| Failure Frequency (FF) | _ | _ | _ |
| DS3 | 5.54% | 6.10% | 4.99% |
| DS1 | 20.30% | 22.32% | 18.27% |
| Mean Time to Repair (MTTR) | | | |
| DS3 | 1.53 | 1.69 | 1.38 |
| DS1 | 3.56 | 3.92 | 3.21 |
| New Circuit Failure Rate (NCFR) | | | |
| DS3 | 2.18% | 2.40% | 1.96% |
| DS1 | 4.46% | 4.90% | 4.01% |
| On-Time Provisioning (OTP) | | | |
| DS1 | 97.00% | 94.00% | 99.00% |

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.2 Service Level Agreement

- (A) Service Level Agreement (Cont'd)
 - (5) SLA Performance Evaluation Criteria
 - (a) <u>Service Levels</u> (Cont'd)

Table A-3 SLA Performance Criteria For Year 3

| SLA Performance Measure | Performance Target | Minimum Target | Maximum Target |
|---------------------------------|-----------------------|-------------------|-------------------|
| Failure Frequency (FF) | | | |
| DS3 | 5.49% | 6.04% | 4.94% |
| DS1 | 20.09% | 22.10% | 18.08% |
| Mean Time to Repair (MTTR) | | | |
| DS3 | 1.52 | 1.67 | 1.37 |
| DS1 | 3.53 | 3.88 | 3.18 |
| New Circuit Failure Rate (NCFR) | | | |
| DS3 | 2.16% | 2.37% | 1.94% |
| DS1 | 4.41% | 4.85% | 3.97% |
| On-Time Provisioning (OTP) | | | |
| DS1 | 97.00% | 94.00% | 99.00% |

(b) SLA Performance Scoring

Table B below provides the respective SLA credit percentage applied, given a total score using the aforementioned calculations procedures.

Table B

| Total Measurement Component Points Earned | SLA Rebate % |
|--|--------------|
| 85 or higher | 0% |
| 80 to < 85 | 25% |
| 75 to < 80 | 50% |
| 70 to < 75 | 75% |
| 0 < 70 | 100% |

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.17 Contract Tariff - No. 014

25.17.3 Revenue Volumes and Incentives

(A) Annual Total Billed Revenue (TBR) Volumes and Incentives

(1) Table 1 below provides the annual TBR volume levels and incentives. The customer's monthly TBR will be annualized at the end of each month to determine the annual TBR volume level achieved. If the customer's annual TBR falls within a level shown in Table 1 below, the corresponding incentive percentage in Column B will be used to determine the monthly revenue incentive the customer earns. The incentive percentage will be applied to monthly TBR for Eligible Services in the MSAs set forth in this Contract Tariff. The incentive the customer earns will be applied to the customer's bill each contract term month one month in arrears. The maximum incentive the customer may earn each month is shown in Table 1, Column C.

TABLE 1

| IADLE 1 | | | |
|---|--------------------------------|--|--|
| (A) Annual Total Billed Revenue (TBR) Volumes (Region-wide) | (B) Incentive Percentage | (C) Maximum Monthly Revenue Incentive | |
| (\$ Millions) | | | |
| \$400 - \$425 | 1.0% | \$.208 | |
| >\$425 - \$450 | 1.75% | \$.375 | |
| >\$450 - \$475 | 3.0% | \$.708 | |
| >\$475 - \$500 | 4.25% | \$1.0 | |
| Maximum >\$500 — \$525 | 5.25% | \$1.33 | |

- (2) Following is an example of how the customer may earn incentives in this Contract Tariff.
 - The customer's monthly-billed TBR (region-wide) for the first term month is \$39,583,333, annualized TBR at \$475 million. The customer qualifies for the incentive percentage of 4.25%, as shown in Table 1 above. If the customer's monthly TBR for eligible services in the MSAs in this Contract Tariff are \$25,729,166, the customer will earn the maximum monthly incentive of \$1 million (i.e., 4.25% of \$25,729,166 = \$1,093,490). The incentive credit will be applied to the customer's bill one month in arrears.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.19 Contract Tariff - No. 016

- (A) This Contract Tariff is valid for a six-month period beginning May 1, 2005, and ending October 31, 2005.
- (B) The regulations, terms and conditions provided herein shall apply to customers subscribing to this Contract Tariff in the Full Service Relief MSAs set forth in Section 23 of this Tariff.

25.19.1 General Regulations

- (A) Term and Renewal Options
 - (1) To be eligible for the rewards in this Contract Tariff, customers must have an existing Area Commitment Plan (ACP) for DS1 Service (a.k.a. BellSouth SPA DS1) Interoffice Channels prior to the Contract Tariff's effective date. ACP is provided in Section 2.4.8(B) of this Tariff and all ACP regulations shall apply including termination liability and shortfall charge regulations.
 - (2) The rewards in this Contract Tariff will be provided for the sixmonth period specified in 25.19(A) above after which time the rewards will be terminated. Rewards are provided as credits that will be applied to the customer's bill upon the customer meeting the requirements set forth in this Contract Tariff.
- (B) <u>Description</u>
 Customers subscribing to DS1 Service (a.k.a. BellSouth SPA DS1) may earn credits subject to the following conditions:
 - (1) At the end of each month of the six-month period in 25.19(A) above, the customer's previous month's net SPA DS1 Interoffice Channels (i.e., Fixed rate element) must be a positive number in order to qualify for credits. Net Interoffice Channels represents the difference between the Interoffice Channels installed in a month and the Interoffice Channels disconnected for such month.
 - (2) If in any month during the six-month period the customer has positive net SPA DS1 Interoffice Channels and the previous month's net SPA DS1 Interoffice Channels are positive, the customer will earn a one-time credit based on the Interoffice Channel volume level the customer attains for such month as shown below. Credit the customer earns each month will be awarded as a single one-time credit and does not apply per Interoffice Channel.

| Net Interoffice Channel Volume | Monthly Credit Earned |
|--------------------------------|-----------------------|
| 26 - 125 | \$ 5,000 |
| 126 - 250 | 10,000 |
| >250 | 20,000 |

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.19 Contract Tariff - No. 016

25.19.1 General Regulations (Cont'd)

- (B) Description (Cont'd)
 - (3) The customer will not qualify for credits if the previous month's net SPA DS1 Interoffice Channels are not positive and/or if the current month's net SPA DS1 Interoffice Channels are not positive.
- (C) <u>Minimum Requirements</u>

Not applicable.

(D) Rates and Charges

The rates and charges for the service in this Contract Tariff are set forth in Section 23 of this Tariff. The Company reserves the right to change the rates, charges, terms and conditions for the service during the term of this Contract Tariff unless otherwise specified.

(E) <u>Classifications</u>, <u>Practices and Regulations</u>

- (1) Any customer meeting the requirements of this Contract Tariff in any month during the six-month period in 25.19(A) above will automatically earn the applicable credit shown in (B), preceding. Credit the customer earns each month will be accumulated and applied to the customer's bill within 90 days following the six-month end date.
- (2) Customers who receive credits under another Contract Tariff or promotion for the same service and the same MSAs set forth herein shall not qualify for the credits in this Contract Tariff.
- (3) Applicable taxes and any credits earned under this Contract Tariff will be computed on the full tariff price for the service. Credits will not be applied to taxes.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.23 Contract Tariff - No. 020

- (A) This Contract Tariff is valid for a six-month period beginning May 1, 2005, and ending October 31, 2005.
- (B) The regulations, terms and conditions provided herein shall apply to customers subscribing to this Contract Tariff in the Full Service Relief MSAs set forth in Section 23 of this Tariff.

25.23.1 General Regulations

- (A) Term and Renewal Options
 - (1) To be eligible for the rewards in this Contract Tariff, customers must have an existing Area Commitment Plan (ACP) for DS1 Service (a.k.a. BellSouth SPA DS1) Local Channels prior to the Contract Tariff's effective date. ACP is provided in Section 2.4.8(B) of this Tariff and all ACP regulations shall apply including termination liability and shortfall charge regulations.
 - (2) The rewards in this Contract Tariff will be provided for the sixmonth period specified in 25.23(A) above after which time the rewards will be terminated. Rewards are provided as credits that will be applied to the customer's bill upon the customer meeting the requirements set forth in this Contract Tariff.
- (B) <u>Description</u>
 Customers subscribing to DS1 Service (a.k.a. BellSouth SPA DS1) may earn credits subject to the following conditions:
 - (1) At the end of each month of the six-month period in 25.23(A) above, the customer's previous month's net SPA DS1 Local Channels must be a positive number in order to qualify for credits. Net Local Channels represents the difference between the Local Channels installed in a month and the Local Channels disconnected for such month.
 - (2) If in any month during the six-month period the customer has positive net SPA DS1 Local Channels and the previous month's net SPA DS1 Local Channels are positive, the customer will earn a one-time credit based on the Local Channel volume level the customer attains for such month as shown below. Credit the customer earns each month will be awarded as a single one-time credit and not on a per Local Channel basis.

| <u>Local Channel Volume</u> | Monthly Credit Earned |
|-----------------------------|-----------------------|
| 76 – 200 | \$ 5,000 |
| 201 - 400 | 7,500 |
| >400 | 10,000 |

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.23 Contract Tariff - No. 020

25.23.1 General Regulations (Cont'd)

- (B) <u>Description</u> (Cont'd)
 - (3) The customer will not qualify for credits if the previous month's net SPA DS1 Local Channels are not positive and/or if the current month's net SPA DS1 Local Channels are not positive.
- (C) Minimum Requirements

Not applicable.

(D) Rates and Charges

The rates and charges for the service in this Contract Tariff are set forth in Section 23 of this Tariff. The Company reserves the right to change the rates, charges, terms and conditions for the service during the term of this Contract Tariff unless otherwise specified.

(E) Classifications, Practices and Regulations

- (1) Any customer meeting the requirements of this Contract Tariff in any month during the six-month period in 25.23(A) will automatically earn the applicable credit shown in (B), preceding. Credit the customer earns each month will be accumulated and applied to the customer's will within 90 days following the six-month end date.
- (2) Customers who receive credits under another Contract Tariff or promotion for the same service and the same MSAs set forth herein shall not qualify for the credits in this Contract Tariff.
- (3) Applicable taxes and any credits earned under this Contract Tariff will be computed on the full tariff price for the service. Credits will not be applied to taxes.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS TARIFFS

25 - CONTRACT TARIFFS

25.24 Contract Tariff - No. 021

- (A) Customers may subscribe to this Contract Tariff within fifteen (15) days following the Contract Tariff's effective date. The subscription period begins August 16, 2005, and expires August 31, 2005.
- (B) To subscribe to this Contract Tariff, the customer must sign a Letter of Agreement (LOA) provided by the Company and acknowledged by a Company representative's signature. The LOA shall contain the start date of the customer's contract term and the Access Customer Name Abbreviations (ACNAs).
- (C) The regulations, terms, conditions and incentives provided herein shall apply to customers subscribing to this Contract Tariff in the following Full Service Relief Metropolitan Statistical Areas (MSAs):
 - Atlanta, Baton Rouge, Biloxi, Charlotte, Chattanooga, Columbia, Daytona Beach, Evansville, Gainesville, Greensboro-Winston Salem, Jackson, Jacksonville, Knoxville, Lafayette, Lake Charles, Louisville, Memphis, Miami-Ft. Lauderdale, Monroe, Montgomery, Melbourne, Nashville-Davidson, Orlando, Owensboro, Pensacola. Raleigh-Durham, Savannah, Shreveport, Wilmington, West Palm Beach
- (D) The Company reserves the right to change the regulations, terms, conditions, rates and charges for services in Section 23 or other sections of this Tariff during the term of this Contract Tariff unless otherwise specified herein.
- (E) To qualify for this Contract Tariff, at the time of subscription the customer must have a minimum of 80% of existing Interoffice Channels associated with LightGate DS3 Service (a.k.a. BellSouth SPA DS3 Point-to-Point) terminating to one of the services below. The Interoffice Channels must be in the Full Service Relief MSAs specified in (C) above.
 - **-** 1 **-** 1
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25.24.1 General Regulations

(A) Term and Renewal Options

- The customer's term under this Contract Tariff is 36 months. At the end of the contract term, the incentives in this Contract Tariff shall be discontinued unless the Company and the customer mutually agree to extend the Contract Tariff.
- Customers subscribing to this Contract Tariff must participate in the Transport Advantage Plan (TAP) at the Volume Band >\$100M to \$300M. All TAP regulations, terms and conditions shall apply as set forth in Section 2.4.8 of this Tariff.

¹ Material previously contained in this section has been deleted. ADSLAS, BellSouth Metro Ethernet, BellSouth Wavelength, LightGate Optical and SMARTRing services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with detariffed services are available at www.tatt.com/quidebook. Contract Offer No. 021 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.24 Contract Tariff - No. 021 (Cont'd)

25.24.1 General Regulations (Cont'd)

(B) Description of Contract Tariff Incentive

The incentive in this Contract Tariff is described as follows and will be provided as a quarterly credit upon the customer meeting the terms and conditions herein.

- (1) The quarterly credit will be calculated as a percentage of quarterly recurring revenues associated with Eligible Services in (C) following. Credit will be based on two criteria:
 - Volume levels of region-wide Annual Total Billed Revenue (TBR) achieved for the Qualifying Services defined in (D) following.
 - Interoffice Channels for Eligible Services in (C) following. The credit percentage is differentiated by whether the interoffice channel terminates to a Company provided on-net service or offnet service. An on-net service is defined as interoffice channels that terminate to one or more of the services below. An Off-net service is interoffice channels that do not terminate to the services below.

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(2) The quarterly credit will be applied to the customer's bill one-month in arrears during the three-year contract term.

The customer's past twelve months of region-wide TBR will be used to determine the appropriate Annual TBR volume level achieved at the end of each period, which must fall within a volume level shown in Table 1 of 25.24.2 in order to qualify for credit.

(3) There will be no shortfall penalty assessed if at the end of a each quarterly period the customer's past twelve months of region-wide TBR falls short of the minimum Annual TBR volume level in Table 1 of 25.24.2. The customer will be allowed to continue subscribing to this Contract Tariff but will not qualify for a credit for the shortfall period.

(This page filed under Transmittal No. 1)

¹ See footnote (1) on page 25-224.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.24 Contract Tariff - No. 021 (Cont'd)

25.24.1 General Regulations (Cont'd)

(C) Eligible Services for Calculating Incentives

The credits described in (B) above will be applied to monthly recurring revenues associated with the services below. Rates and charges for these services are set forth in Section 23 of this Tariff.

- Interoffice Channel Mileage for DS1 Service (a.k.a. BellSouth SPA DS1) (USOC:
- Interoffice Channel Mileage for LightGate DS3 Service (a.k.a. BellSouth SPA DS3 Point-to-Point) (USOCS: 1LPS6, 1LPS8, 1LPS9, 1LPE6, 1LPE8 and 1LPE9)

(D) Qualifying Services for Annual Total Billed Revenue

The following Qualifying Services will be used in determining the customer's regionwide Annual TBR. Rates and charges for these services are set forth in Sections 6, 7, 9, 10, 21, 23, and of this Tariff. The Company reserves the right to change the rates and charges for these services during the term of this Contract Tariff.

BellSouth SWA Dedicated Transport Service (Sections 6 and 23)

- BellSouth SWA VG
- BellSouth SWA DS0 BellSouth SWA DS1
- BellSouth SWA DS3
- BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Network Service
- BellSouth SWA Managed Shared Ring Service

Special Access (a.k.a. BellSouth SPA) Services (Sections 7 and 23)

- Metallic (a.k.a. BellSouth SPA Metallic)
- Telegraph Grade (a.k.a. BellSouth SPA Telegraph)
- Voice Grade (a.k.a. BellSouth SPA VG)
- WATS Access Line (WAL) (a.k.a. BellSouth SPA WATS Lines)
- Program Audio (a.k.a. BellSouth SPA Program Audio)
- Broadcast Quality Video (a.k.a. BellSouth SPA Broadcast Quality Video)
- Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video)
- DS3 Digital Video Service (a.k.a. BellSouth SPA DS3 Digital Video)
- BellSouth SPA Modular Video Transport Service
- 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
- Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video)
- Wideband Analog (a.k.a. BellSouth SPA Wideband Analog)
 Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel)

¹ See footnote (1) on page 25-224.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

- 25.24 Contract Tariff No. 021 (Cont'd)
- 25.24.1 General Regulations (Cont'd)
 - (D) Qualifying Services for Annual Total Billed Revenue (Cont'd)

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Special Access (a.k.a. BellSouth SPA) Services (Sections 7 and 23)
  (Cont'd)
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- Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
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- DS1 High Capacity (a.k.a. BellSouth SPA High Capacity)
- LightGate svc. (a.k.a. BellSouth SPA Point to Point Network)
- SMARTGate svc. (a.k.a. BellSouth SPA Managed Shared Ring) - SMARTPath svc. (a.k.a. BellSouth SPA DS1 & DS3 Shared Ring)

- BellSouth SPA Customer Network Management (CNM) - FlexServ Service - Dry Fiber

- BellSouth SPA Managed Shared Network Service

- Alternate Serving Wire Center

- BellSouth SPA Surcharge and Message Station Equipment Recovery Charge

BellSouth Directory Assistance Access (Section 9) - BellSouth Directory Transport

Special Federal Government Access Services (Section 10) - Federal Government Transport Plan for Special Access Services

Fast Packet Access Services (Sections 21 and 23) Exchange Access Frame Relay Service (a.k.a. BellSouth Exchange Access Frame Relay Service)

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¹ See footnote (1) on page 25-224.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.24 Contract Tariff - No. 021 (Cont'd)

25.24.1 General Regulations (Cont'd)

(E) Minimum Revenue Requirement

To qualify for the incentive in this Contract Tariff, the customer must achieve the minimum revenue volume level specified in 25.24.2, Table 1. These revenues represent the customer's past twelve months of recurring revenues billed to the customer on a region-wide basis for services listed in (D), preceding.

These revenues will not be adjusted to reflect credits or discounts the customer earns under other pricing plans (e.g., Area Commitment Plan, Transport Advantage Plan, etc). Non-recurring charges and taxes assessed will not be included in these revenues.

(F) <u>Classifications</u>, <u>Practices and Regulation</u>

- (1) Eligible Services defined in (C) preceding do not include services that terminate in physical or virtual collocation arrangements in a Company central office.
- (2) Customers subscribing to this Contract Tariff may not subscribe to any other Contract Tariff for the same services in the same MSAs specified herein.
- (3) Should the customer merge with another company or is acquired by another company, the customer may not combine revenues with the merged or acquired company's revenues in order to obtain the incentives in this Contract Tariff.
- (4) Credits the customer earns under this Contract Tariff will not be applied to taxes.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.24 Contract Tariff - No. 021 (Cont'd)

25.24.2 Revenue Volumes and Incentives

(A) Table 1 below provides the region-wide Annual TBR volume levels and the corresponding credit percentages. The customer's past twelve months of region-wide TBR will be used to determine the appropriate Annual TBR volume level achieved at the end of each quarterly period. Credit will be applied to Eligible Services as specified in 25.24.1(B) and (C) preceding.

Table 1 - Ouarterly Credit

| Table 1 - Qualiterly Cleart | | | |
|--|--|--|--|
| (A) | (B) | (C) | |
| Annual TBR Volume Levels (Region-wide) | % Credit for Interoffice Channel Terminating to Transport Services¹ | % Credit for Interoffice Channel <u>Not</u> Terminating to Transport Services ² | |
| \$105M - \$114M | 19% | 5% | |
| ≥ \$115M - \$119M | 30% | 5% | |
| ≥ \$120M - \$124M | 34% | 5% | |
| \$125M or greater | 36% | 5% | |

(B) The following example illustrates how the customer may earn the credits shown in Table 1, and it assumes the customer meets all terms and conditions specified in the Contract Tariff.

The customer's 36-month contract term began on August 1, 2005. At the end of the first quarter (i.e., November 1), the customer's past twelve months of Qualifying Revenues for the services defined in (D), preceding, is \$112M. The customer's first quarter Eligible Services billing for On-net DS1 and DS3 Interoffice Channels is \$1,750,000; the Eligible Services billing for Off-net DS1 and DS3 Interoffice Channels is \$750,000. The customer will earn a first quarter credit of \$370,000, which will be applied to the customer's December bill (i.e., one month in arrears). The credit is calculated as follows.

19% for On-net DS1 and DS3 Interoffice ($\$1,750,000 \times 19\% = \$332,500$) 5% for Off-net DS1 and DS3 Interoffice ($\$750,000 \times 5\% = \$37,500$)

Credit Earned: \$332,500 + \$37,500 = \$370,000

¹ See footnote (1) on page 25-224.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.25 Contract Tariff - No. 022

- (A) Customers may subscribe to this Contract Tariff during a fifteen (15) day subscription period following the Contract Tariff's effective date. The subscription period shall begin July 7, 2005 and expire July 21, 2005.
- (B) Subject to the regulations, terms and conditions provided herein this Contract Tariff, customers will be provided specific speeds of ¹ circuits for a contract term beginning July 22, 2005 and ending November 21, 2005.
- (C) The regulations, terms and conditions provided herein shall apply to customers subscribing to this Contract Tariff in the Atlanta, Georgia Full Service Relief Metropolitan Statistical Area (MSA).
- (D) Customers may subscribe to this Contract Tariff within the 15-day subscription period in (A) above by signing a Letter of Agreement (LOA) provided by the Company and acknowledged by a Company representative's signature. The LOA shall contain the start date of the customer's contract term (i.e., July 22, 2005) and the Access Customer Name Abbreviations (ACNAs).

25.25.1 General Regulations

(A) Term and Renewal Options

 1 circuits available in this Contract Tariff will be provided for a contract term of four months as set forth in 25.25(B) above. At the end of the contract term, the customer must either discontinue the service, continue the service under month-tomonth rates or elect to move the service under an optional payment plan (i.e., a 1 or 1).

(B) Description

Subject to the conditions set forth in this Contract Tariff, specific speeds of ¹ circuits will be provided at a 45% discount off the nonrecurring charges and Month to Month rates provided in Section ¹ of this Tariff for the contract term set forth in 25.25(B).

- (1) Only new ¹ circuits are available from this Contract Tariff.
- (2) The following specific speed ¹ circuits are available from this Contract Tariff: 18 Mbps, 24 Mbps, 30 Mbps, 36 Mbps, 149.760 Mbps and 599.040 Mbps.
- (3) The new ¹ circuits from this Contract Tariff must be ordered as Month to Month service in order for the pricing afforded by this Contract Tariff to be administered.

¹ Material previously contained in this section has been deleted. BellSouth Metro Ethernet, ADSLAS, BellSouth Wavelength, SMARTRing, XAATMS, and MSATMS services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/quidebook. Contract Offer No. 022 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website https://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.25 Contract Tariff - No. 022 (Cont'd)

25.25.1 General Regulations (Cont'd)

- (B) Description (Cont'd)
 - (4) The specific rate elements for eligible speed ¹circuits that are discounted under this Contract Tariff are those for ¹Connections and their associated ¹PVC Features (i.e., PVC Segment and PVC Bandwidth/Service Activation Charges) and optional Special Provisioning.
- (C) <u>Minimum Requirements</u>

Customers subscribing to this Contract Tariff must satisfy both of the following Minimum Requirements.

- (1) Customers subscribing to this Contract Tariff must order a minimum of at least 30 new ¹ circuits (of the speeds available from this Contract Tariff) with service due dates (i.e., installation completed) within the period of this Contract Tariff term set forth in 25.25(B).
- (2) Customers subscribing to this Contract Tariff must maintain monthly recurring revenue billing of \$2,000,000 per month or greater for the term of this Contract Tariff specified in 25.25(B). The formula for determining the total monthly recurring billing of a customer shall be the sum of the monthly recurring billing for the following services billed to the customer:
 - BellSouth Exchange Access Frame Relay Service
 - BellSouth Exchange Access Connectionless Data Service
 - BellSouth Managed Shared Frame Relay Service
 - BellSouth Network Visibility Service (excluding Service Establishment Charge and Management Access Interface Charges)

- ¹

- BellSouth Transport Services following:
 - . WATS Access Line (WAL) (a.k.a. BellSouth WATS Line) Service
 - . DS1 High Capacity (a.k.a. BellSouth SPA DS1) Service
 - . High Capacity (a.k.a. BellSouth SPA High Capacity)
 - . Alternate Serving Wire Center Service
 - . LightGate Service (a.k.a. BellSouth SPA Point to Point Network)
 - . Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)

•

- . Voice Grade (a.k.a. BellSouth SPA DSO VG) Service
- . Program Audio (a.k.a. BellSouth SPA Program Audio) Service
- . Analog Data Access (a.k.a. BellSouth SPA DSO VG) Service

(This page filed under Transmittal No. 1)

¹ See footnote (1) on page 25-230.

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ACCESS TARIFFS

25 - Contract Tariffs (Cont'd)

25.25 Contract Tariff - No. 022 (Cont'd)

25.25.1 General Regulations (Cont'd)

(C) Minimum Requirements (Cont'd)

(2) (Cont'd)

- BellSouth Transport Services following: (Cont'd)
 - . SMARTPath Service (a.k.a. BellSouth SPA DS1 Shared Ring)
 - SMARTPath DS3 Transport Service (a.k.a. BellSouth SPA DS3 Shared Ring)
 - SMARTGate Service (a.k.a. BellSouth SPA Managed Shared Ring Network)
 - FlexServ (a.k.a. BellSouth SPA Customer Reconfiguration)
 Service
 - . BellSouth SPA Managed Shared Network Service
 - . Surcharge for Special Access (a.k.a. BellSouth SPA) Service
 - Message Station Equipment Recovery Charge
 Metallic (a.k.a. BellSouth Metallic) Service
 - . Telegraph Grade (a.k.a. BellSouth Telegraph) Service
 - . Wideband Analog (a.k.a. BellSouth SPA Wideband Analog) Service
 - Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel Service
 - . Video (a.k.a. BellSouth Video Service)
 - Broadcast Qualify Video (a.k.a. BellSouth SPA Commercial Quality Video) Service
 - Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video) Service
 - Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video) Service
 - . 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
 Service
 - DS3 Digital Video (a.k.a. BellSouth SPA DS3 Digital Video) Service
 - . BellSouth SPA Modular Video Transport Service
 - Dry Fiber
 - . BellSouth SWA Transport
 - . BellSouth SWA Managed Shared Network Service
 - . BellSouth Dedicated Ring
 - . BellSouth Managed Shared Ring Service
 - . BellSouth SWA DSO Service
 - . BellSouth SWA DS1 Service
 - . BellSouth SWA DS3 Service
 - .
 - . BellSouth Directory Transport
 - . Federal Government Transport Plan

¹ See footnote (1) on page 25-230.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS TARIFFS 25 - Contract Tariffs (Cont'd)

25.25 Contract Tariff - No. 022 (Cont'd)

25.25.1 General Regulations (Cont'd)

(D) Rates and Charges

The rates and charges for 1 are set forth in Section 1 of this Tariff. The Company reserves the right to change the rates, charges, terms and conditions for 1 during the term of this Contract Tariff unless otherwise specified herein.

(E) Classifications, Practices and Regulations

- (1) Credits are provided under this Contract Tariff to administer the discount specified in 25.25.1(B). Credits provided under this Contract Tariff will apply only for the billing periods within the Contract Tariff term set forth in 25.25(B). (For example, a new 36 Mbps ¹ circuit that is installed July 22, 2005 would receive the 45% credit for its nonrecurring charge in accordance with (2) following and a 45% credit for monthly recurring billing for the periods from July 22, 2005 thru November 21, 2005 in accordance with (3) following. No credits are applicable for the portion of any billing period covering the provisioning of service beyond November 21, 2005.)
- (2) Nonrecurring credits will be applied to the customer's bill at the customer's next bill date. A credit of 45% of the nonrecurring charge for an eligible 1 rate element will be provided.
- (3) Monthly recurring credits will be applied to the customer's bill 30 days in arrears (i.e., the next month's billing period). A credit of 45% of the monthly recurring rate for an eligible 1 rate element will be provided for each full monthly billing period. (If appropriate, partial month credit thru November 21, 2005 will be provided for any customer bill period that extends beyond that Contract term end date.)
- (4) The cancellation of Access Service Requests for ¹ Connections ordered are subject to the standard Cancellation Charges for ¹ set forth in Section 5.4. (Cancellation of an Access Order).
- (5) If the customer does not satisfy the Minimum Requirements set forth in 25.25.1(C) during the period of this Contract Tariff term (as set forth in 25.25.(B)), and/or if the customer wishes to terminate this Contract Tariff agreement prior to its expiration on November 21, 2005, then the customer shall be obligated to pay the Company an amount equal to all Contract Tariff credits (described in (1) through (3) preceding) that have been issued during the period of this Contract Tariff term.

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¹ See footnote (1) on page 25-230.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.29 Contract Tariff - No. 026

- (A) Customers may subscribe to this Contract Tariff within a period of fifteen (15) days following the Contract Tariff's effective date. The subscription period expires October 16, 2005.
- (B) Customers may subscribe to this Contract Tariff by signing a Letter of Agreement (LOA) provided by the Company and acknowledged by a Company representative's signature. The LOA shall contain the start date of the customer's contract term and the Access Customer Name Abbreviations (ACNAs). The LOA shall also indicate the Revenue Band in which the customer expects revenues to fall. Revenue Bands are provided in Tables 1 and 2 of 25.29.3.
- (C) The regulations, terms, conditions and incentives provided herein shall apply to customers subscribing to this Contract Tariff in the Full Service Relief Metropolitan Statistical Areas (MSAs) defined in Section 23 of this Tariff.
- (D) This Contract Tariff provides a Service Level Agreement, which shall apply pursuant to regulations, terms and conditions in 25.29.2 following.
- (E) Upon subscription to this Contract Tariff, the customer must have Total Billed Revenue (TBR) for Qualifying Services for the past twelve (12) months of at least \$9 million.

25.29.1 General Regulations

(A) Term and Renewal Options

- (1) The customer's term under this Contract Tariff is 36 months. At the end of the contract term, the incentives provided in this Contract Tariff shall be discontinued.
- (2) Customers subscribing to this Contract Tariff may not subscribe to Transport Advantage Plan in Section 2.4.8 of this Tariff. However, the discounts received under this Contract Tariff are in addition to any applicable discounts under other Company discount plans that the customer may have subscribed to (i.e., Area Commitment Plan, Channel Services Payment Plan, Transport Payment Plan, etc.).

(B) Description of Incentives and Services

Customers who subscribe to this Contract Tariff will receive Monthly Incentives based on the customer achieving the minimum revenue commitment defined in (C) following for each contract term year for the Qualifying Services described in (1) below.

The Monthly Incentives will be applied to TBR for Eligible Services described in (2) below.

Additional details on the Monthly Incentives and minimum revenue commitment levels are provided in the following sections.

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ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.29 Contract Tariff - No. 026

25.29.1 General Regulations

- (B) Description (Cont'd)
 - (1) Qualifying Services for Calculating Total Billed Revenue

The following Special Access and Switched Access dedicated transport services will be used in determining the customer's annual Qualifying TBR pursuant to regulations in (D) following. Rates and charges for these services are set forth in Sections 6, 7, 9, 10, 21, 23, 1 and 1 of this Tariff.

BellSouth SWA Dedicated Transport Service (Sections 6 and 23)

- BellSouth SWA VG
- BellSouth SWA DSO
- BellSouth SWA DS1
- BellSouth SWA DS3
- BellSouth SWA Dedicated Ring
- BellSouth SWA Managed Shared Network Service
- BellSouth SWA Managed Shared Ring Service

Special Access (a.k.a. BellSouth SPA) Services (Sections 7 and 23)

- Metallic (a.k.a. BellSouth SPA Metallic)
- Telegraph Grade (a.k.a. BellSouth SPA Telegraph)
- Voice Grade (a.k.a. BellSouth SPA VG)
- WATS Access Line (WAL) (a.k.a. BellSouth SPA WATS Lines)
- Program Audio (a.k.a. BellSouth SPA Program Audio)
- Broadcast Quality Video (a.k.a. BellSouth SPA Broadcast Quality Video)
- Commercial Quality Video (a.k.a. BellSouth SPA Commercial Quality Video_)
- DS3 Digital Video Service (a.k.a. BellSouth SPA DS3 Digital Video)
- BellSouth SPA Modular Video Transport Service
- 70 MHz Transport (a.k.a. BellSouth SPA 70 MHz Transport)
- Uncompressed Switched Video (a.k.a. BellSouth SPA Uncompressed Switched Video)
- Wideband Analog (a.k.a. BellSouth SPA Wideband Analog)
- Derived Data Channel (a.k.a. BellSouth SPA Derived Data Channel)
- Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
- DS1 High Capacity (a.k.a. BellSouth SPA High Capacity)
- LightGate svc.(a.k.a. BellSouth SPA Point to Point Network)
- SMARTGate svc.(a.k.a. BellSouth SPA Managed Shared Ring)
- SMARTPath svc.(a.k.a. BellSouth SPA DS1 & DS3 Shared Ring)
- FlexServ Service (a.k.a. BellSouth SPA Customer Reconfiguration)
- Dry FiberBellSouth SPA Managed Shared Network Service
- Alternate Serving Wire Center
- Special Access (a.k.a. BellSouth SPA) Surcharge and Message Station Equipment Recovery Charge

BellSouth Directory Assistance Access (Section 9)

- BellSouth Directory Transport

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¹ Material previously contained in this section has been deleted. BellSouth Metro Ethernet, BellSouth Wavelength, DSLAS, and SMARTRing services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/quidebook. Contract Offer No. 026 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website https://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

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                                       Access Service
                                    25 - CONTRACT TARIFFS
25.29 Contract Tariff - No. 026
25.29.1 General Regulations
  (B) Description (Cont'd)

    Qualifying Services for Calculating Total Billed Revenue (Cont'd)

           Special Federal Government Access Services (Section 10)
           - Federal Government Transport Plan for Special Access Services
           Fast Packet Access Services (Sections 21 and 23)
            Exchange Access Frame Relay Service (a.k.a. BellSouth Exchange Access Frame
             Relay Service)
          1
          1
          1
          1
          1
          Eligible Services for Calculating Total Billed Revenue
          The following Special Access and Switched Access dedicated transport services
          will be used in determining the customer's Eligible total billed revenue (TBR)
           for the MSAs set forth in 25.29.1(C) preceding for which the incentives in this
          Contract Tariff shall apply.
          BellSouth SWA Dedicated Transport Service (Section 23)
           - BellSouth SWA VG

    BellSouth SWA DSO

           - BellSouth SWA DS1
           - BellSouth SWA DS3
             BellSouth SWA Dedicated Ring
             BellSouth SWA Managed Shared Network Service
           - BellSouth SWA Managed Shared Ring Service
          Special Access (a.k.a. BellSouth SPA) Services (Section 23)
           - Voice Grade (a.k.a. BellSouth SPA VG)
           - Digital Data Access Service (a.k.a. BellSouth SPA DSO Digital Data)
           - DS1 High Capacity (a.k.a. BellSouth SPA DS1)
           - Alternate Serving Wire Center
           - LightGate svc.(a.k.a. BellSouth SPA Point to Point Network)
           - SMARTGate svc.(a.k.a. BellSouth SPA Managed Shared Ring)
           - BellSouth SPA Managed Shared Network Service
          1
          1
          1
<sup>1</sup> See footnote (1) on page 25-235.
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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.29 Contract Tariff - No. 026

25.29.1 General Regulations

(C) Minimum Revenue Requirement

In Year 1, the minimum revenue commitment is defined in Tables 1 and 2 of 25.29.3 following. In Years 2 and 3, the minimum revenue commitment is defined as the greater of the following: 1) the minimum revenue commitments specified in Tables 1 and 2 of 25.29.3 following, or 2) the Qualifying TBR for the same time period. Both the minimum revenue commitments in Tables 1 and 2 and the Qualifying TBR represent annualized monthly recurring revenues for the Qualifying Services in (B)(1) preceding, which are billed to the customer on a region-wide basis. These revenues will not be adjusted to reflect credits or discounts the customer earned under other pricing plans (e.g., Area Commitment Plan, etc.). Nonrecurring charges and taxes assessed will not be included in these revenues.

The customer's Eligible TBR represents monthly recurring revenues for Eligible services in (B)(2) preceding, which are billed to the customer in the MSAs set forth in 25.29(C) preceding. The Eligible TBR will not be adjusted to reflect credits or discounts earned under other pricing plans (e.g., Area Commitment Plan, Channel Services Payment Plan, Transport Payment Plan, etc.). Nonrecurring charges and taxes assessed will not be included in these revenues.

At the end of each contract term year, the Company and the customer will review the customer's Qualifying TBR. If a billing discrepancy has occurred, the parties will determine through negotiations whether the billing discrepancy has had any material impact on the Qualifying TBR, and based on the negotiations, the Company will make any adjustments as appropriate.

(D) Rates and Charges

The rates and charges for services in this Contract Tariff are provided in Section 23 and other sections of this Tariff. The Company reserves the right to change the terms, conditions, rates, and charges for services in Section 23 or other sections of this Tariff during the term of this Contract Tariff unless otherwise specified herein, and the customer reserves the right to challenge those revised terms, conditions, rates and charges for services using the existing intervening process at the FCC.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.29 Contract Tariff - No. 026

25.29.1 General Regulations

(E) <u>Classifications</u>, <u>Practices and Regulations</u>

(1) Contract Tariff Incentives

At subscription to this Contract Tariff, the customer must select Revenue Band 1 in Table 1 or Revenue Band 2 in Table 2 shown in 25.29.3 following, depending on the customer's projected revenue objectives. The Revenue Bands in Tables 1 and 2 provide the minimum revenue commitment levels and the associated reward percentages as well as the reward for revenues that fall below the minimum revenue commitments.

A description of how the Monthly Incentives will be determined is provided in (2) below.

(2) Application of Monthly Incentives

(a) For the first contract term year, the customer will be awarded a Monthly Incentive at the end of each month, which will be applied to the customer's bill one month in arrears. The Monthly Incentive will be calculated using the minimum revenue commitment reward percentage in 25.29.3, times the monthly Eligible TBR.

If the Company determines at the end of the first year the customer has not achieved the first year's minimum revenue commitment in 25.29.3, a shortfall charge will apply which will be calculated as the difference between the minimum revenue commitment specified in 25.29.3 and the annual Qualifying TBR. The shortfall charge shall not be greater than the sum of the Monthly Incentives the customer received throughout the first year.

Should the customer terminate subscription to this Contract Tariff during the first year, the customer must repay 100% of the rewards received for the year and such amount will be billed to the customer within 90 days of the termination date unless the customer terminates the subscription pursuant to 25.29.1(E)(3)(b). In addition, the customer's Service Level Agreement in this Contract Tariff will be terminated. However, the Service Assurance Warranty (SAW) set forth in 2.4.4 of this Tariff will begin to apply at the termination date of this Contract Tariff, and the Service Installation Guarantee will continue to apply pursuant to regulations in 2.4.9 of this Tariff.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.29 Contract Tariff - No. 026

25.29.1 General Regulations

- (E) Classifications, Practices and Regulations
 - (2) Application of Monthly Incentives (Cont'd)
 - (b) For the second contract term year, the customer will be awarded a Monthly Incentive at the end of each month, which will be applied to the customer's bill one month in arrears. The Monthly Incentive will be calculated using the minimum revenue commitment reward percentage in 25.29.3, times the monthly Eligible TBR.

If the Company determines at the end of the second year the customer's revenues fell below the second year's minimum revenue commitment, the customer's bill will be adjusted to reflect the difference between the sum of the Monthly Incentives the customer received during the year and the adjusted annual Incentive calculated using the lower reward percentage in 25.29.3 times the annual Eligible TBR. The difference will be billed to the customer within 60 days. Shortfall charges will not apply.

Should the customer terminate subscription to this Contract Tariff during the second year, the customer must repay 75% of the rewards received for Years 1 and 2 and such amount will be billed to the customer within 90 days of the termination date unless the customer terminates the subscription pursuant to 25.29.1(E)(3)(b). In addition, the customer's Service Level Agreement herein will be terminated. However, the Service Assurance Warranty (SAW) set forth in 2.4.4 of this Tariff will begin to apply at the termination date of this Contract Tariff, and the Service Installation Guarantee will continue to apply pursuant to regulations in 2.4.9 of this Tariff.

(c) The third year Monthly Incentives will be determined in the same manner described in (b) above. Should the customer terminate subscription to this Contract Tariff during the third year, the customer must repay 50% of the rewards received for Years 1, 2 and 3 and such amount will be billed to the customer within 90 days of the termination date unless the customer terminates the subscription pursuant to 25.29.1(E)(3)(b). In addition, the customer's Service Level Agreement herein will be terminated. However, the Service Assurance Warranty (SAW) set forth in 2.4.4 of this Tariff will begin to apply at the termination date of this Contract Tariff, and the Service Installation Guarantee will continue to apply pursuant to regulations in 2.4.9 of this Tariff.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.29 Contract Tariff - No. 026

25.29.1 General Regulations

(E) <u>Classifications</u>, <u>Practices and Regulations</u>

(3) Restrictions

- (a) The customer may upgrade from Revenue Band 1 to Revenue Band 2, as shown in 25.29.3, at any time during the term of the Contract.
- (b) The customer may not sign up for another Contract Tariff for the same MSAs and the same services set forth in this Contract Tariff, unless the customer terminates its subscription under this Contract Tariff when it moves to any other Contract Tariff. Such termination would be without any liability.
- (c) The incentives in this Contract Tariff will not be applied to taxes.

(4) Mergers and Acquisitions

Should the customer merge with another company or is acquired by another company, the customer may not combine revenues with the merged or acquired company's revenues in order to obtain the incentives or credits provided in this Contract Tariff.

(5) Performance Measures

The services, to which the incentives provided under this Contract Tariff apply, shall only be subject to service guarantees specified in Section 25.29.2 (Service Level Agreement) with the exception of Service Installation Guarantee (SIG) as described in 2.4.9, which shall apply. The service guarantee specified in Section 2.4.4 (Service Assurance Warranty) does not apply to services subject to this Contract Tariff. However, this service guarantee will be reinstated and will become effective immediately upon expiration of this Contract Tariff. If any new or additional performance measures and remedies that may become generally available or offered by the Company and applicable to the services provisioned under Sections 6, 7, 21, 23, and of this Tariff, the Company may negotiate with the customer to include such remedies in this Contract Tariff. Unless both parties agree, such new performance measures and or remedies shall not apply to this Contract Tariff.

(This page filed under Transmittal No. 1)

¹ See footnote (1) on page 25-235.

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ACCESS SERVICE

- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (A) Service Level Agreement
 Concurrent with the effective date of this Contract Tariff, a Service
 Level Agreement (SLA) as specified herein shall become effective and
 shall remain in effect for the term of this Contract Tariff pursuant to
 the conditions herein. Upon termination of this Contract Tariff, this
 SLA will terminate as well. SLA performance results will be evaluated
 at a regional level and applicable SLA remedies will be applied to Full
 Service Relief MSAs as set forth in Section 23 of this Tariff.
 - (1) <u>Services Eligible for SLA</u>
 The services for which this SLA applies are described below.
 - DS1 Services: BellSouth SWA DS1; BellSouth SWA Managed Shared Network Service; DS1 (a.k.a. BellSouth SPA DS1); BellSouth SPA Managed Shared Network Service
 - DS3 Services: BellSouth SWA Managed Shared Network Service; BellSouth SPA Managed Shared Network Service; LightGate svc. (a.k.a. BellSouth SPA Point to Point)
 - (2) SLA Performance Metrics and Measurement Methodology
 - (a) The following performance metrics will be tracked and measured in accordance with terms and conditions described in this SLA. The definitions for these performance metrics are provided in (4), following.
 - SA-1: Firm Order Confirmation (FOC) Receipt SA-2: On Time Performance to FOC Due Date
 - SA-3: Past Due Circuits
 - SA-4: New Circuit Failure Rate
 - SA-5: Failure Rate
 - SA-6: Mean Time to Restore
 - SA-7: Repeat Trouble Report Rate

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ACCESS SERVICE
25 - Contract Tariffs (Cont'd)

- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (A) Service Level Agreement (Cont'd)
 - (2) SLA Performance Metrics and Measurement Methodology (Cont'd)
 - (c) Neither the Company nor the customer shall be held liable for any delay or failure in performance of any part of the SLA from any cause beyond its control and without its fault or negligence, such as acts of God, acts of civil or military authority, embargoes, epidemics, war, terrorists acts, riots, insurrections, fires, explosions, earthquakes, strikes, nuclear accidents, hurricanes, floods, power blackouts, or unusually severe weather. In the event of any such excused delay in the performance of the customer or the Company's obligation(s) under this SLA, the due date for the performance of the original obligation(s) shall be extended by a term equal to the time lost by reason of delay. In the event of such delay, the Company shall give prompt written notice to the customer specifying the nature of the excused delay, the date of inception, and the expected duration. During such delay, the Company shall perform its obligations at a performance level no less than that which it uses for its own operations. Further, in the event of such delay or failure in the Company's performance, the Company agrees to resume performance in a nondiscriminatory manner and not favor provisioning its own services above that of the customer.

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ACCESS SERVICE

- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (A) Service Level Agreement (Cont'd)
 - (3) Performance Metrics Definitions
 - (a) <u>SA-1:</u> Firm Order Confirmation (FOC) Receipt This metric is the Company's response to a clean Access Service Request (ASR), whether an initial or supplement ASR, that provides the customer with the specific Due Date on which the requested circuit or circuits will be installed. The expectation is that the Company will conduct a minimum of an electronic facilities check to ensure due dates delivered in FOCs can be relied upon. The performance standard for FOCs received within the specified interval (see 25.29.2(B) for specified intervals in Chart A, SA-1, following) is expressed as a percentage of the total FOCs received during the reporting period.
 - Business Rules: Counts are based on each instance of a FOC received from the Company. If one or more supplement ASRs are issued to correct or change a request, each corresponding FOC, which is received during the reporting period, is counted and measured. Days shown are business days, Monday to Friday, excluding National Holidays. Activity starting on a weekend, or holiday, will reflect a start date of the next business day, and activity ending on a weekend, or holiday, will be calculated with an end date of the last previous business day. Projects are included. ASRs received after 3 p.m. eastern standard time shall be considered received on the next business day.
 - Exclusions: Unsolicited FOCs, Disconnect ASRs, Cancelled ASRs, Record ASRs.
 - Performance Evaluation: If regional DS1 or DS3 performance falls below its performance objective, the difference between this stated objective and the actual regional performance will be determined. This result multiplied by the base of all Firm Order Commitment (FOC) responses in Full Service Relief MSAs as provided by the Company, will yield the number of performance defect occurrences eligible for rebate.

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ACCESS SERVICE

- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (B) Service Level Agreement (Cont'd)
 - (3) Performance Metrics Definitions (Cont'd)
 - (b) <u>SA-2: On Time Performance to FOC Due Date</u>
 This metric measures the percentage of circuits that are completed on or before the FOC Due Date, as recorded from the FOC received in response to the last ASR sent. Customer Not Ready (CNR) situations may result in an installation delay. The On Time Performance To FOC Due Date is calculated both with CNR consideration and without CNR consideration, i.e. measuring the percentage of time the service is installed on the FOC due date while counting CNR coded orders as an appointment met, and without CNR consideration. The denominator for both calculations is the total count of circuits completed during the reporting period, including all circuits, with and without a CNR code.
 - Business Rules: Measures are based on the last ASR sent and the associated FOC Due Date received from the Company. Selection is based on circuits completed by the Company during the reporting period. An ASR may provision more than one circuit and the Company may break the ASR into separate internal orders, however, the ASR is not considered completed for measurement purposes until all circuits are completed. The Company Completion Date is the date upon which the Company completes installation of the circuit, as noted on a completion advice to the customer. Projects are included. A Customer Not Ready (CNR) is defined as a verifiable situation beyond the normal control of the Company that prevents the Company from completing an order, including the following: The customer is not ready; end user is not ready; connecting company, or CPE (Customer Premises Equipment) supplier, is not ready. The Company must ensure that established procedures are followed to notify the customer of a CNR situation and allow a reasonable period of time for the customer to correct the situation.
 - Exclusions: Unsolicited FOCs, Disconnect ASRs, Cancelled ASRs, Record ASRs
 - Performance Evaluation: Service Installation Guarantee (SIG) in Section 2.4.9 is the determinant of performance rebates with respect to SA-2.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

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- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (A) Service Level Agreement (Cont'd)
 - (3) Performance Metrics Definitions (Cont'd)
 - (c) SA-3: Past Due Circuits
 - This metric provides a snapshot view of circuits not completed as of the end of the reporting period. The count is taken from those circuits that have received a FOC Due Date but the due date has passed. Results are separated into those held for Company reasons and those held for customer reasons (CNRs), with a breakdown, for diagnostic purposes, of Past Due Circuits due to a lack of Company facilities. A diagnostic measure, Percent Cancellations After FOC Due Date, is included to show a percent of all cancellations processed during the reporting period where the cancellation took place after the FOC Due Date had passed. This measurement is calculated by taking the count of all circuits not completed at the end of the reporting period > 5 days beyond the FOC Due Date, grouped separately for Total Company Reasons, Lack of Company Facility Reasons, and Total Customer Reasons, each divided by the total uncompleted circuits past FOC Due Date, for all missed reasons, at the end of the reporting period, expressed as a percentage.
 - Business Rule: Calculation of Past Due Circuits is based on the most recent ASR and associated FOC Due Date. An ASR may provision more than one circuit and the Company may break the ASR into separate internal orders, however, the ASR is not considered completed for measurement purposes until all segments are completed. Days shown are business days, Monday to Friday, excluding National Holidays. Activity starting on a weekend, or holiday, will reflect a start date of the next business day, and activity ending on a weekend, or holiday, will be calculated with an end date of the last previous business day. Projects are included. A Customer Not Ready (CNR) is defined as a verifiable situation beyond the normal control of the Company that prevents the Company from completing an order, including the following: customer not ready; end user is not ready; connecting company, or CPE (Customer Premises Equipment) supplier, is not ready. The Company must ensure that established procedures are followed to notify the customer of a CNR situation and allow a reasonable period of time for the customer to correct the situation. The customer is required to forecast facility requirements to MSA/CO level on a quarterly basis.
 - Exclusions: Unsolicited FOCs, Disconnect ASRs, Record ASRs
 - Performance Evaluation: If regional DS1 or DS3 performance exceeds its performance objective, the difference between the stated objective and the actual regional performance will be determined. This result, multiplied by the base of all install orders completed in Full Service Relief MSAs, will yield the number of performance defect occurrences eligible for rebate.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (A) Service Level Agreement (Cont'd)
 - (3) Performance Metrics Definitions (Cont'd)
 - (d) <u>SA-4: New Circuit Failure Rate*</u>
 This metric measures the quality of the installation work by capturing the rate of new circuit failures and is calculated by dividing the count of circuits with a measured customer report within 30 calendar days of installation by the total number of circuits installed in the reporting period.
 - Business Rule: The Company's Completion Date is the date upon which the Company completes installation of the circuit, as noted on a completion advice to the customer. The calculation for the preceding 30 calendar days is based on the creation date of the trouble ticket.
 - In order for the monthly reporting period results of this metric (SA-4) to be valid, customer reports closed out to Test OK (TOK) cannot exceed 10% of total measured reports within the respective measured reporting period.
 - Exclusions: Trouble tickets that are canceled at the customer's request; CPE (Customer Premises Equipment), or other customer caused troubles; Company trouble reports associated with administrative service; tickets used to track referrals of misdirected calls; the customer's requests for informational tickets; Repeat Trouble Reports; subsequent trouble reports defined as those cases where a customer called to check on the status of an existing open trouble ticket.
 - Performance Evaluation: If regional DS1 or DS3 performance exceeds its performance objective, the difference between the stated objective and the actual regional performance will be determined. This result, multiplied by the base of all newly installed circuits in Full Service Relief MSAs, will yield the number of performance defect occurrences eligible for rebate.

*If multiple customer trouble reports are correlated to a common cause, a single customer trouble report will be generated at the common cause/circuit and will be measured against the maintenance SLA measurements (provided the close code disposition is not excluded in the business rules). Multiple reports associated with a common cause will only be reported once and counted as a single incident (occurrence) in the (SA-4) metric. For example, if a Point-to-Point OC-12 fails, the Company does not take customer trouble reports on the thousands of potential lower level circuits nor are each of the lower level service outages included in the company's maintenance measures including (SA-4).

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

25.29 Contract Tariff - No. 026 (Cont'd)

25.29.2 General Regulations (Cont'd)

- (A) Service Level Agreement (Cont'd)
 - (3) Performance Metrics Definitions (Cont'd)
 - (e) SA-5: Failure Rate*

This metric measures the overall quality of the circuits being provided by the Company and is calculated by dividing the number of measured customer trouble report resolved during the reporting period by the total number of "in service" circuits, at the end of the reporting period.

- Business Rule: A customer trouble report/ticket is any record (whether paper or electronic) used by the Company for the purposes of tracking related action and disposition of a service repair or maintenance situation. A trouble is resolved when the Company issues notice to the customer that the circuit has been restored to normal operating parameters. Where more than one trouble is resolved on a specific circuit during the reporting period, each trouble is counted in the Trouble Report Rate.

In order for the monthly reporting period results of this metric (SA-5) to be valid, customer reports closed out to Test OK (TOK) cannot exceed 10% of total measured reports within the respective measured reporting period.

- Exclusions: Trouble tickets that are canceled at the customer's request; CPE (Customer Premises Equipment), or other customer caused trouble; Company trouble reports associated with administrative service; customers requests for informational tickets; tickets used to track referrals of misdirected calls; subsequent trouble reports defined as those cases where a customer called to check on the status of an existing open trouble ticket.
- Performance Evaluation: If regional DS1 or DS3 performance exceeds its performance objective, the difference between the stated objective and the actual regional performance will be determined. This result, multiplied by the base of all circuits in inventory in Full Service Relief MSAs, will yield the number of performance defect occurrences eligible for rebate.

*If multiple customer trouble reports are correlated to a common cause, a single customer trouble report will be generated at the common cause/circuit and will be measured against the maintenance SLA measurements (provided the close code disposition is not excluded in the business rules). Multiple reports associated with a common cause will only be reported once and counted as a single incident (occurrence) in the (SA-5) metric. For example, if a Point-to-Point OC-12 fails, the Company does not take customer trouble reports on the thousands of potential lower level circuits nor are each of the lower level services outages included in the company's maintenance measures including (SA-5). In the case where a valid customer trouble report is linked to the same common cause of a previously resolved customer trouble report, the new customer trouble report will be considered a new occurrence and will be included in the (SA-5) metric.

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ACCESS SERVICE
25 - Contract Tariffs (Cont'd)

25.29 Contract Tariff - No. 026 (Cont'd)

25.29.2 General Regulations (Cont'd)

- (A) <u>Service Level Agreement</u> (Cont'd)
 - (3) Performance Metrics Definitions (Cont'd)
 - (f)SA-6: Mean Time to Restore (Percentage over Objective) (Cont'd)
 Exclusions: Trouble tickets that are canceled at the customer's request; CPE (Customer Premises Equipment), or other customer caused troubles; Company trouble reports associated with administrative service; the customer's request for informational tickets; trouble tickets created for tracking and/or monitoring circuits; tickets used to track referrals of misdirected calls; subsequent trouble reports defined as those cases where a customer called to check on the status of an existing open trouble ticket.
 - Performance Evaluation: If regional DS1 or DS3 performance exceeds its performance objective, the difference between the stated objective and the actual regional performance will be determined. This result, multiplied by the base of applicable measured trouble tickets in Full Service Relief MSAs, will yield the number of performance defect occurrences eligible for rebate.

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (A) Service Level Agreement (Cont'd)
 - (3) Performance Metrics Definitions (Cont'd)
 - (g) <u>SA-7: Repeat Trouble Report Rate*</u>
 The Repeat Trouble Report Rate measures the percent of maintenance customer trouble reports resolved during the current reporting period that had at least one prior trouble ticket any time in the preceding 30 calendar days from the creation date of the current trouble report.
 - Business Rule: A trouble report or trouble ticket is any record (whether paper or electronic) used by the Company for the purposes of tracking related action and disposition of a service repair or maintenance situation. A trouble is resolved when the Company issues notice to the customer that the circuit has been restored to normal operating parameters. If a trouble ticket was closed out previously with the disposition code classifying it as FOK/TOK, then the second trouble must be counted as a repeat trouble report if it is resolved to Company's reasons. The trouble resolution need not be identical between the repeated reports for the incident to be counted as a repeated trouble.
 - In order for the monthly reporting period results of this metric (SA-7) to be valid, customer reports closed out to Test OK (TOK) cannot exceed 10% of total measured reports within the respective measured reporting period.

*If multiple customer trouble reports are correlated to a common cause, a single customer trouble report will be generated at the common cause/circuit and will be measured against the maintenance SLA measurements (provided the close code disposition is not excluded in the business rules). Multiple reports associated with a common cause will only be reported once and counted as a single incident (occurrence) in the (SA-7) metric. For example, if a Point-to-Point OC-12 fails, the Company does not take customer trouble reports on the thousands of potential lower level circuits nor are each of the lower level services outages included in the company's maintenance measures including (SA-7). In the case where a valid customer trouble report is linked to the same common cause of a previously resolved customer trouble report, the new customer trouble report will be considered a new occurrence and will be included in the (SA-7) metric.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE
25 - Contract Tariffs (Cont'd)

- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (A) <u>Service Level Agreement</u> (Cont'd)
 - (3) <u>Performance Metrics Definitions</u> (Cont'd)
 - (g) SA-7: Repeat Trouble Report Rate (Cont'd)
 - Exclusions: Trouble tickets that are canceled at the customer's request; CPE (Customer Premises Equipment), or other customer caused troubles; Company trouble reports associated with administrative service; subsequent trouble reports defined as those cases where a customer called to check on the status of an existing open trouble ticket; excludes informational tickets.
 - Performance Evaluation: If regional DS1 or DS3 performance exceeds its performance objective, the difference between the stated objective and the actual regional performance will be determined. This result, multiplied by the base of applicable measured trouble reports in Full Service Relief MSAs, will yield the number of performance defect occurrences eligible for rebate.

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (A) <u>Service Level Agreement</u> (Cont'd)
 - (4) Customer Obligations

In order to receive the performance remedies specified in this SLA, the customer agrees to the following conditions:

- (a) The customer shall maintain existing electronic system interfaces and processes for Access Service Request (ASR) initiation and trouble reporting.
- (b) The customer shall submit ASRs by 3:00 p.m. EST in order for the ASR to be processed the same business day. ASRs received after 3:00 p.m. EST shall be processed and considered received on the next business day.

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (A) Service Level Agreement (Cont'd)
 - (5) Company Obligations
 - (a) Should the Company fail to perform to the performance objectives provided in this SLA, the performance remedies set forth in 25.29.2(B)(1) through (4), following, shall apply pursuant to the customer meeting the obligations set forth in 25.29.2(A)(4), preceding.
 - (b) The Company will calculate performance metrics on a monthly basis. The Company will calculate performance remedies using monthly reporting period results, provided sufficient ordering, provisioning, and maintenance volumes are incurred during the monthly reporting period. If insufficient ordering, provisioning, and maintenance volumes are incurred during the monthly reporting period, monthly results will be aggregated to calculate and evaluate quarterly performance metrics and remedies.

Sufficient ordering, provisioning, and maintenance volumes are as follows:

- SA-1: If customer-ordering ASR and ASR supplement volumes per class of service are greater than 30 ASRs per month, then remedy evaluation will be assessed on monthly performance metric results, otherwise remedy evaluation will be based on aggregate quarterly results.
- SA-2, SA-3, SA-4: If customer-provisioning volumes per class of service are greater than 30 circuits per month, then remedy evaluation will be assessed on monthly performance metric results, otherwise remedy evaluation will be based on aggregate quarterly results.
- SA-5, SA-7: If customer's measured trouble ticket volumes per class of service are greater than 30 troubles per month, then remedy evaluation will be assessed on monthly performance metric results, otherwise remedy evaluation will be based on aggregate quarterly results.
- (c) The Company will sum the credits for each missed performance metric to get each month's total monthly credits. At the end of each contract term year, the Company will total each month's credits and apply the credits to the customer's account at the end of each year, 45 days in arrears.

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ACCESS SERVICE

25 - Contract Tariffs (Cont'd)

- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (B) Service Level Agreement Charts (Cont'd)
 - (1) Performance Metrics Ordering Elements

Chart A below provides the services, objectives, and remedies for each performance metric. The DS1 and DS3 services specified in Chart A below are set forth in 25.29.2(A)(1), preceding.

CHART A

| Performance Metrics and Services | Performance Objectives | Performance Rebate (Per Occurrence) |
|---------------------------------------|---------------------------|--|
| SA-1 FOC RECEIPT | | |
| DS1 Services (within 2 business days) | > = 92.5% | \$0 |
| | < 92.5% | \$50 |
| DS3 Services (within 5 business days) | > = 90% | \$0 |
| | < 90% | \$50 |

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ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (B) Service Level Agreement Charts (Cont'd)
 - (2) Performance Metrics Provisioning Elements

Chart B below provides the services, objectives, and remedies for each performance metric. The DS1 and DS3 services specified in Chart B below are set forth in 25.29.2(A)(1), preceding.

CHART B

| Performance Metrics and Services | Performance Objectives | Performance Rebate (Per Occurrence) |
|--|---------------------------|--|
| SA-2 ON TIME FOC DUE DATE PERFORMANCE | | |
| DS1 and DS3 Services (with customer not ready considerations) | (See SIG) | (SIG in Section 2.4.9 of this Tariff) |
| SA-3: PAST DUE CIRCUITS | | |
| DS1 and DS3 Services (> 5 days beyond FOC Due Date for Company | < = 3% | \$0 |
| reasons) | > 3% | \$200 (DS1) \$2,650 (DS3) |

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ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (B) Service Level Agreement Charts (Cont'd)
 - (3) Performance Metrics Provisioning Elements

Chart C below provides the services, objectives, and remedies for each performance metric. The DS1 and DS3 services specified in Chart C below are set forth in 25.29.2(A)(1), preceding.

CHART C

| Performance Metrics and Services | Performance Objectives | Performance Rebate (Per Occurrence) |
|---|---------------------------|--|
| SA-4 NEW INSTALLATION TROUBLE REPORT RATE | | |
| DS1 Services | < = 5% | \$0 |
| | > 5% | \$200 |
| DS3 Services | < = 2% | \$0 |
| | > 2% | \$2,650 |

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ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (B) Service Level Agreement Charts (Cont'd)
 - (4) Chart D below provides the services, objectives, and remedies for each performance metric. The DS1 and DS3 services specified in Chart D below are set forth in 25.29.2(A)(1), preceding.

CHART D

| Performance Metrics and Services | Performance Objectives | Performance Rebate (Per Occurrence) |
|-------------------------------------|---------------------------|--|
| CA E FAILURE DATE | | |
| SA-5 FAILURE RATE | | |
| DS1 Services | < = 2.6% | \$0 |
| | > 2.6% | \$200 |
| DS3 Services | < = 1.3% | \$0 |
| | > 1.3% | \$2,650 |
| SA-6 MEAN TIME TO RESTORE | | |
| DS1 Services | 0% < = 3.5 hrs | \$0 |
| | 0% > 3.5 hr duration | \$200 |
| DS3 Services | 0% ≤ 3.0 hr duration | \$0 |
| | 0% > 3.0 hr duration | \$2,650 |

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE 25 - Contract Tariffs (Cont'd)

- 25.29 Contract Tariff No. 026 (Cont'd)
- 25.29.2 General Regulations (Cont'd)
 - (B) Service Level Agreement Charts (Cont'd)
 - (5) Performance Metrics Provisioning Elements

Chart E below provides the services, objectives, and remedies for each performance metric. The DS1 and DS3 services specified in Chart E below are set forth in 25.29.2(A)(1), preceding.

CHART E

| Performance Metrics and Services | Performance Objectives | Performance Rebate (Per Occurrence) |
|----------------------------------|---------------------------|--|
| SA-7 REPEAT TROUBLE REPORT RATE | | |
| DS1 Services | < =19% | \$0 |
| | > 19% | \$200 |
| DS3 Services | < = 8% | \$0 |
| | > 8% | \$2,650 |

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.29 Contract Tariff - No. 026

25.29.3 Revenue Volumes and Incentives

(A) Annual Total Billed Revenue (TBR) Volumes and Incentives

Tables 1 and 2 below provide the Minimum Revenue Commitments and reward percentages for Revenue Bands 1 and 2 for each contract term year. The Tables also provide the reward percentages if revenues fall below the minimum commitments.

TABLE 1

| Revenue Band 1 (\$3 - \$10 Million) | Minimum Revenue Commitment* | Less Than Minimum Revenue Commitment |
|-------------------------------------|-----------------------------------|--|
| Year 1 | \$9,000,000 | |
| % Reward | 3.00% | |
| | | |
| Year 2 | > \$9,180,000 | < \$9,180,000 |
| % Reward | 3.25% | 2.00% |
| Year 3 | > \$9,455,400 | < \$9,455,400 |
| % Reward | 3.25% | 2.00% |

^{*}Or Qualifying TBR

TABLE 2

| Revenue Band 2 (\$10 - \$100 Million) | Minimum Revenue Commitment* | Less Than Minimum Revenue Commitment |
|--|-----------------------------------|--|
| Year 1 | \$10,000,000 | |
| % Reward | 5.00% | |
| Year 2 | > \$10,200,000 | < \$10,200,000 |
| % Reward | 5.25% | 4.00% |
| Year 3 | > \$10,506,000 | < \$10,506,000 |
| % Reward | 5.25% | 4.00% |

^{*}Or Qualifying TBR

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.34 Contract Tariff - No. 031 (Cont'd)

25.34.1 General Regulations (Cont'd)

- (B) Description (Cont'd)
 - (2) The customer must submit firm orders for the SMARTRing Services (a.k.a. BellSouth SPA Dedicated Ring) within one (1) month of this Contract Tariff's effective date.
 - (3) The customer's service establishment date for the SMARTRing Services (a.k.a. BellSouth SPA Dedicated Ring) must be within four (4) months of the services' firm order confirmation date unless a delay in installing the services is caused by the Company.
 - (4) The credit in (1) above will be applied to the customer's bill each month of the TPP term one month in arrears.

(C) Rates and Charges

Rates and charges for SMARTRing Service (a.k.a. BellSouth SPA Dedicated Ring) are provided in Section 23 of this Tariff. The Company reserves the right to change the rates, charges, terms and conditions for services in Section 23 and other sections of this Tariff.

(D) Classifications, Practices and Regulations

- (1) The rewards in this Contract Tariff will not apply as follows:
 - When UNEs or combination of UNEs are commingled with the service in this Contract Tariff.
 - For lower level circuits riding on SMARTRing Service (a.k.a. BellSouth SPA Dedicated Ring) or for interfaces or other optional features and functions other than those specified in this Contract Tariff.
 - When services in this Contract Tariff terminate in a physical or virtual collocation arrangement in a Company central office.
- (2) Taxes will be computed on the full tariff price for the service in this Contract Tariff. Credits will not be applied to taxes.

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.43 Contract Tariff - No. 040

- (A) Customers may subscribe to this Contract Tariff within fifteen (15) days following the Contract Tariff's effective date. The subscription period expires August 30, 2006.
- (B) To subscribe to this Contract Tariff, the customer must sign a Letter of Agreement (LOA) provided by the Company and acknowledged by a Company representative's signature. The signed LOA shall indicate the customer's Access Customer's Name Abbreviations (ACNAs).
- (C) The regulations, terms and conditions provided herein shall apply to services in the Full Service Relief Metropolitan Statistical Areas (MSAs) as set forth in Section 23 of this Tariff.

25.43.1 General Regulations

(A) Term and Renewal Options

- (1) The rewards in this Contract Tariff will be provided to customers subscribing to new Non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) under a Transport Payment Plan (TPP) A (24 month minimum), TPP B (37 to 60 months) or TPP C (61 to 96 months).
- (2) The TPP regulations in Section 2.4.8 of this Tariff shall apply, including termination liability regulations. In addition to TPP termination liability, if the customer disconnects service prior to the end of the TPP term the customer must repay 100% of the rewards received under this Contract Tariff and such amount will be billed to the customer within ninety (90) days of the disconnect date.
- (3) At the end of the selected TPP term, the rewards provided under this Contract Tariff shall be discontinued.

(B) Description

- (1) Customers subscribing to new Non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) in the MSAs specified above will receive the credits in (2) following subject to the following condition:
 - The customer must have already ordered a minimum of 160 units of Non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) between the period beginning November 15, 2005, and ending August 14, 2006, in the MSAs specified above.
 - Customers must submit a firm order for new Non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) with the application date within twelve months of this Contract Tariff's effective date.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

- 25.43 Contract Tariff No. 040 (Cont'd)
- 25.43.1 General Regulations (Cont'd)
 - (B) <u>Description</u> (Cont'd)
 - (2) The following credits will apply for the Local Channel, Node and Interoffice Channel rate elements for Non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network):

| Transport Payment Plan | Credit |
|---------------------------|--------|
| Plan A (24 month minimum) | 20% |
| Plan B (37 - 60 Months) | 30% |
| Plan C (61 - 96 Months | 30% |

(3) The credits in this Contract Tariff will apply to the following USOCs for the rate elements indicated.

| Service | Local Channel, I/O Channel Mileage Rate Elements |
|---|--|
| Non-Channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) | HFSC7, 1LPEA, 1LPE8, 1LPE9, 1LPE6, 1LPS8, 1LPS9, 1LPS6 |

- (4) Orders for services with application dates preceding the effective date of this Contract Tariff that are cancelled subsequent to the tariff's effective date and then reordered during the twelve month period following the tariff's effective date shall not qualify for this Contract Tariff.
- (5) An existing TPP whose length of service is changed pursuant to regulations in 2.4.8(D)(6)(a) does not qualify for this Contract Tariff.
- (6) The Company will determine the applicable rewards for services meeting the conditions in this Contract Tariff. The customer's bill will be credited each month the applicable rewards herein one month in arrears.
- (C) Rates and Charges
 Rates and charges for LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) are provided in Section 23 of this Tariff. The Company reserves the right to change the rates, charges, terms and conditions for services in Section 23 and other sections of this Tariff.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

- 25.43 Contract Tariff No. 040 (Cont'd)
- 25.43.1 General Regulations (Cont'd)
 - (D) <u>Classifications</u>, <u>Practices and Regulations</u>
 - (1) The rewards in this Contract Tariff will not apply as follows:
 - When UNEs or combination of UNEs are commingled with the service in this Contract Tariff.
 - For lower level circuits riding on LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point) or for interfaces or other optional features and functions other than those specified in this Contract Tariff.
 - For Local Channels terminating at a location other than an end user location (i.e., rewards will not apply for Local Channels terminating at an inter-exchange carrier's point-of-presence).
 - When the service herein terminate in a physical or virtual collocation arrangement in a Company central office.
 - (2) Customers may qualify for the rewards in this Contract Tariff if:
 - The customer renews a TPP contract for the service herein that expires within twelve months of this Contract Tariff's effective date to a renewed TPP A (24 month minimum), TPP B or TPP C.
 - The customer moves its existing services that are under a month-to-month arrangement to a TPP A (24 month minimum), TPP B or TPP C.
 - The customer renews a TPP contract during the twelve months following this Contract Tariff's effective date to a TPP B or TPP C when the existing TPP contract term has been fulfilled with no termination liability required.
 - (3) Customers receiving rewards under other Contract Tariffs, Incentive Plans or Promotions that contain the same service herein may not subscribe to this Contract Tariff. However, credits in this Contract Tariff are in addition to credits the customer receives under Transport Advantage (TAP), Premium Service Incentive Plan (PSIP) or TPP.
 - (4) The rewards in this Contract Tariff will be computed as credits on the full TPP tariff price for the service herein. Credits will not be applied to taxes.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.44 Contract Tariff - No. 041

- (A) Customers may subscribe to this Contract Tariff within fifteen (15) days following the Contract Tariff's effective date. The subscription period expires October 27, 2006.
- (B) To subscribe to this Contract Tariff, the customer must sign a Letter of Agreement (LOA) provided by the Company and acknowledged by a Company representative's signature. The signed LOA shall indicate the customer's Access Customer's Name Abbreviations (ACNAs).
- (C) The regulations, terms and conditions provided herein shall apply to services in the Full Service Relief Metropolitan Statistical Areas (MSAs) as set forth in Section 23 of this Tariff.

25.44.1 General Regulations

(A) Term and Renewal Options

- (1) The rewards in this Contract Tariff will be provided to customers subscribing to new Non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) under a Transport Payment Plan (TPP) A (24 month minimum), TPP B (37 to 60 months) or TPP C (61 to 96 months).
- (2) The TPP regulations in Section 2.4.8 of this Tariff shall apply, including termination liability regulations. In addition to TPP termination liability, if the customer disconnects service prior to the end of the TPP term the customer must repay 100% of the rewards received under this Contract Tariff and such amount will be billed to the customer within ninety (90) days of the disconnect date.
- (3) At the end of the selected TPP term, the rewards provided under this Contract Tariff shall be discontinued.

(B) Description

- (1) Customers subscribing to new Non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) in the MSAs specified above will receive the credits in (2) following subject to the following condition:
 - The customer must have already ordered a minimum of 160 units of Nonchannelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) between the period beginning November 15, 2005, and ending August 14, 2006, in the MSAs specified above.

 - Customers must submit a firm order for new Non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) with the application date within twelve months of this Contract Tariff's
 - effective date.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

- 25.44 Contract Tariff No. 041 (Cont'd)
- 25.44.1 General Regulations (Cont'd)
 - (B) Description (Cont'd)
 - (2) The following credits will apply for the Local Channel, Node and Interoffice Channel rate elements for Non-channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network):

| Transport Payment Plan | Credit |
|---------------------------|--------|
| Plan A (24 month minimum) | 20% |
| Plan B (37 - 60 Months) | 30% |
| Plan C (61 - 96 Months_ | 30% |

(3) The credits in this Contract Tariff will apply to the following USOCs for the rate elements indicated.

| Service | Local Channel, I/O Channel Mileage Rate Elements |
|---|--|
| Non-Channelized LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) | HFSC7, 1LPEA, 1LPE8, 1LPE9, 1LPE6, 1LPS8, 1LPS9, 1LPS6 |

- (4) Orders for services with application dates preceding the effective date of this Contract Tariff that are cancelled subsequent to the tariff's effective date and then reordered during the twelve month period following the tariff's effective date shall not qualify for this Contract Tariff.
- (5) An existing TPP whose length of service is changed pursuant to regulations in 2.4.8(D)(6)(a) does not qualify for this Contract Tariff.
- (6) The Company will determine the applicable rewards for services meeting the conditions in this Contract Tariff. The customer's bill will be credited each month the applicable rewards herein one month in arrears.
- (C) <u>Rates and Charges</u>
 Rates and charges for LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point Network) are provided in Section 23 of this Tariff. The Company reserves the right to change the rates, charges, terms and conditions for services in Section 23 and other sections of this Tariff.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

- 25.44 Contract Tariff No. 041 (Cont'd)
- 25.44.1 General Regulations (Cont'd)
 - (D) <u>Classifications</u>, <u>Practices and Regulations</u>
 - (1) The rewards in this Contract Tariff will not apply as follows:
 - When UNEs or combination of UNEs are commingled with the service in this Contract Tariff.
 - For lower level circuits riding on LightGate DS3 Service (a.k.a. BellSouth SPA Point to Point) or for interfaces or other optional features and functions other than those specified in this Contract Tariff.
 - For Local Channels terminating at a location other than an end user location (i.e., rewards will not apply for Local Channels terminating at an inter-exchange carrier's point-of-presence).
 - When the service herein terminate in a physical or virtual collocation arrangement in a Company central office.
 - (2) Customers may qualify for the rewards in this Contract Tariff if:
 - The customer renews a TPP contract for the service herein that expires within twelve months of this Contract Tariff's effective date to a renewed TPP A (24 month minimum), TPP B or TPP C.
 - The customer moves its existing services that are under a month-to-month arrangement to a TPP A (24 month minimum), TPP B or TPP C.
 - The customer renews a TPP contract during the twelve months following this Contract Tariff's effective date to a TPP B or TPP C when the existing TPP contract term has been fulfilled with no termination liability required.
 - (3) Customers receiving rewards under other Contract Tariffs, Incentive Plans or Promotions that contain the same service herein may not subscribe to this Contract Tariff. However, credits in this Contract Tariff are in addition to credits the customer receives under Transport Advantage (TAP), Premium Service Incentive Plan (PSIP) or TPP
 - (4) The rewards in this Contract Tariff will be computed as credits on the full TPP tariff price for the service herein. Credits will not be applied to taxes.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.47 Contract Tariff No. 044 - Price Flex MARC and Discount Freeze Option

25.47.1 General Regulations

Contract Offer No. 44 - The Price Flex MARC and Discount Freeze Option permits the modification of certain contract offers set forth in BellSouth Telecommunications, Inc. (BellSouth) Tariff No. 1, Section 25, that contain Minimum Annual Revenue Commitments (MARCs), and were in effect as of December 29, 2006. This Contract Offer is available to Customers that meet the Eligibility Criteria specified below.

This Contract Offer implements the following commitment of the Telephone Company (Special Access Commitment 11):

"Within 14 days of the Merger Closing Date, the AT&T/BellSouth ILECs will give notice to customers of AT&T/BellSouth with interstate pricing flexibility contracts that provide for a MARC that varies over the life of the contract that, within 45 days of such notice, customers may elect to freeze, for the remaining term of such pricing flexibility contract, the MARC in effect as of the Merger Closing Date, provided that the customer also freezes, for the remaining term of such pricing flexibility contract, the contract discount rate (or specified rate if the contract sets forth specific rates rather than discounts off of referenced tariffed rates) in effect as of the Merger Closing Date."

Merger Closing Date, for purposes of this Contract Offer, shall be December 29, 2006.

25.47.2 Eligibility Criteria

The Customer must meet the following eligibility criteria to subscribe to this Contract Offer:

- (A) As of December 29, 2006, the Customer must have subscribed to one or more pricing flexibility contract offers in BellSouth FCC Tariff No. 1, Section 25, and such contract offer(s) must include a MARC that varies over the Term Period(s) of the contract offer(s); and
- (B) Within 45 days after receiving notice from the Telephone Company regarding Special Access Commitment 11, the Customer must have elected to freeze the MARC and discount rate (or specified rate if the contract offer sets forth specific rates rather than discounts from referenced tariff rates) in effect as of December 29, 2006.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.47 Contract Tariff No. 044 - Price Flex MARC and Discount Freeze Option (Cont'd)

25.47.3 Terms and Conditions

- (A) Within thirty (30) days of the effective date of this Contract Offer, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company, which must identify each pricing flexibility contract offer for which the Customer elects to freeze its MARC and discount rate (or specified rate).
- (B) Notwithstanding any provision of any contract offer that provides for a MARC which varies over the Term Period of such Contract Offer, the MARC and discount rate (or specified rate) shall remain fixed for the remainder of the Term Period of such Contract Offer at the levels in effect as of December 29, 2006.
- (C) The Telephone Company shall make such billing adjustments as may be necessary to implement Section 25.47.3(B) of this Contract Offer.
- (D) This Contract Offer shall not affect the interpretation or application of any provision of any contract offer that affects the MARC only incidentally or indirectly, such as Merger and Acquisition provisions that require recalculation or adjustment of the MARC to take into account the effects of a merger or acquisition of or by the Customer.
- (E) The Customer shall comply with all terms and conditions applicable to the service subject to this Contract Offer, including those of any underlying contract offer or any otherwise applicable tariff. Any violation of such a contract offer or tariff shall be deemed a violation of this Contract Offer.
- (F) The rates, terms and conditions applicable to the Customer's service shall not be affected by this Contract Offer except as expressly provided.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.53 Contract Tariff No. 50 - Price Flex Special Access Service

25.53.1 General Regulations

Special Access Offer (Contract Offer No. 50) is an access service discount pricing plan that permits Customers who meet the Eligibility Criteria in Section 25.53.3 and the Terms and Conditions in Section 25.53.4 to purchase Subject Services in Section 25.53.2 at the discounts listed in Section 25.53.5. Subject Services provided under Contract Offer No. 50 are available only in the Pricing Flexibility Metropolitan Statistical Area (MSA) described in Section 25.53.3

Contract Offer No. 50 is available for subscription from June 2, 2007 through July 2, 2007. This Contract Offer is not renewable.

25.53.2 Subject Services

- (A) Contract Offer No. 50 applies to the pricing flexibility qualified access services (Subject Services) contained in the following tariff sections:
 - (1) BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No 1, Section 7 Special Access Services.
- (B) All terms and conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

25.53.3 Eligibility Criteria

The following eligibility criteria must be met to receive the Contract Offer No. 50 discounted rates:

- (A) Subject Services must be pricing flexibility qualified access services listed in Section 25.53.2(A); and
- (B) Subject Services must be located in the following MSA: Birmingham, AL.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.53 Contract Tariff No. 50 - Price Flex Special Access Service (Cont'd)

25.53.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be ninety-six (96) months, commencing on the date billing begins. Billing shall begin no later than thirty (30) days after the Telephone Company has completed the installation, testing, and acceptance of the 1 Access Service Request (ASR), and has closed out the request in its service ordering systems.

At the expiration of the Term Period, the Customer may choose from the payment options described in BellSouth Tariff F.C.C. No. 1, Section ¹, as applicable, to the relevant Subject Services. If, at the expiration of the Customer's contract Term Period, the Customer does not choose to disconnect or to select one of those payment options, the Telephone Company will convert the Customer to the prevailing monthly extension rates in Section ¹.

This Contract Offer is not renewable.

(B) Rate Stability

Rate stability under Contract Offer No. 50 shall apply only to the rates specific to this Contract Offer, as provided in the Rate Table in Section 25.53.5 of this Contract Offer. Subject Services are also subject to certain rates, charges and general terms and conditions as set forth in Sections 2-General Regulations, 5-Ordering for Access Service, and 13-Additional Engineering, Additional Labor and Miscellaneous Services. Such terms and conditions may be modified through the filing of tariff revisions at any time during the Term Period; however, such tariff modifications will not change the Terms and Conditions described in this Contract Offer.

- (C) The Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company.
- (D) If, after the Telephone Company receives the LOS and prior to commencement of the Term Period, the Customer cancels the LOS, cancellation charges will apply. The Customer must pay cancellation charges, which are the actual costs incurred by the Telephone Company up to the date of cancellation.
- (E) If the Customer discontinues service under Contract Offer No. 50 and/or terminates this Contract Offer in its entirety during the Term Period, or if the Customer breaches any of the Terms or Conditions of this Contract Offer or of any other applicable tariff provision, termination liability charges will apply in accordance with Section 25.53.9.

¹ Material previously contained in this section has been deleted. SMARTRing services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been detariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 50 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website https://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.53 Contract Tariff No. 50 - Price Flex Special Access Service (Cont'd)

25.53.4 Terms and Conditions (Cont'd)

- (F) The Customer must purchase one (1) new ¹ under a Transport Payment Plan (TPP), Plan C (61 96 months), to qualify for the discounts under this Contract Offer. At the end of the TPP term, the rates available under this Contract Offer shall be discontinued.
- (G) The Customer must submit its ASR for the ¹ Subject Service within thirty (30) days of contract subscription.
- (H) The Customer may not combine this Contract Offer with any other promotional, contract offering, or discount plan
- (I) The rates in this Contract Tariff will not apply:
 - (1) When UNEs or combination of UNEs are commingled with the services in this Contract Tariff.
 - (2) For lower level circuits riding the capacity on the services herein.
 - (3) For interfaces or other optional features and functions other than those specified herein.

25.53.5 Rates and Charges for Subject Services

(A) The Customer will receive a twenty (20) percent discount on the FCC Plan C (61-96 months) rate for Service, as described in Section 23. The Telephone Company shall apply the discount in the form of a monthly billing credit, one (1) month in arrears. This discount will apply during the service term selected by the Customer for the This discount will be applied only to the following USOCS:

1 1 1 1 1 1 1

(B) Generally applicable rates and charges for Subject Services are provided in Section . The Company reserves the right to change the rates, charges, terms and conditions for services in Section and other sections of this Tariff.

¹ See footnote (1) on page 25-271.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.53 Contract Tariff No. 50 - Price Flex Special Access Service (Cont'd)

25.53.6 DS1 Incentive Credit

- (A) The Customer will receive incentive credits against the Customer's billing for DS1 services in the amounts set forth below, during the first two (2) years of the Term Period, if the Customer qualifies for such credits as provided below. Incentive credits will be applied during the first billing period after the Customer has achieved each of the quantity thresholds, below. Total DS1 incentive credits will not exceed \$672,000.
- (B) All new and converted DS1 services ordered in the Birmingham, AL LATA will be considered in qualifying the Customer for incentive credits, subject to the requirements below; however, credits will be applied only against billing for qualifying DS1 services in the Birmingham, AL MSA.
- (C) To be considered in qualifying for incentive credits, DS1 services must satisfy the following requirements:
 - (1) Services must be purchased new or converted subject to this Contract Offer;
 - (2) Services must remain in service for a minimum of three (3) months;
 - (3) Services must subtend optical services purchased from the Telephone Company and have a minimum capacity of an OC12.
- (D) Incentive credits will be applied according to the following quantity thresholds:
 - (1) For the first 500 new or converted DS1 services that are purchased subject to this Contract Offer (of which a minimum of 327 must be located in the Birmingham MSA), the Customer will qualify for a credit of \$224k.
 - (2) For the first 1000 new or converted DS1 services (including the first 500) purchased subject to this Contract Offer (of which a minimum of 327 must be located in the Birmingham MSA), the Customer will qualify for an additional credit of \$224k.
 - (3) For the first 1500 new DS1 orders (including the first 1000) purchased subject to this Contract Offer (of which a minimum of 327 must be located in the Birmingham MSA), the Customer will qualify for an additional credit of \$224k.
- (E) Taxes and credits will be computed on the full tariff price for the service in this Contract Offer. Credits will not be applied to taxes.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.53 Contract Tariff No. 50 - Price Flex Special Access Service (Cont'd)

25.53.7 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2 are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C) below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section is not available, the Telephone Company shall exercise its reasonable discretion to determine the credit worthiness of the assignee or transferee based on any information available.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.53 Contract Tariff No. 50 - Price Flex Special Access Service (Cont'd)

25.53.8 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services as provided for in this Contract Offer will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.53.9 Termination Liability

Termination liability shall apply as provided in this Contract Offer in addition to any termination liability otherwise applicable to Subject Services pursuant to this tariff, including any termination liability applicable pursuant to any term payment plan.

These termination liability charges shall become due as of the effective date of the termination of service, and are payable as described below.

In the event the 1 Subject Service is disconnected prior to the expiration of the Plan C term period selected by the Customer for that Subject Service, or if the Customer breaches any Term or Condition of this Contract Offer or of any other applicable tariff provision, the Customer shall, in addition to the otherwise applicable termination liability charges for the Subject Service, repay any DS1 Incentive Credits as follows:

- (A) 100 percent of credits received since the commencement of the Term Period, if disconnection or breach takes place in Year 1 of the term;
- (B) 75 percent of credits received since the commencement of the Term Period if disconnection or breach takes place in Year 2 of the term; or
- (C) 50 percent of credits received since the commencement of the Term Period if disconnection or breach takes place after Year 2 of the term.

¹See footnote (1) on page 25-271.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.54 Contract Offer No. 51 - Special Access Bundle Service Offer (Cont'd)

25.54.1 General Description

Contract Offer No. 51 — Special Access Bundle Service Offer (Contract Offer No. 51) is an access discount pricing plan for which concurrent subscription is required to the following Access Tariffs: Ameritech Operating Companies (Ameritech), Tariff F.C.C. No. 2; Pacific Bell Telephone Company (PBTC), F.C.C Tariff No. 1; Southwestern Bell Telephone Company (SWBT), Tariff F.C.C. No. 73; and BellSouth Telecommunications, Inc. (Bell South), Tariff F.C.C. No. 1. This Contract Offer No. 51 permits Customers who meet the Eligibility Criteria in Section 25.54.3, and the Terms and Conditions in Section 25.54.4, to purchase Subject Services in Section 25.54.2 at the discounted rates listed in Section 25.54.5. Subject Services under Contract Offer No. 51 are available in the Pricing Flexibility Metropolitan Statistical Areas (hereafter referred to as MSAs) described in Section 25.54.3 (B).

Contract Offer No. 51 is available for subscription from August 21, 2007 through September 21, 2007. This Contract Offer is not renewable.

25.54.2 <u>Subject Services</u>

- (A) This Contract Offer applies to pricing-flexibility-qualified services (hereafter referred to as Subject Services) contained in the following tariff section(s):
 - (1) BellSouth Tariff F.C.C. No. 1, Section 1 1;
 - (2) BellSouth Tariff F.C.C. No. 1 Section 32 LightGate svc.(a.k.a. BellSouth SPA Point to Point (PTP));
 - (3) BellSouth Tariff F.C.C. No. 1, Section 7 DS3 High Capacity (a.k.a. BellSouth SPA High Capacity); and
 - (4) BellSouth Tariff. F.C.C. No. 1, Section 7 DS1 (a.k.a. BellSouth SPA DS1)
- (B) All Terms and Conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

¹ Material previously contained in this section has been deleted. SMARTRing services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been detariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook. Contract Offer No. 51 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

(This page filed under Transmittal No. 1)

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ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.54 Contract Offer No. 51 - Special Access Bundle Service Offer (Cont'd)

25.54.3 Eligibility Criteria

The following Eligibility Criteria must be met to receive Contract Offer No. 51 discounted rates:

- (A) Subject Services must be pricing flexibility qualified access services listed in Section 25.54.2(A);
- (B) Subject Services must be located in the following MSAs:
 - (1) Full Service Relief MSAs
 - (a) Montgomery, AL;
 - (b) Daytona Beach, FL; Gainesville, FL; Jacksonville, FL; Melbourne (Titusville-Palm Bay), FL; Miami (Ft. Lauderdale/Hollywood), FL; Orlando, FL; Pensacola, FL; West Palm Beach, FL;
 (c) Atlanta, GA; Savannah, GA;
 (d) Evansville, KY; Louisville, KY; Owensboro, KY;
 (e) Baton Rouge, LA; Lafayette, LA; Lake Charles, LA; Monroe, LA; Shreveport, LA;
 (f) Biloxi (Gulfport), MS; Jackson, MS;
 (g) Charlotte (Gastonia), NC; Greensboro (Winston-Salem/Highpoint), NC; Raleigh-Durham, NC; Wilmington, NC;
 (h) Chattanooga (TN/GA), TN; Knoxville, TN; Memphis, TN; Nashville (Davidson), TN;
 (i) Columbia, SC; (b) Daytona Beach, FL; Gainesville, FL; Jacksonville, FL; Melbourne

- (2) Limited Service Relief MSAs are listed below:
 - (a) Birmingham, AL; Huntsville, AL; Mobile, AL;

(b) Panama Citý, FĹ; (c) Augusta, GA; Columbus, GA;

(d) Lexington-Fayette, KY; (e) New Orleans, LA

- (f) Asheville, NC
- g) Charleston, SC; Greenville, SC
- (ȟ) Clarksville-Hopkinsville, ŤN;

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.54 Contract Offer No. 51 - Special Access Bundle Service Offer (Cont'd)

25.54.3 Eligibility Criteria (Cont'd)

- (C) Any Subject Service ordered pursuant to this Contract Offer must be new;
- (D) All traffic must originate or terminate at a Mobile Switching Center (MSC);
- (E) Concurrent Subscription

The Customer must concurrently subscribe to the identical Contract Offer of Contract Offer No. 51, pursuant to the following tariffs:

- (1) Ameritech Tariff F.C.C. No. 2, Section 22, Contract Offer No. 164;
- (2) SWBT Tariff F.C.C. No. 73, Section 41, Contract Offer No. 137; and
- (3) PBTC Tariff F.C.C. No. 1, Section 33, Contract Offer No. 133.

25.54.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be seventy-two (72) months, commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. This offer is not renewable.

Upon expiration of the Term Period, Subject Services shall be converted to the prevailing applicable monthly (extension) rates, described in Section 39, unless the Customer selects a payment plan described in Sections 7, 1 , 1 or 1 , as applicable.

(This page filed under Transmittal No. 1)

¹ See footnote (1) on page 25-276.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.54 Contract Offer No. 51 - Special Access Bundle Service Offer (Cont'd)

25.54.4 Terms and Conditions (Cont'd)

(B) <u>General</u>

- (1) Subject Services, as described in Section 25.54.2, are subject to certain rates, charges and general terms and conditions described in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the terms and conditions described in the Contract Offer.
- (2) All Terms and Conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
- (3) The Customer may not include Subject Services provided under this Contract Offer in any other contract offer, promotions offering, or other discount plan, (e.g. MVP).
- (4) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services under this Contract Offer is prohibited.
- (5) If the Customer discontinues service under Contract Offer No. 51 during the Term Period, termination liability charges shall apply in accordance with Section 25.54.8.
- (6) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

- 25.54 Contract Offer No. 51 Special Access Bundle Service Offer (Cont'd)
- 25.54.4 Terms and Conditions (Cont'd)
 - (B) General (Cont'd)
 - (7) The Customer must Purchase the following number of new DS1 Subject Services in the time frame allotted:

In Year One - five hundred fifty (550) new DS1 Subject Services.

In Year Two - fifty (50) new DS1 Subject Services for a cumulative of six hundred (600) DS1s through Year Two of Contract Offer No. 51; and

In Year Three — two hundred (200) new DS1 Subject Services for a cumulative of eight hundred (800) DS1s through Year Three of Contract Offer No. 51.

The Customer must maintain eight hundred (800) or greater DS1 Subject Services for the remainder of the Term Period.

(8) The Customer must Purchase the following number of new DS3 Subject Services in the time frame allotted:

In Year One - twenty (20) new DS3 Subject Services:

In Year Two $-\sin(6)$ new DS3 Subject Services for a cumulative of twenty-six (26) DS3s through Year Two of Contract Offer No. 51; and

In Year Three - four (4) new DS3 Subject Services for a cumulative of thirty (30) DS3s through Year Three of Contract Offer No. 51.

The Customer must maintain thirty (30) or greater DS3 Subject Services for the remainder of the Term Period.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.54 Contract Offer No. 51 - Special Access Bundle Service Offer (Cont'd)

25.54.4 Terms and Conditions (Cont'd)

- (B) General (Cont'd)
 - (9) The Customer must Purchase the following number of new ¹ or ¹ Subject Services in the time frame allotted:

In Year One - two (2) new ¹ or ¹ Subject Services:

In Year Two — one (1) new ¹ or ¹ Subject Services for a cumulative of three (3) ¹ or ¹ through Year Two of Contract Offer No. 51; and

In Year Three — one (1) new ¹ or ¹ Subject Services for a cumulative of four (4) ¹ or ¹ through Year Three of Contract Offer No. 51.

The Customer must maintain one (1) or greater ¹ or ¹ Subject Services for the remainder of the Term Period.

- (10) DS3 and DS1 Subject Services ordered under Contract Offer No. 51 must subtend new or existing BellSouth Tariff F.C.C. No. 1, SONET services where such services are deployed.
- (11) Subject Services must originate or terminate on a wireless carrier's network.

(This page filed under Transmittal No. 1)

¹ See footnote (1) on page 25-276.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.54 Contract Offer No. 51 - Special Access Bundle Service Offer (Cont'd)

25.54.4 Terms and Conditions (Cont'd)

(C) Service Terms

- (1) The minimum term commitment for each Subject Service purchased under this Contract Offer (Service Term) will be seventy-two (72) months, commencing upon the Service Establishment Date (SED) of services.
- (2) If the Customer disconnects a Subject Service during the Service Term, termination charges shall apply in accordance with Section 25.54.10.

25.54.5 Rates and Charges

(A) and LightGate Rates and Charges

The Customer must pay the prevailing Monthly Recurring Charges (MRCs) listed in Section 25 of BellSouth Telecommunications, Inc. FCC Tariff No. for any and all rate elements. The Customer will be credited an amount equal to thirty-five percent (35%) off the prevailing rates for the Term Period of Contract Offer No. 51. This credit will be made monthly in arrears.

(B) BellSouth SPA High Capacity DS3 Rates and Charges

The Customer must pay the prevailing Monthly Recurring Charges (MRCs) listed in Section 25 of BellSouth Telecommunications, Inc. FCC Tariff No. for any and all rate elements. The Customer will be credited an amount equal to twenty-five percent (25%) off the prevailing rates for the Term Period of Contract Offer No. 51. This credit will be made monthly in arrears.

(C) BellSouth SPA DS1 Rates and Charges:

The Customer must pay the prevailing Monthly Recurring Charges (MRCs) listed in Section 25 of BellSouth Telecommunications, Inc. FCC Tariff No. for any and all rate elements. The Customer will be credited an amount equal to twenty-seven percent (27%) off the prevailing rates for the Term Period of Contract Offer No. 51. This credit will be made monthly in arrears.

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¹ See footnote (1) on page 25-276.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.54 Contract Offer No. 51 - Special Access Bundle Service Offer (Cont'd)

25.54.6 <u>Assignment/Transfer/Successors</u>

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Telecommunications, Inc. Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Telecommunications, Inc. Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.54.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.54 Contract Offer No. 51 - Special Access Bundle Service Offer (Cont'd)

25.54.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.54.8 Technology Upgrade

- (A) If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Services provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or other contract or tariff arrangement to purchase the new service offering from the Telephone Company, in substitution for the Subject Services provided under this Contract offer, without incurring termination liability under this Contract Offer, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period and billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following additional conditions are met:
 - (1) The Customer must meet all eligibility requirements outlined in Section 25.54.3, and terms and conditions outlined in Section 25.54.4;
 - (2) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option; and
 - (3) The Customer will be responsible for all Non-Recurring Charges associated with the upgrade, as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.54 Contract Offer No. 51 - Special Access Bundle Service Offer (Cont'd)

25.54.9 Portability

The Telephone Company will waive otherwise applicable termination liability charges for moves of existing DS1 and DS3 Subject Services, provided that the Customer complies with the conditions set forth below. In the event that termination liability charges for any such moves and/or disconnections are billed by the Telephone Company, the Customer will receive credits for those charges on a quarterly basis.

- (A) The Customer must be in compliance with all terms and conditions of this Contract Offer;
- (B) DS1 Subject Services must have been in service for a minimum of twelve (12) months to be eligible for portability;
- (C) DS3 Subject Services must have been in service for a minimum of two (2) years to be eligible for portability; and
- (D) ¹ and ¹ Services are eligible for portability only under the terms and conditions specified for those services in the general tariff.

¹ See footnote (1) on page 25-276.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.54 Contract Offer No. 51 - Special Access Bundle Service Offer (Cont'd)

25.54.10 Termination Liability

Termination liability language, described below, applies in lieu of the termination liability language described in BellSouth Tariff F.C.C. No. 1, Section 7, ¹, ¹ or ¹. If the Customer discontinues services provided under this Contract Offer before the completion of the Term Period for any reason, or if the Customer breaches the terms or conditions of this Contract Offer or of any other applicable tariff provision, the Customer must pay the Telephone Company termination liability charges as described below. Termination liability charges will also apply if the Customer is not in compliance with all the provisions of this Contract Offer. These termination liability charges shall become due as of the effective date of the termination of service, and are payable as described below.

The Customer's termination liability charges shall be equal to:

| Termination | Termination |
|-------------|-------------|
| Term Year | Percentage |
| 1 - 6 | 50% |

The termination liability charge shall be calculated as follows:

MRC multiplied by the number of months remaining in the Term Period, multiplied by fifty (50) percent.

Example 1: A Customer with a \$100,000 MRC terminates service after twenty-four (24) months, and has forty-eight (48) months remaining on the six (6) year Term Period. The termination liability would be calculated as:

($$100,000 \times 48 \text{ months}$) $\times 50\% = $2,400,000 \text{ termination liability charge}$

¹ See footnote (1) on page 25-276.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.55 Contract Offer No. 52 - Special Access Bundle Service Offer

25.55.1 General Description

Contract Offer No. 52 — Special Access Bundle Service Offer (Contract Offer No. 52) is an access discount pricing plan. This Contract Offer No. 52 permits Customers who meet the Eligibility Criteria in Section 25.55.3, and the Terms and Conditions in Section 25.55.4, to purchase Subject Services in Section 25.55.2 at the discounted rates listed in Section 25.55.5. Subject Services under Contract Offer No. 52 are available in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 25.55.3 (B).

Contract Offer No. 52 is available for subscription from September 12, 2007 through October 12, 2007. This Contract Offer is not renewable.

25.55.2 Subject Services

- (A) This Contract Offer applies to pricing-flexibility-qualified services (Subject Services) contained in the following tariff sections:
 - (1) BellSouth Telecommunications, Inc. F.C.C. Tariff No. 1, Section $^1 ^1$; and
 - (2) BellSouth Telecommunications, Inc. F.C.C. Tariff No. 1, Section 7 DS3 High Capacity (a/k/a BellSouth SPA High Capacity).
- (B) All Terms and Conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

25.55.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria to receive Contract Offer No. 52 discounted rates.

- (A) Subject Services must be pricing flexibility qualified access services listed in Section 25.55.2(A).
- (B) Subject Services must be located in the following MSAs: Atlanta, GA; Shreveport, LA; Biloxi (Gulfport), MS; Jackson, MS; and New Orleans, LA.
- (C) Subject Services ordered pursuant to this Contract Offer must be new services (services not previously provided to the Customer by the Telephone Company) or upgrades from existing Subject Services.
- (D) The Telephone Company must currently be providing the Customer with two (2) ¹ services in the New Orleans, LA MSA.
- (E) Subject Services must originate or terminate on a wireless carrier's network.

(This page filed under Transmittal No. 1)

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¹ Material previously contained in this section has been deleted. SMARTRing services formerly contained in this Contract Offer are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been detariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/quidebook. Contract Offer No. 52 shall remain in effect according to its existing terms and conditions for the duration of the existing term. Customers may refer to the base documents containing the rates, terms and conditions associated with existing contract (i.e., those in place prior to de-tariffing) on the Commissions' website http://svartifoss2.fcc.gov/prod/ccb/etfs/, effective December 31, 2007.

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.55 <u>Contract Offer No. 52 - Special Access Bundle Service Offer</u> (Cont'd)

25.55.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be eighty-four (84) months, commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. This offer is not renewable.

Upon expiration of the Term Period, Subject Services shall be converted to the prevailing applicable monthly (extension) rates, described in Sections 7 or 23, unless the Customer selects a payment plan, as described in Sections 7 and 23, and as applicable.

(B) General

- (1) Subject Services, as described in Section 25.55.2, are subject to certain rates, charges and general terms and conditions described in BellSouth Telecommunications, Inc. Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the Terms and Conditions described in the Contract Offer.
- (2) All Terms and Conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
- (3) The Customer may not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering or other discount plan (e.g., TAP).
- (4) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services under this Contract Offer is prohibited.
- (5) If the Customer discontinues service under Contract Offer No. 52 during the Term Period, or if the Customer breaches any term or condition of this Contract Offer or any provision of any other applicable tariff, termination liability charges shall apply in accordance with Section 25.55.9.
- (6) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

- 25.55 Contract Offer No. 52 Special Access Bundle Service Offer (Cont'd)
- 25.55.4 Terms and Conditions (Cont'd)
 - (B) General (Cont'd)
 - (7) The Customer must purchase the following number of new and/or upgraded Subject Services within thirty (30) days of subscription to this Contract Offer:
 - (a) In the Atlanta, GA MSA, the Customer must upgrade one existing ¹ to ¹ bandwidth. Service orders for the upgrade must be received by the Telephone Company no later than September 30, 2007. The Customer shall be allowed to disconnect up to two (2) existing ¹ on the existing ¹ without incurring Termination Liability.
 - (b) In the Shreveport, LA MSA, the Customer must upgrade one existing ¹ to ¹ bandwidth. Service orders for the upgrade must be received by the Telephone Company no later than September 30, 2007.
 - (c) In the Jackson, MS MSA, the Customer must add at least one additional node to one existing ¹. The existing rate elements on this ¹ will be subject to the discounts in Section 25.55.5 (A). Service orders for the additional node must be received by the Telephone Company no later than September 30, 2007.
 - (d) In the Biloxi, MS MSA, the Customer must purchase one new ¹. Service orders must be received by the Telephone Company no later than September 30, 2007.
 - (e) In the New Orleans, LA MSA, the Customer must upgrade one of the two (2) existing to bandwidth. Service on the second existing will then be migrated to the Subject Service, and the previously provided services will be terminated. Service orders for the upgrade and migration must be received by the Telephone Company no later than September 30, 2007. The Telephone Company shall waive Termination Liability charges on one (1) of two (2) existing disconnected during the Term Period, and no termination liability shall be due on the second due to the upgrade, as provided in 25.55.9.
 - (8) DS3 Central Office Multiplexing Subject Services ordered under Contract Offer No. 52 must subtend new or existing BellSouth Telecommunications, Inc. Tariff F.C.C. No. 1 SONET services where such services are deployed within the MSAs noted in 25.55.3.

¹ See footnote (1) on page 25-287.

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.55 Contract Offer No. 52 - Special Access Bundle Service Offer (Cont'd)

25.55.4 Terms and Conditions (Cont'd)

(C) Service Terms

- (1) Subject Services purchased under this Contract Offer shall be subject to a minimum term commitment (Service Term). For Subject Services purchased during the first twenty-four (24) months of the Term Period, the Service Term shall be co-terminus with this Contract Offer. For Subject Services purchased after the first twenty-four (24) months of this Contract Offer, the Service Term will be sixty (60) months and, upon expiration of the Term Period, such Subject Services will be provided subject to the prevailing sixty (60) month term payment plan rates in Section 23, as applicable to such Subject Services, for the remainder of the Service Term. Upon completion of the Service Term, the Customer may elect to continue the Subject Service at Month-to-Month prevailing tariff rates, to subscribe to an otherwise available Term Payment Plan as applicable under Section 7 or 23, or to disconnect the Subject Service.
- (2) If the Customer disconnects a Subject Service during the Service Term, termination charges shall apply in accordance with Section 25.55.9. If the Customer discontinues service under Contract Offer No. 52 during the Term Period, or if the Customer fails to comply with any of the Terms or Conditions of this Contract Offer or of any other applicable tariff provision, termination liability charges shall apply in accordance with Section 25.55.9.

25.55.5 Rates and Charges

(A) SMARTRing Rates and Charges

The Customer must pay the prevailing Monthly Recurring Charges (MRCs) listed in Section 23 of BellSouth Telecommunications, Inc. F.C.C. Tariff No. 1 for all rate elements. The Customer will be credited an amount equal to the stated percentage in Table A off the prevailing rates for the Term Period of Contract Offer No. 52 for Subject Services subscribed to under this Contract Offer, by MSA and by Subject Service. This credit will be applied monthly, in arrears.

Table A

| MSA | Subject Service | Percentage Credit Applied in Arrears |
|-----------------|-----------------|---|
| Atlanta, GA | 1 | 40% |
| Shreveport, LA | 1 | 35% |
| Jackson, MS | 1 | 40% |
| Biloxi, MS | 1 | 35% |
| New Orleans, LA | 1 | 23% |

(This page filed under Transmittal No. 1)

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¹ See footnote (1) on page 25-287.

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

- 25.55 Contract Offer No. 52 Special Access Bundle Service Offer (Cont'd)
- 25.55.5 Rates and Charges (Cont'd)
 - (B) BellSouth SPA High Capacity DS3 Rates and Charges

The Customer must pay the prevailing Monthly Recurring Charges (MRCs) listed in Section 7 or 23 of BellSouth Telecommunications, Inc. FCC Tariff No. 1 for all rate elements. The Customer will be credited an amount equal to twenty (20) percent off the prevailing rates for the Term Period of Contract Offer No. 52 for BellSouth SPA High Capacity DS3 Central Office Multiplexing Subject Services ordered under this Contract Offer in the MSAs listed in Section 25.55.3 (B). This credit will be applied monthly, in arrears.

25.55.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Telecommunications, Inc. Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Telecommunications, Inc. Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C) below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and
 - Bradstreet; or "high risk" in a Paydex score as published by Dun and Bradstreet. If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.55.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.55 <u>Contract Offer No. 52 - Special Access Bundle Service Offer</u> (Cont'd)

25.55.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.55.8 <u>Technology Upgrade</u>

If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Services provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or other contract or tariff arrangement to purchase the new service offering from the Telephone Company, in substitution for the Subject Services provided under this Contract Offer, without incurring termination liability under this Contract Offer, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period and billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following additional conditions are met:

- (A) The Customer must meet all eligibility requirements outlined in Section 25.55.3, and Terms and Conditions outlined in Section 25.55.4;
- (B) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option; and
- (C) The Customer will be responsible for all Non-Recurring Charges associated with the upgrade, as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.55 <u>Contract Offer No. 52 - Special Access Bundle Service Offer</u> (Cont'd)

25.55.9 <u>Termination Liability</u>

(A) Contract Term Period

Termination liability language, described below, applies in lieu of the termination liability language described in BellSouth Communications Tariff F.C.C. No. 1, Sections 7 and 23. If the Customer discontinues services provided under this Contract Offer before the completion of the Term Period for any reason, or if the Customer breaches the Terms or Conditions of this Contract Offer or of any other applicable tariff provision, the Customer must pay the Telephone Company termination liability charges as described below. Termination liability charges will also apply if the Customer is not in compliance with all the provisions of this Contract Offer. These termination liability charges shall become due as of the effective date of the termination of service, and are payable as described below.

The Customer's termination liability charges shall be equal to the MRC, multiplied by the number of months remaining in the Term Period, multiplied by fifty (50) percent.

Example 1: A Customer with a \$100,000 MRC terminates service after thirty-six (36) months, and has forty-eight (48) months remaining on the seven (7) year Term Period. The termination liability would be calculated as:

($$100,000 \times 48 \text{ months}$) \$X 50% = \$2,400,000 termination liability charge.

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.55 <u>Contract Offer No. 52 - Special Access Bundle Service Offer</u> (Cont'd)

25.55.9 <u>Termination Liability</u> (Cont'd)

(B) Service Term Period

Termination liability language, described below, applies in lieu of the termination liability language described in BellSouth Communications Tariff F.C.C. No. 1, Sections 7 and 23. If the Customer discontinues services provided under this Contract Offer before the completion of the Service Term Period for any reason, or if the Customer breaches the Terms or Conditions of this Contract Offer or of any other applicable tariff provision, the Customer must pay the Telephone Company termination liability charges as described below. Termination liability charges will also apply if the Customer is not in compliance with all the provisions of this Contract Offer. These termination liability charges shall become due as of the effective date of the termination of service, and are payable as described below.

The Customer's termination liability charges shall be equal to the Subject Service MRC, multiplied by the number of months remaining in the Term Period, multiplied by fifty (50) percent.

Example 1: A Customer with a \$10,000 MRC terminates service after thirty-six (36) months, and has forty-eight (48) months remaining on the seven (7) year Term Period. The termination liability would be calculated as:

($$10,000 \times 48 \text{ months}$) X 50% = \$24,000 termination liability charge.

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ACCESS SERVICES

25 - CONTRACT TARIFFS

25.56 Contract Offer No. 53 - Special Access DS3 Bundle Service Offer

25.56.1 General Description

Contract Offer No. 53 – Special Access Bundle Service Offer (Contract Offer No. 53) is an access discount pricing plan. Contract Offer No. 53 permits Customers who meet the Eligibility Criteria in Section 25.56.3, and the Terms and Conditions in Section 25.56.4, to purchase Subject Services in Section 25.56.2 and receive credits listed in Section 25.56.5. Subject Services are available under Contract Offer No. 53 in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 25.56.3 (B).

Contract Offer No. 53 is available for subscription from April 30, 2008 through May 30, 2008. This Contract Offer is not renewable.

25.56.2 Subject Services

This Contract Offer applies to the pricing-flexibility-qualified services contained in the following tariff section(s): BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Section 7 – LightGate 1 DS-3 High Capacity Service (Subject Services).

25.56.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria.

- (A) Subject Services must be pricing flexibility qualified access services listed in Section 25.56.2.
- (B) Subject Services must be located in the following MSA: New Orleans, LA.
- (C) Subject Services ordered pursuant to this Contract Offer must be new services (services not previously provided to the Customer by the Telephone Company).
- (D) Subject Services must originate or terminate on a wireless carrier's network.

25.56.4 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) shall be eighty-four (84) months, commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. Upon expiration of the Term Period, Subject Services shall be converted to the prevailing applicable monthly (extension) rates, described in BellSouth Tariff F.C.C. No. 1, Sections 7 or 23, unless the Customer selects an applicable payment plan, as described in Sections 7 and 23, or disconnects the Subject Services.

This Contract Offer is not renewable.

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ACCESS SERVICES

25 - CONTRACT TARIFFS

25.56 Contract Offer No. 53 - Special Access DS3 Bundle Service Offer (Cont'd)

25.56.4 Terms and Conditions (Cont'd)

- (B) General Terms and Conditions
 - (1) Subject Services are subject to certain rates, terms and conditions in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the Terms and Conditions of this Contract Offer.
 - (2) All Terms and Conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
 - (3) The Customer may not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering or other discount plan (e.g., Transport Advantage Plan (TAP)).
 - (4) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services purchased under this Contract Offer is prohibited.
 - (5) If the Customer discontinues service under Contract Offer No. 53 during the Term Period, or if the Customer breaches any Term or Condition of this Contract Offer or any provision of any other applicable tariff, termination liability charges shall apply in accordance with Section 25.56.10.
 - (6) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.
 - (7) Beginning no later than thirty (30) days after the beginning of the Term Period, the Customer must purchase from the Telephone Company, at minimum, the following services in the New Orleans, LA, MSA: One (1) DS-3 LightGate 1 Point-to-Point Service.
 - (8) The Customer shall purchase one (1) Subject Service, which the Customer must order with a Customer Desired Due Date (CDDD) within thirty (30) days after subscription to this Contract Offer.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.56 Contract Offer No. 53 - Special Access DS3 Bundle Service Offer (Cont'd)

25.56.5 Rates and Charges

(A) BellSouth SPA High Capacity DS3 Rates and Charges

The Customer will initially be billed according to the prevailing Monthly Recurring Charges (MRCs) listed in Section 7 or 23 of BellSouth Tariff F.C.C. No. 1, as applicable to a 61-96 month term commitment, for DS3 Subject Services for the Universal Service Order Codes (USOCs) in Table A, below. The Customer will then be credited in an amount equal to ten (10) percent off the prevailing 61-96 month term rates. Credits will be applied monthly, in arrears.

Table A

| LightGate 1 Local Channel - Includes First One-Half Mile | HFSC7 |
|--|-------|
| LightGate 1 Local Channel - Additional One-Half Miles | 1LPEA |
| LightGate Customer Channel Interface, Per DS3 | 1PQEP |
| LightGate Central Office Channel Interface, Per DS3 | 1PQEC |
| LightGate Interoffice Channel, Fixed | 1LPS8 |
| LightGate Interoffice Channel, Per Mile | 1LPE8 |
| LightGate Central Office Channel Interface, Per DS3 | 1PQE3 |

25.56.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C) below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee, transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee, transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee, transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.56 Contract Offer No. 53 – Special Access DS3 Bundle Service Offer (Cont'd)

25.56.6 Assignment/Transfer/Successors (Cont'd)

(C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.56.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

25.56.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.56.8 Technology Upgrade

- (A) If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Services provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or other contract or tariff arrangement to purchase the new service offering from the Telephone Company, in substitution for the Subject Services provided under this Contract offer, without incurring termination liability under this Contract Offer, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period and billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following additional conditions are met:
 - (1) The Customer must meet all eligibility requirements outlined in Section 25.56.3, and Terms and Conditions outlined in Section 25.56.4;
 - (2) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option; and
 - (3) The Customer will be responsible for all Non-Recurring Charges associated with the upgrade as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.56 Contract Offer No. 53 – Special Access DS3 Bundle Service Offer (Cont;d)

25.56.9 DS3 Portability

The Telephone Company will waive otherwise applicable termination liability charges for moves of existing DS3 Subject Services, provided that the Customer complies with the conditions set forth below. In the event that termination liability charges for any such moves and/or disconnections are billed by the Telephone Company, the Customer will receive credits for those charges.

- (A) The Customer must be in compliance with all Terms and Conditions of this Contract Offer;
- (B) DS3 Subject Services must have been in service for a minimum of twelve (12) months to be eligible for portability.
- (C) The Subject Service must remain in the New Orleans, LA MSA.

25.56.10 Termination Liability

Termination of Contract Offer. If the Customer terminates this Contract Offer or breaches any provision of this Contract Offer, the Customer shall be liable for a termination charge, which shall be equal to fifty (50) percent of the applicable MRCs for the balance of the Term Period. The termination charge will be calculated as follows:

MRC X 50% X (months remaining in Term Period) = Termination Charge.

Upon termination of this Contract Offer, Subject Services shall be provided at the applicable rate in Tariff, unless they are disconnected.

Example:

Monthly Recurring Charges are \$2000. The Customer breaches the Contract Offer with 24 months remaining in the Term Period. The Termination Liability would be calculated as follows:

\$2000 X 50% X 24 months = \$24,000 Termination Liability

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.57 Contract Offer No. 54 - DS1 and DS3 Service Offer

25.57.1 General Description

DS1 and DS3 Service Offer (Contract Offer No. 54) is an access credit plan for which concurrent subscription is required to the following Access Tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 180; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 141; The Southern New England Telephone (SNET) Tariff F.C.C. No. 39, Contract Offer No. 37; Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 154; and BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 54.

Contract Offer No. 54 requires eligible Customers to comply with a Minimum Annual Revenue Commitment (MARC), as described in Section 25.57.4(C). The MARC includes recurring revenues from all Contributory Services purchased from the Qualified Companies eligible under this Contract Offer and the concurrently purchased Contract Offers. Contributory Services include both Contributory Subject Services, as listed in Section 25.57.3(A), and Contributory Non-Subject Services, as described in Section 25.57.3(B). Contributory Non-Subject Services are not eligible for credits or other incentives provided under this Contract Offer. All Contributory Services must be purchased through the AT&T wholesale sales channel.

Contract Offer No. 54 is available for subscription from May 9, 2008 through June 9, 2008.

25.57.2 Eligibility Criteria

The Customer must meet the following Eligibility Criteria:

(A) Subject Service must be a pricing flexibility qualified access service, as described in BellSouth Tariff F.C.C. No. 1, Section 23.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

- 25.57 Contract Offer No. 54 DS1 and DS3 Service Offer (Cont'd)
- 25.57.2 Eligibility Criteria (Cont'd)
 - (B) Contributory Subject Services must be located in the following MSAs:

Birmingham, AL; Huntsville, AL; Mobile, AL; Montgomery, AL; Daytona Beach, FL; Gainesville, FL; Jacksonville, FL; Melbourne-Titusville-Palm Bay, FL; Miami-Fort Lauderdale-Hollywood, FL; Orlando, FL; Panama City, FL; Pensacola, FL; West Palm Beach-Boca Raton, FL; Atlanta, GA; Augusta, GA/SC; Columbus, GA/AL; Savannah, GA; Evansville, KY; Lexington/Fayette, KY; Louisville, KY; Owensboro, KY; Baton Rouge, LA; Lafayette, LA; Lake Charles, LA; Monroe, LA; New Orleans, LA; Shreveport, LA; Biloxi-Gulfport, MS; Jackson, MS; Asheville, NC; Charlotte-Gastonia, NC; Greensboro-Winston-Salem-High Point, NC; Raleigh-Durham, NC; Wilmington, NC; Charleston-North Charleston, SC; Columbia, SC; Greenville-Spartanburg, SC; Chattanooga, TN-GA; Clarksville-Hopkinsville, TN/KY; Knowville, TN; Memphis, TN; and Nashville-Davidson, TN.

- (C) The Customer must concurrently subscribe to the following Contract Offers:
 - Ameritech Tariff F.C.C. No. 2, Contract Offer No. 180;
 - SWBT Tariff F.C.C. No. 73, Contract Offer No. 154;
 - PBTC Tariff F.C.C. No. 1, Contract Offer No. 141;
 - SNET Tariff F.C.C. No. 39, Contract Offer No. 37; and
 - BellSouth Tariff F.C.C. No. 1, Contract Offer No. 54.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.57 Contract Offer No. 54 - DS1 and DS3 Service Offer (Cont'd)

25.57.3 Contributory Services

The MARC shall include recurring revenue from all Contributory Services purchased from the Telephone Company, under both this Contract Offer and the concurrently subscribed Contract Offers. Contributory Services include both Contributory Subject Services, listed in Table 1, below, and Contributory Non-Subject Services, listed in Table 2, following.

(A) Contributory Subject Services

Contributory Subject Services are listed in Table 1, below. Contributory Subject Services are eligible for credits and other incentives provided under this Contract Offer.

Table 1:

| Contributory Subject Services | |
|--|---|
| High Capacity (a.k.a. BellSouth SPA High capacity) Service — DS1 | BellSouth Tariff F.C.C. No. 1, Sections 7 and 23 |
| Lightgate 1 Service (a.k.a. BellSouth SPA Point-Point Network DS3 Capacity) System — DS3 | BellSouth Tariff F.C.C. No. 1, Sections 7 and 23 |

(B) Contributory Non-Subject Services

Contributory Non-Subject Services are listed in Table 2, following. Contributory Non-Subject Services shall not be eligible for credits and other incentives provided under this Contract Offer.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.57 Contract Offer No. 54 - DS1 and DS3 Service Offer (Cont'd)

25.57.3 Contributory Services (Cont'd)

(B) <u>Contributory Non-Subject Services</u> (Cont'd)

Table 2:

| Contributory Non- | |
|-------------------------------|------------------------|
| Subject Services ² | |
| Lightgate Service | |
| (a.k.a. BellSouth SPA | AT&T Interstate Access |
| Point-to-Point | Guidebook, Part 11, |
| Network) | Sections 7 and 23. |
| 0C3, 0C12, and 0C48 | |

(C) All terms and conditions applicable to Subject Services are provided in their respective tariff sections, except as provided in this Contract Offer.

25.57.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be three (3) years, beginning on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. This Contract Offer is not renewable.

Upon expiration of this Contract Offer, all Contributory Subject Services will be converted to the prevailing sixty (60) month term plan rates, unless the Customer notifies the Telephone Company, at least one hundred twenty (120) days prior to the end of the Term Period, that Contributory Subject Services will be converted to another tariff term plan. All credits and other incentives provided under this Contract Offer will cease upon expiration of this Contract Offer No. 54.

²Lightgate Services (OCN) are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.57 <u>Contract Offer No. 54 - DS1 and DS3 Service Offer</u> (Cont'd)

25.57.4 Terms and Conditions (Cont'd)

(B) General

- (1) The Customer must submit a signed LOS to the Telephone Company.
- (2) The Customer shall designate all ACNAs under which Contributory Services may be purchased at the time of subscription. Services ordered or purchased under other ACNAs may not be transferred or converted to this contract.
- (3) If the Customer discontinues service or breaches any of the terms and conditions under Contract Offer No. 54 or any of the other concurrently subscribed to Contract Offers, as described in Section 25.57.2, during the Term Period, termination liability charges will apply in accordance with BellSouth Tariff F.C.C. No. 1, Section 7.
- (4) Subject Services provided pursuant to this Contract Offer are available where facilities and equipment are available. If facilities and equipment are not available, special construction charges may apply, as provided in BellSouth Tariff F.C.C. No. 2.
- (5) The Customer must remain current on payments on all billing for Contributory Services to receive credits and other incentives provided under this Contract Offer.
- (6) The Customer must comply with the MARC, as described in Section 25.57.4(C).
- (7) Existing Contributory Subject Services Conversion Incentive

The Customer may convert a maximum of thirty (30) existing DS1 or DS3 services (i.e., services provided by the Qualifying Companies prior to the beginning of the Term Period) across all concurrently subscribed Contract Offers as described in Section 25.57.1, to Contributory Subject Services subject to the rates, terms and conditions of this Contract Offer and the concurrently subscribed Contract Offers.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.57 Contract Offer No. 54 - DS1 and DS3 Service Offer (Cont'd)

25.57.4 Terms and Conditions (Cont'd)

- (B) General (Cont'd)
 - (8) <u>Purchase of New Contributory Subject Services</u>

The Customer may purchase a maximum of seven hundred fifty (750) new DS1 Subject Services, in total, under this Contract Offer and the concurrently subscribed Contract Offers, as Contributory Subject Services. New DS1 services purchased in excess of the maximum may be Contributory Non-Subject Services for purposes of this Contract Offer and the concurrently subscribed Contract Offers.

The Customer may purchase a maximum of seven hundred fifty (750) new DS3 Subject Services, in total, under this Contract Offer and the concurrently subscribed Contract Offers, as Contributory Subject Services. New DS3 services purchased in excess of the maximum may be Contributory Non-Subject Services for purposes of this Contract Offer and the concurrently subscribed Contract Offers.

- (9) If the Customer requests additional service features or functions not included in this Contract Offer, the Customer must pay the applicable tariff rates for those additions, as provided in BellSouth Tariff F.C.C. No. 1, Sections 7 and 23.
- (10) Commingling shall be defined as provided in Section 2.6.

 Commingling of Subject Services provided under this Contract Offer is prohibited.
- (11) The Customer may not include Contributory Subject Services provided under this Contract Offer in any other contract offer, promotional offering or other credit plan, except as expressly permitted in Section 25.57.2(C).

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

- 25.57 <u>Contract Offer No. 54 DS1 and DS3 Service Offer (Cont'd)</u>
- 25.57.4 Terms and Conditions (Cont'd)
 - (C) Minimum Annual Revenue Commitment (MARC)
 - (1) <u>Determination of the MARC</u>

The Customer agrees to MARC of \$750,000, or four times the Customer's most recent three months' recurring revenue prior to the beginning of the Term Period, whichever is greater. The Customer's revenue, for purposes of determining and applying the MARC, shall include recurring charges associated with the Contributory Services described in 25.57.3 and purchased in the MSAs listed in Section 25.57.2(B).

(2) Achievement of the MARC

The Telephone Company will review revenues for Contributory Services within sixty (60) days after the end of each twelve (12) months of the Contract Term Period, beginning at the commencement of the Term Period (each such twelve-month period referred to as a "Term Year"). If, for any Term Year, the Customer's billed recurring revenue for Contributory Services is less than the applicable MARC, the Telephone Company shall bill, and the Customer shall pay, an additional amount equal to the difference between the applicable MARC and the actual revenues for Contributory Services (True-Up Payment).

Example of Annual True Up:

The MARC for each Term Year is \$750,000 and total recurring revenue for the year is \$700,000. In this example, the Customer must submit a True-Up Payment of \$50,000, as calculated below.

\$750,000 Annual MARC minus Annual Recurring Revenue of \$700,000 equals \$50,000 True-up Payment to be paid by the Customer.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

- 25.57 Contract Offer No. 54 DS1 and DS3 Service Offer (Cont'd)
- 25.57.4 Terms and Conditions (Cont'd)
 - (C) Minimum Annual Revenue Commitment (Cont'd)
 - (3) Continuation of MARC Obligation after Breach or Termination

The Customer's MARC obligation shall survive any breach or termination of this Contract Offer by the Customer. Upon such breach or termination, the Customer shall continue to be liable to the Telephone Company for the amount, if any, by which recurring revenues for Contributory Services provided in the MSAs listed in Section 25.57.2(B) are less than the applicable MARC. Such amount, if any, shall continue to be due and payable on an annual basis for the remainder of the Term Period.

(D) Service Term

(1) Each Contributory Subject Service must be ordered under the applicable sixty (60) month term plan described in BellSouth Tariff F.C.C. No. 1, Section 7 or 23.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

- 25.57 <u>Contract Offer No. 54 DS1 and DS3 Service Offer</u> (Cont'd)
- 25.57.4 Terms and Conditions (Cont'd)
 - (D) Service Term (Cont'd)
 - (2) <u>Portability Incentive</u>

The Telephone Company will waive any termination liability charges that would otherwise be assessed to the Customer for disconnection of DS1 and DS3 Contributory Subject Services, provided the Customer meets all of the criteria in Section 25.57.4(C). The Telephone Company will bill any applicable termination liability charges within forty-five (45) days after the end of each month during which any DS1 and DS3 Contributory Subject Services have been disconnected.

- (a) The Customer must comply with all terms and conditions of this Contract Offer.
- (b) Each DS1 or DS3 Contributory Subject Service must have been in service for a minimum of twelve (12) months prior to the date on which the Subject Service is disconnected.
- (c) Each DS1 or DS3 Contributory Subject Service must be located within the MSAs listed in Section 25.57.2(B) of this Contract Offer, both before and after the Subject Service is disconnected.
- (d) The number of DS1 and DS3 Contributory Subject Services that have been added must be equal to or greater than the number of Subject Services that have been disconnected. To apply this criterion, the Telephone Company will compare the total number of "add" orders of each bandwidth (i.e., DS1 and DS3) to the total number of "disconnect" orders of each bandwidth during the six (6) month period ending with the month under consideration. The Customer will qualify for the Portability Incentive only if the number of "add" orders is at least equal to the number of "disconnect" orders for each bandwidth during that six (6) month period.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.57 Contract Offer No. 54 - DS1 and DS3 Service Offer (Cont'd)

25.57.5 Rates and Charges

(A) DS1 Rates

The Customer will initially be billed according to the prevailing Monthly Recurring Charges (MRCs) at the time of subscription, listed in Section 7 or 23 of BellSouth Tariff F.C.C. No. 1, as applicable to a 60 month term commitment, for DS1 Subject Services in Table 3, below. The Customer will then be credited in an amount equal to five percent (5%) off the prevailing 60 month term rates. Credits will be applied monthly, in arrears.

Table 3:

| Local Channel — Per Local | | | |
|---------------------------|---------------------------|-----------|--|
| | Channe | | |
| | | Credit on | |
| USOC | Zone | MRCs | |
| TMECS | 1 | 5% | |
| TMECS | 2 3 | 5% | |
| TMECS | 3 | 5% | |
| | | | |
| Interoffice Channel - | | | |
| Fixed | | | |
| | | Credit on | |
| USOC | Zone | MRCs | |
| 1L5XX | 1 | 5% | |
| 1L5XX | 2 | 5% | |
| 1L5XX | 3 | 5% | |
| | | | |
| Interof | Interoffice Channel - Per | | |
| | Mile | | |
| | | Credit on | |
| USOC | Zone | MRCs | |
| 1L5XX | 1 | 5% | |
| 1L5XX | 2 | 5% | |
| 1L5XX | 3 | 5% | |

Any rate elements for which credits are not provided in this Contract Offer will continue to be billed at the otherwise applicable tariff rates, as described in Tariff Sections 7 and 23.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.57 <u>Contract Offer No. 54 - DS1 and DS3 Service Offer</u> (Cont'd)

25.57.5 Rates and Charges (Cont'd)

(B) DS3 Rates

The Customer will initially be billed according to the prevailing Monthly Recurring Charges (MRCs) at the time of subscription, listed in Section 7 or 23 of BellSouth Tariff F.C.C. No. 1, as applicable to a 60 month term commitment for DS3 Subject Services in Table 4, below. The Customer will then be credited in an amount equal to five percent (5%) off the prevailing 60 month term rates. Credits will be applied monthly, in arrears.

Table 4:

| Local Channel | | | |
|---|------|----------------|--|
| USOC | Zone | Credit on MRCs | |
| HFSC6 | 1 | 5% | |
| HFSC6 | 2 | 5% | |
| HFSC6 | 3 | 5% | |
| | | | |
| Inter-office Channel Mileage, Fixed per DS3 or DS3 equivalent | | | |
| USOC | Zone | Credit on MRCs | |
| 1LPS8 | 1 | 5% | |
| 1LPS8 | 2 | 5% | |
| 1LPS8 | 3 | 5% | |
| | | | |
| Inter-office Channel Mileage — Per Mile | | | |
| USOC | Zone | Credit on MRCs | |
| 1LPE8 | 1 | 5% | |
| 1LPE8 | 2 | 5% | |
| 1LPE8 | 3 | 5% | |

Any rate elements for which credits are not provided in this Contract Offer will continue to be billed at the otherwise applicable tariff rates, as described in BellSouth Tariff F.C.C. No. 1, Sections 7 and 23.

(C) Non-Recurring Charges (NRCs):

Standard tariff installation Non-Recurring Charges (NRCs) for new Contributory Subject Services will be waived up to the maximum number of such services, as provided in Section 25.57.4(B)(8), above. Other NRCs will apply as otherwise provided in BellSouth Tariff F.C.C. No. 1, Sections 7 and 23.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.57 <u>Contract Offer No. 54 - DS1 and DS3 Service Offer</u> (Cont'd)

25.57.6 <u>Assignment/Transfer/Successors</u>

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee, transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee, transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee, transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee, transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.57.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.57 <u>Contract Offer No. 54 - DS1 and DS3 Service Offer</u> (Cont'd)

25.57.7 Mergers and Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and in effect notwithstanding any merger or acquisition affecting the Customer. A merger or acquisition, within the meaning of this provision, shall include, without limitation, any transaction in which the Customer, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions, as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.58 Contract Offer No. 55 - Special Access Service Offer

25.58.1 General Description

Special Access Service Offer (Contract Offer No. 55) is an access discount pricing plan for which concurrent subscription is required to the following Access Tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C No. 2, Section 22, Contract Offer No. 181, and Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Section 41, Contract Offer No. 155. The Customer must meet the Eligibility Criteria set forth in Section 25.58.3 and must comply with all Terms and Conditions of this Contract Offer.

Contract Offer No. 55 requires that the Customer meet DS1 and DS3 Volume Commitments for each year of the Term Period, as described in 25.58.5. If the Customer does not meet the Volume Commitments, the Customer will be subject to Shortfall Charges, as set forth in Section 25.58.6, and/or Termination Liability Charges, as set forth in Section 25.58.10.

25.58.2 Subject Services

Contract Offer No. 55 applies to pricing-flexibility qualified access services contained in the following tariff sections:

-High Capacity (a.k.a. BellSouth SPA High capacity) Service — DS1, BellSouth Tariff F.C.C. No. 1, Sections 7 and 23, and -Lightgate 1 Service (a.k.a. BellSouth SPA Point-Point Network DS3 Capacity) System — DS3, BellSouth Tariff F.C.C. No. 1, Sections 7 and 23.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.58 Contract Offer No. 55 - Special Access Service Offer (Cont'd)

25.58.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria to subscribe to Contract Offer No. 55, and must continue to meet the Eligibility Criteria as described below throughout the Term Period of this Contract Offer:

(A) Contract Offer No. 55 applies only to Subject Services located in the following Metropolitan Statistical Areas (MSAs): Shreveport, LA and Jacksonville, FL.

(B) Concurrent Subscription

The Customer must concurrently subscribe to the identical Contract Offer of Contract Offer No. 55, pursuant to the following tariffs:

- (1) Ameritech Tariff F.C.C No. 2, Section 22, Contract Offer No. 181; and
- (2) SWBT, Tariff F.C.C. No. 73, Section 41, Contract Offer No. 155.
- (C) All discounted Subject Services must sub-tend a Special Access service provided by the Telephone Company and directly connect to Mobile Switching Center (MSC).

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.58 <u>Contract Offer No. 55 - Special Access Service Offer</u> (Cont'd)

25.58.4 Terms and Conditions

- (A) The term of this Contract Offer (Term Period) shall be five (5) years, commencing on the date the Telephone Company receives a signed Letter of Subscription (LOS) from the Customer, and the Anniversary Date shall be based on that same date. Contract Offer No. 55 is not renewable.
- (B) Contract Offer No. 55 is available for subscription only from May 23, 2008 through June 23, 2008.
- (C) To subscribe to this Contract Offer, the Customer must submit a signed LOS to the Telephone Company.
- (D) All Subject Services must be ordered pursuant to a five (5) year Term Payment Plan (TPP), as provided in BellSouth Tariff F.C.C. No. 1, Section 7 and shall continue to be purchased under a five (5) year TPP throughout the Term Period. Subject Services will be governed by the rates, terms and conditions of the TPP during the Term Period, except as provided to the contrary in this Contract Offer. Upon the expiration of the Term Period or termination of this Contract Offer, all Subject Services will be governed by the rates, terms and conditions of the five (5) year TPP for the remainder of their term commitments.
- (E) Commingling shall be as defined in BellSouth Tariff F.C.C. No. 1, Section 2.6. Commingling of Subject Services provided under this Contract Offer is prohibited.
- (F) The Customer must subscribe to this Contract Offer in accordance with the regulations set forth in BellSouth Tariff F.C.C. No. 1, Section 5 Ordering Options.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.58 Contract Offer No. 55 - Special Access Service Offer (Cont'd)

25.58.4 Terms and Conditions (Cont'd)

- (G) Subject Services may not be concurrently subscribed to any other contract offerings filed subsequent to the effective date of this Contract Offer, unless expressly permitted by the subsequent Contract Offer.
- (H) Meet Point circuits shall not be eligible for the discounts provided in this Contract Offer, but will be counted toward the Customer's DS1 and DS3 Volume Commitments.
- (I) The Customer may purchase a maximum of five hundred (500) DS1 Subject Services and fifty (50) DS3 Subject Services under this Contract Offer.
- (J) The Customer may purchase a maximum of twenty-five hundred (2500) new DS1 Subject Services and one hundred fifty (150) new DS3 Subject Services, in total, under this and the concurrently subscribed Contract Offers in Section 25.58.3.

25.58.5 Volume Commitment

The Customer must meet the following Volume Commitments. The date by which the Customer must meet each Volume Commitment shall be known as the "Commitment Date."

- (A) The Customer must purchase a minimum of one hundred seventy-five (175) DS1 Subject Services, which must be placed in service within the first twelve (12) months after the beginning of the Term Period and must remain in service throughout the Term Period.
- (B) The Customer must purchase a minimum of sixteen (16) DS3 Subject Services, which must be placed in service within the first twelve (12) months after the beginning of the Term Period and must remain in service throughout the Term Period.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.58 Contract Offer No. 55 - Special Access Service Offer (Cont'd)

25.58.6 Shortfall Charge

The Telephone Company shall be responsible for monitoring the Customer's compliance with the Volume Commitments. If, at any time after the Commitment Date, the Telephone Company determines that the Customer's purchases of Subject Services fall below the relevant Volume Commitment, the Telephone Company shall bill, and the Customer shall pay, a monthly Shortfall Charge for each Subject Service by which the Customer's purchases fall short of the Volume Commitment. Shortfall Charges shall be applied beginning with the date upon which the Telephone Company determines that the Customer's purchases fall below the relevant Volume Commitment and continuing until the date upon which Customer's purchases meet the relevant Volume Commitment. Shortfall Charges for partial months shall be pro-rated. Shortfall Charges shall be calculated according to the following table below:

| Service | Shortfall Charge | |
|---------|---------------------|--------|
| DS1 | charge | \$300 |
| DS3 | | \$1500 |

The Telephone Company will notify the Customer within sixty (60) business days after determining that the Customer has failed to meet a Volume Commitment.

If the Customer does not pay a Shortfall Charge within thirty (30) days after the charge is billed, the Customer shall be deemed to have terminated this Contract Offer and termination liability charges will apply as set forth in Section 25.58.10

Example: The Customer must purchase twelve (12) DS3 Subject Services within twelve (12) months after the beginning of the Term Period, but actually purchases only ten (10) DS3 Subject Services within that period. The Customer must pay a Shortfall Charge, calculated as \$1500 X 2 = \$3000, for each month until the shortfall is cured.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.58 Contract Offer No. 55 - Special Access Service Offer (Cont'd)

25.58.7 Rates and Discounts

The Customer will initially be billed according to the prevailing Monthly Recurring Charges (MRCs) at the time of subscription, listed in Sections 7 or 23 of BellSouth Tariff F.C.C. No. 1, as applicable to a 60-month TPP, for DS1 and DS3 Subject Services in Table B, below. The Customer will then be credited in an amount equal to nine percent (9%) off the prevailing 60-month TPP rates. Credits will be applied monthly, in arrears.

| DS1 Rate elements | USOCs | |
|-----------------------------|-------|-------|
| Channel Termination — per | TMECS | |
| point of termination | | |
| Channel Mileage — Fixed | 1L5XX | |
| Channel Mileage - Variable | 1L5XX | |
| DS3 Rate elements | US0Cs | |
| Channel Termination — per | HFSC7 | |
| point of termination | | |
| Interoffice Channel Mileage | Fixed | Per |
| | | Mile |
| 0 - 8 Miles | 1LPS8 | 1LPE8 |
| 9 - 25 Miles | 1LPS9 | 1LPE9 |
| 26+ Miles | 1LPS6 | 1LPE6 |

Generally applicable Non-Recurring Charges (NRCs) shall apply.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.58 <u>Contract Offer No. 55 - Special Access Service Offer</u> (Cont'd)

25.58.8 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

- (A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.
- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.58.8 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.58 <u>Contract Offer No. 55 - Special Access Service Offer</u> (Cont'd)

25.58.9 Mergers/Acquisitions

The Terms and Conditions of this Contract Offer shall continue in full force and effect notwithstanding any merger or acquisition affecting the Customer. A merger or acquisition, within the meaning of this provision, shall include, without limitation, any transaction in which the Customer, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another entity. Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions, as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.58 Contract Offer No. 55 - Special Access Service Offer (Cont'd)

25.58.10 Termination Liability

(A) Termination Liability Charges

Termination liability charges, as described below, shall apply in addition to those applicable to Subject Services under the TPP, as provided in BellSouth Tariff F.C.C. No. 1, Section 2.

If the Customer terminates this Contract Offer before the completion of the Term Period for any reason (other than a material default by the Telephone Company), or if the Customer materially breaches any provision of this Contract Offer or any other applicable tariff, the Customer must pay the Telephone Company termination liability charges as described below. These charges shall become due as of the effective date of the cancellation or termination. Termination liability charges shall be equal to ten (10) percent of the MRCs applicable to either the actual number of Subject Services purchased by the Customer as of the time of termination or breach, or the minimum quantities of Subject Services necessary to meet the Volume Commitments, whichever is greater, for the remainder of the Term Period.

Example: The Customer terminates the Contract Offer after forty-eight (48) months of the sixty (60) month Term Period. Twelve (12) months are remaining in the Term Period. At the time of termination, the Customer is falling short of the Volume Commitments. If the minimum monthly billing necessary to meet the Volume Commitments is \$166,667, the termination liability charge would be calculated as follows: \$166,667 X \$12 months X \$10% = \$200,000.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.59 Contract Offer No. 56 - Special Access DS1/DS3 Bundle Service Offer

25.59.1 General Description

Contract Offer No. 56 - Special Access Bundle Service Offer (Contract Offer No. 56) is an access discount pricing plan. This Contract Offer No. 56 permits Customers who meet the Eligibility Criteria in Section 25.59.3, and the Terms and Conditions in Section 25.59.4, to purchase Subject Services in Section 25.59.2 and receive credits listed in Section 25.59.5. Subject Services are available under Contract Offer No. 56 in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 25.59.3 (B).

Contract Offer No. 56 is available for subscription from May 29, 2008 through June 29, 2008. This Contract Offer is not renewable.

25.59.2 Subject Services

This Contract Offer applies to pricing flexibility qualified services (Subject Services) contained in the following tariff section(s):

- BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Section 7 - DS1 High Capacity Service (a.k.a. BellSouth SPA DS1), and
- BellSouth Tariff F.C.C. No. 1, Section 7 DS3 High Capacity Service (a.k.a BellSouth SPA DS3)

25.59.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria to receive this Contract Offer No. 56 credits:

- (A) Subject Services must be pricing flexibility qualified access services listed in Section 25.59.2;
- (B) Subject Services must be located in the following MSA: Atlanta, GA;
- (C) Subject Services ordered pursuant to this Contract Offer must be new services (services not previously provided to the Customer by the Telephone Company); and
- (D) Subject Services must originate or terminate on a wireless carrier's network.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.59 <u>Contract Offer No. 56 - Special Access DS1/DS3 Bundle Service Offer (Cont'd)</u>

25.59.4 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) shall be sixty-six (66) months, commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. Upon expiration of the Term Period, DS3 Subject Services shall be subject to the rates, terms and conditions provided in Sections 7 and 23 of BellSouth Tariff F.C.C. No. 1 (Plan C), for the remainder of the sixty (60) month term commitment applicable to each DS3 Subject Service. Upon expiration of the Term Period, DS1 Subject Services shall be subject to the prevailing applicable rates in BellSouth Tariff F.C.C. No. 1, Section 23 unless the Customer selects an applicable payment plan, as described in Section 23.

(B) General Terms and Conditions

- (1) Subject Services, described in Section 25.59.2, are subject to certain rates, charges and general terms and conditions described in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the terms and conditions of this Contract Offer.
- (2) All terms and conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
- (3) The Customer may not include DS3 Subject Services provided under this Contract Offer in any other contract offer, promotional offering or other discount plan (e.g., TAP).
- (4) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services purchased under this Contract Offer is prohibited.
- (5) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.
- (6) Beginning no later than six (6) months after the beginning of the Term Period and continuing throughout the remainder of the Term Period, the Customer must purchase from the Telephone Company, at minimum, the following services in the Atlanta, GA MSA: One (1) OC-192 SMARTRing² and one (1) DWDM Wavelength Ring.²

²SMARTRing and DWDM Wavelength services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

- 25.59 <u>Contract Offer No. 56 Special Access DS1/DS3 Bundle Service Offer</u> (Cont'd)
- 25.59.4 Terms and Conditions (Cont'd)
 - (B) General Terms and Conditions (Cont'd)
 - (7) The Customer must purchase the following new Subject Services, which the Customer must order with Customer Desired Due Dates (CDDDs) within the specified number of months after subscription to this Contract Offer, and must continue to maintain the same minimum in service levels throughout the remainder of the Term Period.
 - (a) The Customer must purchase one hundred ten (110) new DS3 Subject Services with CDDDs within thirty (30) months after subscription to this Contract Offer. DS3 Subject Services must be ordered subject to a 60-month term commitment in Section 23 of BellSouth Tariff F.C.C. No. 1 (Plan C)
 - (b) The Customer must purchase six hundred twenty-five (625) new DS1 Subject Services with CDDDs within thirty-six (36) months after subscription to this Contract Offer. DS1 Subject Services may be ordered subject to any applicable tariff term provision.
 - (8) Credits provided under this Contract Offer are applicable only to one hundred ten (110) DS3 Subject Services. This Contract Offer does not limit the Customer's ability to purchase additional services under any other applicable contact or tariff.

25.59.5 Rates and Charges

(A) BellSouth SPA High Capacity DS3 Rates and Charges

The Customer will initially be billed according to the prevailing Monthly Recurring Charges (MRCs) listed in Section 23 of BellSouth Tariff F.C.C. No. 1, as applicable to a 61-96 month term commitment (Plan C), for DS3 Subject Services. The Customer will then be credited in an amount equal to fifteen (15) percent of the prevailing Plan C term rates. This credit will be applied monthly, in arrears during the Term Period. The Customer's right to retain the benefit of credits issued under this Contract Offer shall be subject to the Customer's completion of its obligations under this Contract Offer throughout the Term Period. If the Customer discontinues service under this Contract Offer during the Term Period for any reason other than material breach by the Telephone Company, or if the Customer breaches any term or condition of this Contract Offer or any provision of any other tariff applicable to the Subject Services during the Term Period, the Customer shall return to the Telephone Company an amount equal to the total of all credits previously issued. Such amount shall become due upon termination or breach.

(B) BellSouth SPA High Capacity DS1 Rates and Charges

The Customer will be billed the prevailing Monthly Recurring Charges (MRCs) listed in Section 23 of BellSouth Tariff F.C.C. No. 1.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.59 <u>Contract Offer No. 56 - Special Access DS1/DS3 Bundle Service Offer</u> (Cont'd)

25.59.6 <u>Assignment/Transfer/Successors</u>

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C) below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.

If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.59.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.59 <u>Contract Offer No. 56 - Special Access DS1/DS3 Bundle Service Offer (Cont'd)</u>

25.59.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.59.8 Technology Upgrade

- (A) If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Services provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or other contract or tariff arrangement to purchase the new service offering from the Telephone Company, in substitution for the Subject Services provided under this Contract offer, without incurring termination liability under this Contract Offer, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period and billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following additional conditions are met:
 - (1) The Customer must meet all eligibility requirements outlined in Section 25.59.3, and Terms and Conditions outlined in Section 25.59.4;
 - (2) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option; and
 - (3) The Customer will be responsible for all Non-Recurring Charges associated with the upgrade, as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.59 <u>Contract Offer No. 56 - Special Access DS1/DS3 Bundle Service Offer</u> (Cont'd)

25.59.9 DS3 Portability

The Telephone Company will waive otherwise applicable termination liability charges for moves of existing DS3 Subject Services, provided that the Customer complies with the conditions set forth below. In the event that termination liability charges for any such moves and/or disconnections are billed by the Telephone Company, the Customer will receive credits for those charges.

- (A) The Customer must be in compliance with all Terms and Conditions of this Contract Offer.
- (B) DS3 Subject Services must have been in service for a minimum of twelve (12) months to be eligible for portability.

25.59.10 Termination Liability

Termination liability for Subject Services shall be governed by the otherwise applicable tariff provisions in BellSouth Tariff F.C.C. No. 1, Section 2.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.60 Contract Offer No. 57 - DS3 Extension Bundle Service Offer

25.60.1 General Description

DS3 Extension Bundle Service Offer is an access discount pricing plan that provides Customers located in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) listed in Section 25.60.2 with a credit on the Monthly Recurring Charges (MRCs) listed in Section 25.60.4. Qualified services listed in Section 25.60.2 must meet the Eligibility Criteria described in Section 25.60.2.

Contract Offer No. 57 is available for subscription from July 31, 2008 to October 31, 2008. This Contract Offer is not renewable.

25.60.2 Eligibility Criteria

(A) This Contract Offer applies to the following pricing flexibility qualified access services as described in BellSouth Telecommunications Inc. (BellSouth) Tariff F.C.C. No. 1 (Subject Services):

LightGate 1 Point-to-Point (DS3) Service— Section 7

(B) Contract Offer No. 57 is available for Subject Services located in any of the Pricing Flexibility MSAs listed below:

Birmingham, AL; Huntsville, AL; Mobile, AL; Montgomery, AL; Daytona Beach, FL; Gainesville, FL; Jacksonville, FL; Melbourne-Titusville-Palm Bay, FL; Miami-Fort Lauderdale-Hollywood, FL; Orlando, FL; Panama City, FL; Pensacola, FL; West Palm Beach-Boca Raton, FL; Atlanta, GA; Augusta, GA/SC; Columbus, GA/AL; Savannah, GA; Evansville, KY; Lexington/Fayette, KY; Louisville, KY; Owensboro, KY; Baton Rouge, LA; Lafayette, LA; Lake Charles, LA; Monroe, LA; New Orleans, LA; Shreveport, LA; Biloxi-Gulfport, MS; Jackson, MS; Asheville, NC; Charlotte-Gastonia, NC; Greensboro-Winston-Salem-High Point, NC; Raleigh-Durham, NC; Wilmington, NC; Charleston-North Charleston, SC; Columbia, SC; Greenville-Spartanburg, SC; Chattanooga, TN-GA; Clarksville-Hopkinsville, TN/KY; Knoxville, TN; Memphis, TN; and Nashville-Davidson, TN.

If the Telephone Company receives pricing flexibility relief in additional MSAs, the Customer will be able to purchase Subject Services in those areas.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

- 25.60 Contract Offer No. 57 DS3 Extension Bundle Service Offer (Cont'd)
- 25.60.2 <u>Eligibility Criteria</u> (Cont'd)
 - (C) Subject Services must be new installations. Services that were being provided to the Customer by the Telephone Company prior to the Customer's subscription to this Contract Offer are not eligible for this Contract Offer.
 - (D) This Contract Offer is available only where facilities exist.
 - (E) DS3 Extension Bundles must terminate on a SMARTRing² provided by the Telephone Company.
 - (F) This Contract Offer does not apply to SMARTRing² DS3 interface charges or DS3 services terminated to collocation.

²SMARTRing services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook..

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.60 Contract Offer No. 57 - DS3 Extension Bundle Service Offer (Cont'd)

25.60.3 Terms and Conditions

(A) Service Terms for Subject Services

Subject Services shall be subject to a minimum term commitment (Service Term) of twelve (12) to thirty-six (36) months (Transport Payment Plan (TPP) A), thirty-seven (37) to sixty (60) months (TPP B), or sixty-one (61) to ninety-six (96) months (TPP C), as applicable to the Transport Payment Plan term selected by the Customer for the relevant Subject Service. The Service Term for each Subject Service shall begin on the billing date of that Subject Service.

Upon expiration of the Service Term, the Subject Service(s) shall be provided under the prevailing monthly extension rates described in Sections 7 and 23, unless the Customer:

- (1) Selects from the TPP options listed in Sections 7 and 23; or
- (2) Disconnects the Subject Service(s).

(B) General Terms and Conditions

- (1) Subject Services provided under this Contract Offer are subject to certain rates, charges, and general terms and conditions described in Sections 2, 5, and 13, as applicable.
- (2) To subscribe to this Contract Offer, Customers must submit a signed LOS to the Telephone Company.
- (3) Within sixty (60) days after submitting its signed LOS, the Customer must submit its access order(s) pursuant to this Contract Offer. The Customer may submit additional access orders to purchase new Subject Services until November 30, 2008, provided that all new Subject Services purchased must have an installation completion date on or before December 31, 2008 to be eligible for this Contract Offer. However, Subject Services that are ordered no later than November 30, 2008, but are assigned completion dates beyond December 31, 2008 as a result of Telephone Company reasons, shall be eligible for this Contract Offer.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

- 25.60 Contract Offer No. 57 DS3 Extension Bundle Service Offer (Cont'd)
- 25.60.3 Terms and Conditions (Cont'd)
 - (B) General Terms and Conditions (Cont'd)
 - (4) If the Customer discontinues service under Contract Offer No. 57 during the Service Term, or if the Customer breaches any term or condition of this Contract Offer or any other applicable tariff provision, termination liability charges will apply in accordance with Section 25.60.7.
 - (5) This Contract Offer cannot be combined with any other discount, promotional offering or other pricing flexibility contract offer unless explicitly stated in such other discount plan, promotional offering or pricing flexibility contract offer.
 - (6) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services provided under this Contract Offer is prohibited.
 - (7) If the Customer requests additional service, features and functions not included in Section 25.60.4, the Customer will pay the tariff rates as contained in Sections 7 and 23, as applicable.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.60 Contract Offer No. 57 - DS3 Extension Bundle Service Offer (Cont'd)

25.60.4 Rates and Charges

(A) Monthly Recurring Charges (MRCs)

The Customer will initially be billed according to the prevailing MRCs at the time of subscription listed in Section 7 or 23 of BellSouth Tariff F.C.C. No. 1, as applicable to TPP A, B, or C, for DS3 Subject Services in Table B, below. The Customer will then be credited in an amount equal to the difference between the applicable prevailing TPP rates and the discounted rates below. Credits will be applied monthly, in arrears.

| DS3 Service Bundle | USOCs | TPP A (12 - 36 months) | TPP B (37 - 60 months) | TPP C (61 - 96 months) |
|--|-------|------------------------------|------------------------------|------------------------------|
| LightGate 1 Point-to- Point IOF Fixed | 1LPS8 | \$1100 | \$900 | \$800 |
| | or | | | |
| | 1LPS9 | | | |
| LightGate Point-to- | 1LPE8 | | | |
| Point IOF Per Mile (1 | or | | | |
| to 15 miles only) | 1LPE9 | | | |
| DS3 to DS1 Multiplexer | MQ3C1 | | | |
| | or | | | |
| | MQ3C0 | | | |
| DS3 Central Office | | | | |
| Channel Interface | 1PQE3 | | | |
| (COCI) | | | | |

Generally applicable Non-Recurring Charges (NRCs) shall apply.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.60 <u>Contract Offer No. 57 - DS3 Extension Bundle Service Offer</u> (Cont'd)

25.60.5 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B), or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section is not available, the Telephone Company shall exercise its reasonable discretion to determine the credit worthiness of the assignee or transferee based on any information available.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.60 Contract Offer No. 57 - DS3 Extension Bundle Service Offer (Cont'd)

25.60.6 Mergers/Acquisitions

All provisions of this Contract Offer shall continue in full force and effect notwithstanding any merger or acquisition affecting the Customer. A merger or acquisition within the meaning of this provision, shall include, without limitation, any transaction in which the Customer, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services as provided for in this Contract Offer will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.60.7 Termination Liability

Subject Services shall be subject to termination liability as provided in this Contract Offer, in lieu of the termination liability language contained in Section 2.4.8 for DS3 Service. If the Customer terminates services before the completion of the Term Period for any reason, or if the Customer breaches any of the Terms or Conditions of this Contract Offer or any other applicable tariff provision, the Customer must pay to the Telephone Company termination liability charges as described below. These charges shall become due as of the effective date of the cancellation or termination, and are payable as described in Section 2.4.8. The Customer's termination liability for cancellation of service shall be equal to one hundred (100) percent of all MRCs for the balance of the Service Term applicable to the relevant Subject Service(s).

Example: A Customer with a \$900 DS3 Service Bundle MRC terminates service after two (2) years, and has twelve (13) months remaining in a thirty-seven (37) month term plan. The termination liability would be calculated as:

\$900 X 13 = \$11,700 termination liability charge.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.61 Contract Offer No. 58 - Special Access DS1/DS3 Bundle Service Offer

25.61.1 General Description

Contract Offer No. 58 — Special Access Bundle Service Offer (Contract Offer No. 58) is an access discount pricing plan. This Contract Offer No. 58 permits Customers who meet the Eligibility Criteria in Section 25.61.3, and the Terms and Conditions in Section 25.61.4, to purchase Subject Services in Section 25.61.2 and receive credits listed in Section 25.61.5. Subject Services are available under Contract Offer No. 58 in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 25.61.3 (B).

Contract Offer No. 58 is available for subscription from August 1, 2008 through September 15, 2008. This Contract Offer is not renewable.

25.61.2 Subject Services

This Contract Offer applies to pricing flexibility qualified services (Subject Services) contained in the following tariff section(s):

- BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Section 7 - DS1 High Capacity Service (a.k.a. BellSouth SPA DS1), and
- BellSouth Tariff F.C.C. No. 1, Section 7 DS3 High Capacity Service (a.k.a BellSouth SPA DS3)

25.61.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria to receive this Contract Offer No. 58 credits:

- (A) Subject Services must be pricing flexibility qualified access services listed in Section 25.61.2;
- (B) Subject Services must be located in the following MSA: Atlanta, GA;
- (C) Subject Services ordered pursuant to this Contract Offer must be new services (services not previously provided to the Customer by the Telephone Company); and
- (D) Subject Services must originate or terminate on a wireless carrier's network.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.61 <u>Contract Offer No. 58 - Special Access DS1/DS3 Bundle Service Offer (Cont'd)</u>

25.61.4 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) shall be sixty-six (66) months, commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. Upon expiration of the Term Period, DS3 Subject Services shall be subject to the rates, terms and conditions provided in Sections 7 and 23 of BellSouth Tariff F.C.C. No. 1 (Plan C), for the remainder of the sixty (60) month term commitment applicable to each DS3 Subject Service. Upon expiration of the Term Period, DS1 Subject Services shall be subject to the prevailing applicable rates in BellSouth Tariff F.C.C. No. 1, Section 23 unless the Customer selects an applicable payment plan, as described in Section 23.

(B) General Terms and Conditions

- (1) Subject Services, described in Section 25.61.2, are subject to certain rates, charges and general terms and conditions described in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the Terms and Conditions of this Contract Offer.
- (2) All Terms and Conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
- (3) The Customer may not include DS3 Subject Services provided under this Contract Offer in any other contract offer, promotional offering or other discount plan (e.g., TAP).
- (4) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services purchased under this Contract Offer is prohibited.
- (5) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.
- (6) Beginning no later than six (6) months after the beginning of the Term Period and continuing throughout the remainder of the Term Period, the Customer must purchase from the Telephone Company, at minimum, the following services in the Atlanta, GA MSA: One (1) OC-192 SMARTRing and one (1) DWDM Wavelength Ring.

²SMARTRing and DWDM Wavelength services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.61 <u>Contract Offer No. 58 - Special Access DS1/DS3 Bundle Service Offer (Contrd)</u>

- 25.61.4 <u>Terms and Conditions</u> (Cont'd)
 - (B) General Terms and Conditions (Cont'd)
 - (7) The Customer must purchase the following new Subject Services, which the Customer must order with Customer Desired Due Dates (CDDDs) within the specified number of months after subscription to this Contract Offer, and must continue to maintain the same minimum in service levels throughout the remainder of the Term Period.
 - (a) The Customer must purchase one hundred ten (110) new DS3 Subject Services with CDDDs within thirty (30) months after subscription to this Contract Offer. DS3 Subject Services must be ordered subject to a 60-month term commitment in Section 23 of BellSouth Tariff F.C.C. No. 1 (Plan C); and
 - (b) The Customer must purchase six hundred twenty-five (625) new DS1 Subject Services with CDDDs within thirty-six (36) months after subscription to this Contract Offer. DS1 Subject Services may be ordered subject to any applicable tariff term provision.
 - (8) Credits provided under this Contract Offer are applicable only to one hundred ten (110) DS3 Subject Services. This Contract Offer does not limit the Customer's ability to purchase additional services under any other applicable contact or tariff.
- 25.61.5 Rates and Charges
 - (A)BellSouth SPA High Capacity DS3 Rates and Charges

The Customer will initially be billed according to the prevailing Monthly Recurring Charges (MRCs) listed in Section 23 of BellSouth Tariff F.C.C. No. 1, as applicable to a 61-96 month term commitment (Plan C), for DS3 Subject Services. The Customer will then be credited in an amount equal to fifteen (15) percent of the prevailing Plan C term rates. This credit will be applied monthly, in arrears during the Term Period. The Customer's right to retain the benefit of credits issued under this Contract Offer shall be subject to the Customer's completion of its obligations under this Contract Offer throughout the Term Period. If the Customer discontinues service under this Contract Offer during the Term Period for any reason other than material breach by the Telephone Company, or if the Customer breaches any Term or Condition of this Contract Offer or any provision of any other tariff applicable to the Subject Services during the Term Period, the Customer shall return to the Telephone Company an amount equal to the total of all credits previously issued. Such amount shall become due upon termination or breach.

(B) BellSouth SPA High Capacity DS1 Rates and Charges

The Customer will be billed the prevailing Monthly Recurring Charges (MRCs) listed in Section 23 of BellSouth Tariff F.C.C. No. I.

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25 - CONTRACT TARIFFS

25.61 <u>Contract Offer No. 58 - Special Access DS1/DS3 Bundle Service Offer</u> (Cont'd)

25.61.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C) below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.

If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.61.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.61 <u>Contract Offer No. 58 - Special Access DS1/DS3 Bundle Service Offer</u> (Cont'd)

25.61.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.61.8 <u>Technology Upgrade</u>

- (A) If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Services provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or other contract or tariff arrangement to purchase the new service offering from the Telephone Company, in substitution for the Subject Services provided under this Contract offer, without incurring termination liability under this Contract Offer, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period and billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following additional conditions are met:
 - (1) The Customer must meet all eligibility requirements outlined in Section 25.61.3, and Terms and Conditions outlined in Section 25.61.4;
 - (2) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option; and
 - (3) The Customer will be responsible for all Non-Recurring Charges associated with the upgrade, as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

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25 - CONTRACT TARIFFS

25.61 <u>Contract Offer No. 58 - Special Access DS1/DS3 Bundle Service Offer</u> (Cont'd)

25.61.9 DS3 Portability

The Telephone Company will waive otherwise applicable termination liability charges for moves of existing DS3 Subject Services, provided that the Customer complies with the conditions set forth below. In the event that termination liability charges for any such moves and/or disconnections are billed by the Telephone Company, the Customer will receive credits for those charges.

- (A) The Customer must be in compliance with all Terms and Conditions of this Contract Offer.
- (B) DS3 Subject Services must have been in service for a minimum of twelve (12) months to be eligible for portability.

25.61.10 Termination Liability

Termination liability for Subject Services shall be governed by the otherwise applicable tariff provisions in BellSouth Tariff F.C.C. No. 1, Section 2.

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25 - CONTRACT TARIFFS

25.62 Contract Offer No. 59 - Special Access Wireless DS1 Bundle Service Offer

25.62.1 General Description

Contract Offer No. 59--Special Access Bundle Service Offer (Contract Offer No. 59)--is an access discount pricing plan. This Contract Offer permits Customers that meet the Eligibility Criteria in Section 25.62.3 and the Terms and Conditions in Section 25.62.4 to purchase the Subject Services listed in Section 25.62.2, and to receive credits as provided in Section 25.62.5. Subject Services are available under this Contract Offer in the Metropolitan Statistical Area (MSA) listed in Section 25.62.2 (B).

This Contract Offer is available for subscription from January 17, 2009 through February 17, 2009. This Contract Offer is not renewable.

25.62.2 Subject Services

(A) This Contract Offer applies to pricing flexibility qualified services (Subject Services) contained in the following tariff section:
BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1,
Section 7 — DS1 High Capacity Service. Each Subject Service shall consist of the following rate elements: (i) one (1) Channel
Termination, (ii) one (1) Fixed Mileage Termination, (iii) up to twelve (12) miles of Variable Mileage (from a cell site to a Serving Wire Center), and (iv) multiplexing (LightGate 1 COCI/28 DS1). DS1 High Capacity Service circuits, including more than twelve (12) miles of Variable Mileage, shall not be considered Subject Services and are not eligible for discounts under this Contract Offer. Subject Service rate elements and their associated USOCs are listed in Table A, below:

Table A

| Rate Element | USOC |
|--|-------|
| Channel Termination | TMECS |
| Fixed Mileage Termination | 1L5XX |
| Variable Mileage (up to and including | 1L5XX |
| 12 miles) | |
| Multiplexing (LightGate 1 COCI/28 DS1) | MQC31 |

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25 - CONTRACT TARIFFS

25.62 <u>Contract Offer No. 59 - Special Access Wireless DS1 Bundle Service</u> Offer (Cont'd)

25.62.2 Subject Services (Cont'd)

- (B) Subject Services must be located in the following MSA: Atlanta, GA.
- (C) Subject Services must originate or terminate on a wireless carrier's network.

25.62.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria as of the date this Contract Offer becomes effective (Effective Date):

- (A) The Customer must be operating, as of the Effective Date, no fewer than one thousand one hundred (1100) and no more than three thousand (3000) cell sites activated and providing service within the Atlanta, GA MSA. Such cell sites in operation as of the Effective Date, together with any other cell sites for which Customer orders Subject Services at any time during the Term Period, are referred to in this Contract Offer as "Qualified Cell Sites;" and
- (B) The Customer must be purchasing, as of the Effective Date, no fewer than one thousand five hundred (1500) and no more than four thousand (4000) DS1 special access circuits from the Telephone Company which terminate at Qualified Cell Sites.

25.62.4 Terms and Conditions

(A) <u>Term Period</u>

The term of this Contract Offer (Term Period) shall be eighty-four (84) months, commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. Upon expiration of the Term Period, Subject Services shall no longer receive the discounts provided under this Contract Offer, and will be converted to the prevailing month-to-month rates in BellSouth Tariff F.C.C. No. 1, Section 23.5.2.

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25 - CONTRACT TARIFFS

- 25.62 <u>Contract Offer No. 59 Special Access Wireless DS1 Bundle Service</u> Offer (Cont'd)
- 25.62.4 Terms and Conditions (Cont'd)
 - (B) General Terms and Conditions
 - (1) Subject Services are subject to certain rates, charges and general terms and conditions described in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the Terms and Conditions of this Contract Offer. If any provision of this Contract Offer conflicts with any otherwise applicable provisions of BellSouth Tariff F.C.C. No. 1, Sections 2, 5 or 13, this Contract Offer shall govern over the conflicting provision.
 - (2) All Terms and Conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
 - (3) The Customer may not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering, discount plan or agreement, except as expressly provided in such other contract offer, promotional offering, discount plan or agreement.
 - (4) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company, which must include a list of eligible Access Customer Name Abbreviations (ACNAs) under which the Customer will purchase Subject Services pursuant to this Contract Offer. The Customer may update its list of eligible ACNAs from time to time by written notice to the Telephone Company. Services ordered or purchased under other ACNAs may not be transferred or converted to this Contract Offer.
 - (5) The Customer shall order and purchase Subject Services under this Contract Offer at a maximum of six hundred eighty-one (681) Qualified Cell Sites at which the Telephone Company provided service to the Customer prior to the Effective Date, all of which shall be identified by the Customer in the LOS.

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25 - CONTRACT TARIFFS

- 25.62 <u>Contract Offer No. 59 Special Access Wireless DS1 Bundle Service</u> Offer (Cont'd)
- 25.62.4 Terms and Conditions (Cont'd)
 - (A) General Terms and Conditions (Cont'd)
 - (6) The Customer may purchase no more than six thousand five hundred (6500) Subject Services under this Contract Offer in Contract Years 1 through 3 of the Term Period, and no more than one thousand five hundred (1500) additional new Subject Services, for a total of eight thousand (8000) Subject Services, through the end of the Term Period, provided, however, that any DS1 special access circuits in operation at any Qualified Cell Site in operation as of the Effective Date of this Contract Offer are excluded from this limitation. A "Contract Year" is each consecutive twelve (12) month period of the term, commencing with the beginning of the Term Period.
 - (7) All Subject Services must be ordered under Plan C, as described in Section 23 of BellSouth Tariff F.C.C. No. 1, under a 61-96 month term commitment. This ordering requirement is for administrative purposes only, to assure the proper provisioning and billing of Subject Services. Subject Services will not be subject to any term commitment or termination liability charges as provided in Section 23, or to any other ordering obligations inconsistent with this Contract Offer. Instead, the Subject Services will have the same term as the Term Period, and any term commitments or termination charges applicable to Subject Services shall be those provided in this Contract Offer. Rates and charges for Subject Services shall include credits provided under Section 25.62.5 of this Contract Offer.
 - (8) Beginning no later than fifty-seven (57) months after the beginning of the Term Period, the parties to this Contract Offer shall begin to negotiate in good faith regarding a successor to this Contract Offer.
 - (9) Termination liability charges shall not apply to the conversion to this Contract Offer of any service previously provided pursuant to BellSouth Tariff F.C.C. No. 1.

BELLSOUTH TELECOMMUNICATIONS Four AT&T Plaza, Dallas, Texas 75202 TARIFF F.C.C. NO. 1 ORIGINAL PAGE 25-345

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25 - CONTRACT TARIFFS

- 25.62 <u>Contract Offer No. 59 Special Access Wireless DS1 Bundle Service</u> Offer (Cont'd)
- 25.62.5 Rates and Charges
 - (A) Charges for Subject Services will be invoiced to the Customer monthly, and will be calculated by cell site. The Telephone Company will charge the Customer a fixed monthly recurring amount for the purchased Subject Services at each Qualified Cell Site in an amount equal to eight hundred forty dollars (\$840) per cell site, per month (Cell Site Fixed Charge). For the Cell Site Fixed Charge, the Telephone Company will provide, at the Customer's option, up to four (4) Subject Services at each Qualified Cell Site. The Cell Site Fixed Charge will continue to apply to each Qualified Cell Site from the date Subject Services are installed until the end of the Term Period, except as provided in Sections 25.62.5(A)(2) and 25.62.5(C), below.

The Customer may purchase additional Subject Services at any Qualified Cell Site, at a fixed monthly recurring charge for each additional Subject Service (Additional Service Charge). Such additional Subject Services may be disconnected, at the Customer's discretion, at any time during the Term Period, without termination charges or any other charges associated with the disconnection of such Subject Services. The Additional Service Charge shall be \$125 per Subject Service at any Qualified Cell Site.

(1) The Total Fixed Charge will be applied to Subject Services as follows. The Customer will be billed monthly for Subject Services according to the prevailing Monthly Recurring Charges (MRCs) listed in Section 23 of BellSouth Tariff F.C.C. No. 1, as applicable to a 61-96 month term commitment (Plan C). The Telephone Company will then issue credits to the Customer in amounts equal to the difference between the MRCs billed to the Customer and the total amount of all Total Fixed Charges for the Qualified Cell Sites. These Credits will be applied to the Customer's bills monthly, one month in arrears. Taxes and other charges, as defined in Section 25.62.5(B) of this Contract Offer, if applicable, will be charged according to the Plan C rates, but will not be included in the credits applied to the Customer's bill.

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25 - CONTRACT TARIFFS

25.62 <u>Contract Offer No. 59 - Special Access Wireless DS1 Bundle Service</u> Offer (Cont'd)

25.62.5 Rates and Charges (Cont'd)

- (2) The Customer may replace Subject Services, without termination or other charges under this Contract Offer, with any Ethernet¹-based service offered by the Telephone Company having a bandwidth of at least ten (10) megabits per second (Mbps), and purchased pursuant to a contract providing for a term commitment applicable to any service replacing a Subject Service that is at least equal to the remainder of the Term Period (Qualified Ethernet Service). Following the replacement of Subject Services with Qualified Ethernet Services, the Total Fixed Charge shall no longer apply to those Subject Services. The Customer may continue to purchase Subject Services following such replacement, subject to only an Additional Service Charge.
- (3) Except for any governmentally imposed taxes or surcharges, as set forth in Section 25.62.5(B) or otherwise provided in this Section 25.62.5, no other rates or charges apply to the Subject Services. The Telephone Company's obligations to provide Subject Services under this Contract Offer are subject to the availability of suitable facilities. If suitable facilities do not exist, the Telephone Company shall provide, or otherwise make available, such suitable facilities subject to special construction charges, if applicable. The Non-Recurring Charges (NRCs) set forth in Table B, below, shall apply to Subject Services provided under this Contract Offer, subject to Section 21.62.5(A)(3)(i), below. All other NRCs are waived.

Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

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25 - CONTRACT TARIFFS

25.62 Contract Offer No. 59 - Special Access Wireless DS1 Bundle Service Offer (Cont'd)

25.62.5 Rates and Charges (Cont'd)

(3) (Cont'd)

a. The Telephone Company shall establish, on behalf of the Customer, a credit pool in the amount of two hundred thousand dollars (\$200,000), to be applied against otherwise applicable NRCs during the Term Period (NRC Credit Pool). The Telephone Company will bill, and the Customer shall pay as they come due, the NRCs listed in Table B. The Telephone Company will review billing for such NRCs semi-annually, and will issue credits to the Customer for such NRCs, until the NRC Credit Pool is exhausted, provided, however, that the Telephone Company will review billing for such NRCs monthly for the first six (6) months following the Effective Date, and will issue credits to Customer for such NRCs.

TABLE B:

| Rate Element | BellSouth FCC #1 Section |
|-----------------------------------|--------------------------|
| Initial Service Order Charge | 5.1.1 |
| Service Date Advancement Charge - | |
| per order | 5.1.1 |
| Service Date Advancement - SPA | |
| DS1 Services - Per Circuit | 5.1.1 |
| Service Date Advancement - Missed | |
| Appointment SPA DS1 Services - | |
| Per Circuit | 5.1.1 |
| Service Date Change Charge — per | |
| Order | 5.1.1 |
| Additional Dispatch Charge | 5.1.1 |
| Design Change Charge — per Order | 5.1.1 |
| Charges for Additional | |
| Engineering — each additional | |
| hour or fraction thereof — Basic | |
| time | 13.1.1 |
| Charges for Additional | |
| Engineering — each additional | |
| hour or fraction thereof - | |
| Overtime outside of basic hours | 13.1.1 |

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25.62 Contract Offer No. 59 - Special Access Wireless DS1 Bundle Service $\overline{\text{Offer}}$ (Cont'd)

25.62.5 Rates and Charges (Cont'd)

(3) (Cont'd)

| TABLE B (Cont'd) | |
|-----------------------------------|--------------------------|
| Rate Element | BellSouth FCC #1 Section |
| Installation or Repair Overtime - | |
| Outside Basic Schedule Working | |
| Hours — per hour or fraction | |
| thereof | 13.2.6 |
| Installation or Repair Premium | |
| Time — Outside Basic Schedule | |
| Working Hours — per hour or | |
| fraction thereof | 13.2.6 |
| Installation or Repair Stand-By | |
| Time — Outside Basic Schedule | |
| Working Hours — per hour or | |
| fraction thereof | 13.2.6 |
| Maintenance of Service Charge - | |
| per each Half Hour or fraction | |
| there of — Basic Working Hours | 13.2.6 |
| Maintenance of Service Charge - | |
| per each Half Hour or fraction | |
| there of — Overtime Working Hours | 13.2.6 |
| Maintenance of Service Charge - | |
| per each Half Hour or fraction | |
| there of — Premium Working Hours | 13.2.6 |

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.62 <u>Contract Offer No. 59 - Special Access Wireless DS1 Bundle Service</u> Offer (Cont'd)

25.62.5 Rates and Charges (Cont'd)

(B) Taxes

Rates and charges set forth in this Contract Offer are exclusive of, and the Customer will pay, all current and future taxes and fees (but excluding taxes or fees imposed on gross receipts of general commercial businesses, net income, corporate franchise, property/ad valorem, payroll/employment, capital stock or net worth tax and the right-to-do-business, i.e., license taxes or fees), and other applicable government-mandated surcharges and other similar charges, including, without limitation, Universal Service Fund surcharges (and any associated interest and penalties resulting from the Customer's failure to timely pay such taxes or similar charges) relating to the sale, transfer of ownership, installation, license, use or provision of the Subject Services, except to the extent the Customer submits and maintains a reasonably acceptable to AT&T exemption certificate covering all of the Subject Services, and/or provides satisfactory proof of a valid tax exemption for the Subject Services.

(C) If the Customer requests that the Telephone Company provide Qualified Ethernet Service to replace Subject Services at any Qualified Cell Site at which Subject Services have been purchased under this Contract Offer, and the Telephone Company fails to do so within ninety (90) days after such request, the Telephone Company will provide the Customer up to six (6) Subject Services at each such Qualified Cell Site for a fixed MRC of \$840 per Qualified Cell Site. Additional Subject Services may be purchased at such Qualified Cell Sites for a fixed MRC of \$100 per additional Subject Service. These charges shall be applied in lieu of, but in the same manner as, the Total Fixed Charge, as provided in Section 25.62.5 (A) (1) of this Contract Offer.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.62 Contract Offer No. 59 - Special Access Wireless DS1 Bundle Service Offer (Cont'd)

25.62.6 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.62 <u>Contract Offer No. 59 - Special Access Wireless DS1 Bundle Service</u> Offer (Cont'd)

25.62.6 <u>Assignment/Transfer</u> (Cont'd)

(C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.62.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

25.62.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.62 Contract Offer No. 59 - Special Access Wireless DS1 Bundle Service Offer (Cont'd)

25.62.8 Termination or Failure to Purchase

The charges provided herein shall apply to Subject Services under this Contract Offer in lieu of any otherwise applicable termination liability charges or similar charges, except as otherwise provided herein.

Except as otherwise provided in this Contract Offer, if the Customer terminates any Subject Service for any reason other than uncured material breach by the Telephone Company of this Contract Offer or any other applicable tariff provision prior to the end of the Term Period, or fails to purchase any Subject Service for which purchase is required, or if the Telephone Company terminates any Subject Service as a result of the Customer's uncured material breach of this Contract Offer or of any other applicable tariff provision, termination liability charges shall apply in the amount of (i) fifty percent (50%) of the discounted MRCs applicable to the terminated Subject Services, net of all credits provided for in this Contract Offer, multiplied by (ii) the number of calendar months, or fractions thereof, remaining in the Term Period following the effective date of the termination. Customer may terminate this Contract Offer or discontinue the purchase of any Subject Service at any time during the Term Period, in whole or in part, as a result of an uncured material breach of this Contract Offer or any other applicable tariff provision by the Telephone Company.

The non-breaching party shall give the other party no less than thirty (30) days' prior written notice, and the opportunity to cure any breach of this Contract Offer.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.62 <u>Contract Offer No. 59 - Special Access Wireless DS1 Bundle Service</u> Offer (Cont'd)

25.62.9 Technology Upgrade/Migration

- (A) If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Services provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or tariff arrangement to purchase the new service offerings from the Telephone Company, in substitution for the Subject Services provided under this Contract Offer, without incurring termination liability charges under this Contract Offer, provided, however, that the contract offer or tariff arrangement governing the new service includes a term period and billing amount equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following conditions are met:
 - (1) The Customer must meet all eligibility requirements outlined in Section 25.62.3, and Terms and Conditions outlined in Section 25.62.4;
 - (2) The Customer must provide a written notification to the Telephone Company ninety (90) days prior to exercising this option; and
 - (3) The Customer must pay all NRCs associated with the upgrade, as well as any applicable special construction charges incurred by the Telephone Company to provision the upgraded service.

25.62.10 De-Tariffing of Subject Services

If, at any time during the Term Period, the Subject Services available under this Contract Offer are voluntarily or involuntarily detariffed by the Telephone Company, in whole or in part, pursuant to a statutory change, order or requirement of a governmental or judicial authority of competent jurisdiction, the rates, and Terms and Conditions for Subject Services provided under this Contract Offer will remain in full force and effect for the remainder of the unexpired Term Period.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.63 <u>Contract Offer No. 60 - Special Access Wireless DS1 Bundle Service Offer</u>

25.63.1 General Description

Contract Offer No. 60, Special Access Bundle Service Offer (Contract Offer No. 60), is an access discount pricing plan. This Contract Offer permits Customers that meet the Eligibility Criteria in Section 25.63.3 and the Terms and Conditions in Section 25.63.4 to purchase the Subject Services listed in Section 25.63.2, and to receive credits as provided in Section 25.63.5. Subject Services are available under this Contract Offer in the Metropolitan Statistical Area (MSA) listed in Section 25.63.2 (B).

This Contract Offer is available for subscription from January 17, 2009 through February 17, 2009. This Contract Offer is not renewable.

25.63.2 Subject Services

(A) This Contract Offer applies to pricing flexibility qualified services (Subject Services) contained in the following tariff section:
BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1,
Section 7 - DS1 High Capacity Service. Each Subject Service shall consist of the following rate elements: (i) one (1) Channel Termination, (ii) one (1) Fixed Mileage Termination, (iii) up to eight (8) miles of Variable Mileage (from a cell site to a Serving Wire Center), and (iv) multiplexing (LightGate 1 COCI/28 DS1). DS1 High Capacity Service circuits, including more than eight (8) miles of Variable Mileage, shall not be considered Subject Services and are not be eligible for discounts under this Contract Offer. Subject Service rate elements and their associated USOCs are listed in Table A, below:

Table A

| Rate Element | USOC |
|--|-------|
| Channel Termination | TMECS |
| Fixed Mileage Termination | 1L5XX |
| Variable Mileage (up to and including | 1L5XX |
| 8 miles) | |
| Multiplexing (LightGate 1 COCI/28 DS1) | MQC31 |

- (B) Subject Services must be located in the following MSA: Birmingham,
- (C) Subject Services must originate or terminate on a wireless carrier's network.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.63 <u>Contract Offer No. 60 - Special Access Wireless DS1 Bundle Service Offer</u> (Cont'd)

25.63.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria as of the date this Contract Offer becomes effective (Effective Date):

- (A) The Customer must be operating, as of the Effective Date, no fewer than two hundred (200) and no more than seven hundred (700) cell sites activated and providing service within the Birmingham, AL MSA. Such cell sites in operation as of the Effective Date, together with any other cell sites for which Customer orders Subject Services at any time during the Term Period, are referred to in this Contract Offer as "Qualified Cell Sites"; and
- (B) The Customer must be purchasing, as of the Effective Date, no fewer than one thousand (1000) and no more than two thousand (2000) DS1 special access circuits from the Telephone Company which terminate at Qualified Cell Sites.

25.63.4 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) shall be eighty-four (84) months, commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. Upon expiration of the Term Period, Subject Services shall no longer receive the discounts provided under this Contract Offer, and will be converted to the prevailing month-to-month rates in BellSouth Tariff F.C.C. No. 1, Section 23.5.2.

(B) General Terms and Conditions

- (1) Subject Services are subject to certain rates, charges and general terms and conditions described in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the Terms and Conditions of this Contract Offer. If any provision of this Contract Offer conflicts with any otherwise applicable provisions of BellSouth Tariff F.C.C. No. 1, Sections 2, 5 or 13, this Contract Offer shall govern over the conflicting provision.
- (2) All Terms and Conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

- 23.63 <u>Contract Offer No. 60 Special Access Wireless DS1 Bundle Service Offer</u> (Cont'd)
- 25.63.4 <u>Terms and Conditions</u> (Cont'd) (B) General Terms and Conditions (Cont'd)
 - (3) The Customer may not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering, discount plan or agreement, except as expressly provided in such other contract offer, promotional offering, discount plan or agreement.
 - (4) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company, which must include a list of eligible Access Customer Name Abbreviations (ACNAs) under which the Customer will purchase Subject Services pursuant to this Contract Offer. The Customer may update its list of eligible ACNAs from time to time by written notice to the Telephone Company. Services ordered or purchased under other ACNAs may not be transferred or converted to this Contract Offer.
 - (5) The Customer shall order and purchase Subject Services under this Contract Offer at a minimum of two hundred seventeen (217) Qualified Cell Sites at which the Telephone Company provided service to the Customer prior to the Effective Date, all of which shall be identified by the Customer in the LOS.
 - (6) The Customer may purchase no more than two thousand five hundred (2,500) Subject Services under this Contract Offer in Contract Years 1 through 3 of the Term Period, and no more than one thousand (1,000) additional new Subject Services, for a total of three thousand five hundred (3,500) Subject Services, through the end of the Term Period, provided, however, that any DS1 special access circuits in operation at any Qualified Cell Site in operation as of the Effective Date of this Contract Offer are excluded from this limitation. A "Contract Year" is each consecutive twelve (12) month period of the term, commencing with the beginning of the Term Period.
 - (7) All Subject Services must be ordered under Plan C, as described in Section 23 of BellSouth Tariff F.C.C. No. 1, under a 61-96 month term commitment. This ordering requirement is for administrative purposes only, to assure the proper provisioning and billing of Subject Services. Subject Services will not be subject to any term commitment or termination liability charges as provided in Section 23, or to any other ordering obligations inconsistent with this Contract Offer. Instead, the Subject Services will have the same term as the Term Period, and any term commitments or termination charges applicable to Subject Services shall be those provided in this Contract Offer. Rates and charges for Subject Services shall include credits provided under Section 25.63.5 of this Contract Offer.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

26.63 <u>Contract Offer No. 60 - Special Access Wireless DS1 Bundle Service Offer</u> (Cont'd)

25.63.4 Terms and Conditions (Cont'd)

- (B) <u>General Terms and Conditions</u> (Cont'd)
 - (8) Beginning no later than fifty-seven (57) months after the beginning of the Term Period, the parties to this Contract Offer shall begin to negotiate in good faith regarding a successor to this Contract Offer.
 - (9) Termination liability charges shall not apply to the conversion to this Contract Offer of any service previously provided pursuant to BellSouth Tariff F.C.C. No. 1.

25.63.5 Rates and Charges

(A) Charges for Subject Services will be invoiced to the Customer monthly, and will be calculated by cell site. The Telephone Company will charge the Customer a fixed monthly recurring amount for the purchased Subject Services at each Qualified Cell Site in an amount equal to eight hundred forty dollars (\$840) per cell site, per month (Cell Site Fixed Charge). For the Cell Site Fixed Charge, the Telephone Company will provide, at the Customer's option, up to four (4) Subject Services at each Qualified Cell Site. The Cell Site Fixed Charge will continue to apply to each Qualified Cell Site from the date Subject Services are installed until the end of the Term Period, except as provided in Sections 25.63.5(A)(2) and 25.63.5(C), below

The Customer may purchase additional Subject Services at any Qualified Cell Site, at a fixed monthly recurring charge for each additional Subject Service (Additional Service Charge). Such additional Subject Services may be disconnected, at the Customer's discretion, at any time during the Term Period, without termination charges or any other charges associated with the disconnection of such Subject Services. The Additional Service Charge shall be \$125 per Subject Service at any Qualified Cell Site

(1) The Total Fixed Charge will be applied to Subject Services as follows. The Customer will be billed monthly for Subject Services according to the prevailing Monthly Recurring Charges (MRCs) listed in Section 23 of BellSouth Tariff F.C.C. No. 1, as applicable to a 61-96 month term commitment (Plan C). The Telephone Company will then issue credits to the Customer in amounts equal to the difference between the MRCs billed to the Customer and the total amount of all Total Fixed Charges for the Qualified Cell Sites. These Credits will be applied to the Customer's bills monthly, one month in arrears. Taxes and other charges, as defined in Section 25.63.5(B) of this Contract Offer, if applicable, will be charged according to the Plan C rates, but will not be included in the credits applied to the Customer's bill.

BELLSOUTH TELECOMMUNICATIONS Four AT&T Plaza, Dallas, Texas 75202

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.63 <u>Contract Offer No. 60 - Special Access Wireless DS1 Bundle Service Offer</u> (Cont'd)

25.63.5 <u>Rates and Charges</u> (Cont'd) (A) (Cont'd)

- (2) The Customer may replace Subject Services, without termination or other charges under this Contract Offer, with any Ethernet -based service offered by the Telephone Company having a bandwidth of at least ten (10) megabits per second (Mbps) and purchased pursuant to a contract providing for a term commitment applicable to any service replacing a Subject Service that is at least equal to the remainder of the Term Period (Qualified Ethernet Service). Following the replacement of Subject Services with Qualified Ethernet Services, the Total Fixed Charge shall no longer apply to those Subject Services. The Customer may continue to purchase Subject Services following such replacement, subject to only an Additional Service Charge.
- (3) Except for any governmentally imposed taxes or surcharges, as set forth in Section 25.63.5(B) or otherwise provided in this Section 25.63.5, no other rates or charges apply to the Subject Services. The Telephone Company's obligations to provide Subject Services under this Contract Offer are subject to the availability of suitable facilities. If suitable facilities do not exist, the Telephone Company shall provide, or otherwise make available, such suitable facilities subject to special construction charges, if applicable. The Non-Recurring Charges (NRCs) set forth in Table B, herein, shall apply to Subject Services provided under this Contract Offer, subject to Section 25.63.5(A)(3)(i), below. All other NRCs are waived.
 - (a) The Telephone Company shall establish, on behalf of the Customer, a credit pool in the amount of two hundred and fifteen thousand dollars (\$215,000), to be applied against otherwise applicable NRCs during the Term Period (NRC Credit Pool). The Telephone Company will bill, and the Customer shall pay as they come due, the NRCs listed in Table B. The Telephone Company will review billing for such NRCs semi-annually, and will issue credits to the Customer for such NRCs, until the NRC Credit Pool is exhausted, provided, however, that the Telephone Company will review billing for such NRCs monthly for the first six (6) months following the Effective Date, and will issue credits to Customer for such NRCs.

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² Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.63 <u>Contract Offer No. 60 - Special Access Wireless DS1 Bundle Service Offer</u> (Cont'd)

25.63.5 Rates and Charges (Cont'd)

(A) (Cont'd)

TABLE B:

| Rate Element | BellSouth FCC #1 Section |
|--|--------------------------|
| Initial Service Order Charge | 5.1.1 |
| Service Date Advancement Charge - per | |
| order | 5.1.1 |
| Service Date Advancement - SPA DS1 | |
| Services - Per Circuit | 5.1.1 |
| Service Date Advancement - Missed | |
| Appointment SPA DS1 Services - Per | |
| Circuit | 5.1.1 |
| Service Date Change Charge — per Order | 5.1.1 |
| Additional Dispatch Charge | 5.1.1 |
| Design Change Charge - per Order | 5.1.1 |
| Charges for Additional Engineering - | |
| each additional hour or fraction | |
| thereof — Basic time | 13.1.1 |
| Charges for Additional Engineering - | |
| each additional hour or fraction | |
| thereof — Overtime outside of basic | |
| hours | 13.1.1 |
| Installation or Repair Overtime - | |
| Outside Basic Schedule Working Hours - | |
| per hour or fraction thereof | 13.2.6 |
| Installation or Repair Premium Time — | |
| Outside Basic Schedule Working Hours - | |
| per hour or fraction thereof | 13.2.6 |
| Installation or Repair Stand-By Time - | |
| Outside Basic Schedule Working Hours - | 10.0.6 |
| per hour or fraction thereof | 13.2.6 |
| Maintenance of Service Charge — per | |
| each Half Hour or fraction there of - | 12.0.6 |
| Basic Working Hours | 13.2.6 |
| Maintenance of Service Charge — per | |
| each Half Hour or fraction there of — | 13.0.6 |
| Overtime Working Hours | 13.2.6 |
| Maintenance of Service Charge — per | |
| each Half Hour or fraction there of — | 12.0.6 |
| Premium Working Hours | 13.2.6 |

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25 - CONTRACT TARIFFS

25.63 <u>Contract Offer No. 60 - Special Access Wireless DS1 Bundle Service Offer</u> (Cont'd)

25.63.5 Rates and Charges (Cont'd)

(B) Taxes

Rates and charges set forth in this Contract Offer are exclusive of, and the Customer will pay, all current and future taxes and fees (but excluding taxes or fees imposed on gross receipts of general commercial businesses, net income, corporate franchise, property/ad valorem, payroll/employment, capital stock or net worth tax and the right-to-do-business, i.e., license taxes or fees), and other applicable government-mandated surcharges and other similar charges, including, without limitation, Universal Service Fund surcharges (and any associated interest and penalties resulting from the Customer's failure to timely pay such taxes or similar charges) relating to the sale, transfer of ownership, installation, license, use or provision of the Subject Services, except to the extent the Customer submits and maintains a reasonably acceptable to AT&T exemption certificate covering all of the Subject Services, and/or provides satisfactory proof of a valid tax exemption for the Subject Services.

(C) If the Customer requests that the Telephone Company provide Qualified Ethernet Service to replace Subject Services at any Qualified Cell Site at which Subject Services have been purchased under this Contract Offer, and the Telephone Company fails to do so within ninety (90) days after such request, the Telephone Company will provide the Customer up to six (6) Subject Services at each such Qualified Cell Site for a fixed MRC amount of \$840 per Qualified Cell Site. Additional Subject Services may be purchased at such Qualified Cell Sites for a fixed MRC of \$125 per additional Subject Service. These charges shall be applied in lieu of, but in the same manner as, the Total Fixed Charge, as provided in Section 25.63.5 (A) (1) of this Contract Offer.

25.63.6 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

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25 - CONTRACT TARIFFS

25.63 Contract Offer No. 60 - Special Access Wireless DS1 Bundle Service $\overline{\text{Offer}}$ (Cont'd)

25.63.6 <u>Assignment/Transfer</u> (Cont'd)

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.63.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

25.63.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.63 Contract Offer No. 60 - Special Access Wireless DS1 Bundle Service Offer (Cont'd)

25.63.8 Termination or Failure to Purchase

The charges provided herein shall apply to Subject Services under this Contract Offer in lieu of any otherwise applicable termination liability charges or similar charges, except as otherwise provided herein.

Except as otherwise provided in this Contract Offer, if the Customer terminates any Subject Service for any reason other than uncured material breach by the Telephone Company of this Contract Offer or any other applicable tariff provision prior to the end of the Term Period, or fails to purchase any Subject Service for which purchase is required, or if the Telephone Company terminates any Subject Service as a result of the Customer's uncured material breach of this Contract Offer or of any other applicable tariff provision, termination liability charges shall apply in the amount of (i) fifty percent (50%) of the discounted MRCs applicable to the terminated Subject Services, net of all credits provided for in this Contract Offer, multiplied by (ii) the number of calendar months, or fractions thereof, remaining in the Term Period following the effective date of the termination. Customer may terminate this Contract Offer or discontinue the purchase of any Subject Service at any time during the Term Period, in whole or in part, as a result of an uncured material breach of this Contract Offer or any other applicable tariff provision by the Telephone Company.

The non-breaching party shall give the other party no less than thirty (30) days' prior written notice, and the opportunity to cure any breach of this Contract Offer.

25.63.9 Technology Upgrade/Migration

- (A) If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Services provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or tariff arrangement to purchase the new service offerings from the Telephone Company, in substitution for the Subject Services provided under this Contract Offer, without incurring termination liability charges under this Contract Offer, provided, however, that the contract offer or tariff arrangement governing the new service includes a term period and billing amount equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following conditions are met:
 - (1) The Customer must meet all eligibility requirements outlined in Section 25.63.3, and the Terms and Conditions outlined in Section 25.63.4;
 - (2) The Customer must provide a written notification to the Telephone Company ninety (90) days prior to exercising this option; and

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ACCESS SERVICE

25 - CONTRACT TARIFFS

- 25.63 Contract Offer No. 60 Special Access Wireless DS1 Bundle Service Offer (Cont'd)
- 25.36.9 <u>Technology Upgrade/Migration</u> (Cont'd)
 - (A) (Cont'd)
 - (3) The Customer must pay all NRCs associated with the upgrade, as well as any applicable special construction charges incurred by the Telephone Company to provision the upgraded service.
- 25.63.10 De-Tariffing of Subject Services.

If, at any time during the Term Period, the Subject Services available under this Contract Offer are voluntarily or involuntarily detariffed by the Telephone Company, in whole or in part, pursuant to a statutory change, order or requirement of a governmental or judicial authority of competent jurisdiction, the rates, and Terms and Conditions for Subject Services provided under this Contract Offer will remain in full force and effect for the remainder of the unexpired Term Period.

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ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings
 - 25.64 Contract Offer No. 61 DS3 IOF Transport Bundle Service Offer

25.64.1 General Description

DS3 Inter-Office Facility (IOF) Transport Bundle Service Offer is an access discount pricing plan that provides discounts on Monthly Recurring Charges (MRCs) for certain services located in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) listed in Section 25.64.2. Qualified services are listed in Section 25.64.2 and must meet the Eligibility Criteria described in Section 25.64.2. Contract Offer No. 61 is available for subscription from March 3, 2009 to May 31, 2009. This Contract Offer is not renewable.

25.64.2 Eligibility Criteria

- (A) This Contract Offer applies to LightGate Point-to-Point (DS3), as described in BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Section 7 (Subject Services).
- (B) Contract Offer No. 61 applies to Subject Services located in any of the Pricing Flexibility MSAs:

Birmingham, AL; Huntsville, AL; Mobile, AL; Montgomery, AL; Daytona Beach, FL; Gainesville, FL; Jacksonville, FL; Melbourne-Titusville-Palm Bay, FL; Miami-Fort Lauderdale-Hollywood, FL; Orlando, FL; Panama City, FL; Pensacola, FL; West Palm Beach-Boca Raton, FL; Albany, GA; Athens, GA; Atlanta, GA; Augusta, GA/SC; Columbus, GA/AL; Savannah, GA; Evansville, KY; Lexington/Fayette, KY; Louisville, KY; Owensboro, KY; Alexandria, LA; Baton Rouge, LA; Lafayette, LA; Lake Charles, LA; Monroe, LA; New Orleans, LA; Shreveport, LA; Biloxi-Gulfport, MS; Jackson, MS; Asheville, NC; Charlotte-Gastonia, NC; Greensboro-Winston-Salem-High Point, NC; Raleigh-Durham, NC; Wilmington, NC; Anderson, SC; Charleston-North Charleston, SC; Columbia, SC; Florence, SC; Greenville-Spartanburg, SC; Chattanooga, TN-GA; Clarksville-Hopkinsville, TN/KY; Knoxville, TN; Memphis, TN; and Nashville-Davidson, TN.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.64 Contract Offer No. 61 - DS3 IOF Transport Bundle Service Offer (Cont'd)

25.64.2 Eligibility Criteria (Cont'd)

- (C) Subject Services must be new installations. Services that were being provided to the Customer by the Telephone Company prior to the Customer's subscription to this Contract Offer are not eligible for this Contract Offer.
- (D) This Contract Offer is available only where facilities exist.
- (E) Subject Services must originate from a Self-healing Multi-nodal Alternate Route Topology Ring (SMARTRing) or LightGate (Optical) OCN Point-to-Point Service, provided by the Telephone Company, and terminate at either a 3:1 multiplexer in an AT&T Central Office or a LightGate 1 DS3 Local Channel at an End User location.
- (F) This Contract Offer does not apply to SMARTRing DS3 interfaces or DS3 services terminated to collocation.²

² SMARTRing and LightGate Optical services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been detariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.64 Contract Offer No. 61 DS3 IOF Transport Bundle Service Offer (Cont'd)

25.64.3 Terms and Conditions

- (A) Subject Services shall be subject to a minimum term commitment (Service Plan) of twelve (12) to thirty-six (36) months (Transport Payment Plan (TPP A), thirty-seven (37) to sixty (60) months (TPP B), or sixty-one (61) to ninety-six (96) months (TPP C), as applicable to the Transport Payment Plan term selected by the Customer for the relevant Subject Service. Upon expiration of the Service Term, the Subject Service(s) shall be provided under the applicable month-to-month rates described in Sections 7 and 23, unless the Customer:
 - (1) Selects from the TPP options listed in Sections 7 and 23; or
 - (2) Disconnects the Subject Service(s).
- (B) General Terms and Conditions
 - (1) Subject Services provided under this Contract Offer are subject to certain rates, charges, and general terms and conditions described in Sections 2, 5, and 13, as applicable.
 - (2) To subscribe to this Contract Offer, Customers must submit a signed Letter of Subscription (LOS) to the Telephone Company.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.64 Contract Offer No. 61 DS3 IOF Transport Bundle Service Offer (Cont'd)
 - 25.64.3 Terms and Conditions (Cont'd)
 - (B) General Terms and Conditions (Cont'd)
 - (3) Within sixty (60) days after submitting its signed LOS, the Customer must submit access order(s) pursuant to this Contract Offer and may submit additional access orders to purchase additional Subject Services thereafter, provided, however, that all Subject Services must have an installation completion date on or before August 31, 2009. Notwithstanding the foregoing, Subject Services that are ordered no later than July 31, 2009, but are assigned completion dates beyond August 31, 2009, as a result of Telephone Company reasons, shall be eligible for this Contract Offer.
 - (4) If the Customer discontinues service under Contract Offer No. 61 during the Service Term, or if the Customer breaches any of the Terms and Conditions of this Contract Offer or any other applicable tariff provision, termination liability charges will apply in accordance with Section 25.64.7.
 - (5) This Contract Offer cannot be combined with any other discount, promotional offering or other pricing flexibility contract offer unless explicitly stated in such other discount plan, promotional offering or pricing flexibility contract offer.

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.64 Contract Offer No. 61 DS3 IOF Transport Bundle Service Offer (Cont'd)
 - 25.64.3 Terms and Conditions (Cont'd)
 - (B) General Terms and Conditions (Cont'd)
 - (6) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services provided under this Contract Offer is prohibited.
 - (7) If the Customer requests additional service, features and functions not included in Section 25.64.4, the Customer will pay the tariff rates as contained in Sections 7 and 23, as applicable.
 - 25.64.4 Rates and Charges
 - (A) Monthly Recurring Charges (MRCs)

The Customer must pay the MRCs, listed below, for new DS3 IOF Transport Bundle Service ordered under this Contract Offer. Any rate element not described herein will be subject to the applicable tariff rates provided in Sections 7 and 23.

Generally applicable Non-Recurring Charges (NRCs) shall apply.

DS3 IOF Transport Bundle USOCs

| Elements | USOCs | TPP A (12- 36 months) | TPP B (37- 60 months) | TPP C (61- 96 months) |
|--|---|--------------------------|--------------------------|--------------------------|
| LightGate 1 DS3 IOF Fixed and Per Mile, including DS3 COCI (1 - 15 IOF miles) | 1LPS8 or 1LPS9 and 1LPE8 or 1LPE9 and 1PQE3 | \$650 | \$450 | \$350 |
| LightGate 1 DS3 IOF Fixed and Per Mile, including DS3 COCI (16 - 25 IOF miles) | 1LPS9 and 1LPE9 and 1PQE3 | \$800 | \$600 | \$500 |

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.64 Contract Offer No. 61 DS3 IOF Transport Bundle Service Offer (Cont'd)
 - 25.64.5 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B), or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.64 Contract Offer No. 61 DS3 IOF Transport Bundle Service Offer (Cont'd)
 - 25.64.5 Assignment/Transfer/Successors (Cont'd)
 - (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
 - (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section is not available, the Telephone Company shall exercise its reasonable discretion to determine the credit worthiness of the assignee or transferee based on any information available.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.64 Contract Offer No. 61 - DS3 IOF Transport Bundle Service Offer (Cont'd)

25.64.6 Mergers/Acquisitions

All provisions of this Contract Offer shall continue in full force and effect notwithstanding any merger or acquisition affecting the Customer. A merger or acquisition within the meaning of this provision, shall include, without limitation, any transaction in which the Customer, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.64 Contract Offer No. 61 - DS3 IOF Transport Bundle Service Offer (Cont'd)

25.64.7 Termination Liability

Subject Services shall be subject to termination liability, as provided in this Contract Offer, in lieu of the termination liability language contained in Section 2.4.8 for LightGate DS3 Service under a Transport Payment Plan (TPP) service plan. If the Customer terminates services before the completion of the Term Period for any reason, or if the Customer breaches any of the Terms and Conditions of this Contract Offer or any other applicable tariff provision, the Customer must pay to the Telephone Company termination liability charges as described below. These charges shall become due as of the effective date of the cancellation or termination, and are payable as described in Section 2.4.8. The Customer's termination liability for cancellation of service shall be equal to fifty (50) percent of all MRCs for the balance of the Service Term applicable to the relevant Subject Service(s).

Example: A Customer with a \$600 DS3 IOF Transport Bundle MRC terminates service after two (2) years, and has thirteen (13) months remaining in a thirty-seven (37) month (TPP B) term plan. The termination liability would be calculated as:

 $$600 \times 13 \times 50\% = $3,900$ termination liability charge.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings

25.65 Contract Offer No. 62 - Access Service Offer

25.65.1 General Description

The Special Access Service Offer (Contract Offer No. 62) is a plan for which concurrent subscription is required to this Contract Offer and the following additional contract offers: The Southern New England Telephone Company (SNET) Tariff F.C.C. No. 39, Contract Offer No. 43; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 149; Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 185; Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 162; and Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 21 (the "Concurrently Subscribed Contract Offers"). NBTC, PBTC, SNET, SWBT, Ameritech, and BellSouth are identified herein as the "Qualified Companies."

Contract Offer No. 62 requires eligible customers to satisfy a Minimum Annual Revenue Commitment (MARC), applicable collectively to all of the Concurrently Subscribed Contract Offers, during each Term Year of the Contract Term. Revenue included in the MARC consists of recurring revenue from all MARC-Eligible Services (as defined in Section 25.65.2 of this Contract Offer) and from MARC-eligible services provided under the other Concurrently Subscribed Contract Offers.

Contract Offer No. 62 will be available for subscription only from March 25, 2009 through April 25, 2009. This Contract Offer is not renewable.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.65 Contract Offer No. 62 - Access Service Offer (Cont'd)

25.65.2 MARC-Eligible Services

Revenue included in the MARC under this Contract Offer includes all recurring revenue from all MARC-Eligible Services purchased from the Telephone Company under this Contract Offer. MARC-Eligible Services include both Subject Services, listed in Table A, below, and Non-Subject Services, listed in Table B, below. Revenue included in the MARC also includes MARC-eligible services provided pursuant to the other Concurrently Subscribed Contract Offers.

(A) <u>Subject Services</u>

Subject Services are listed in Table A, below. Subject Services are eligible for discounts and other incentives provided under this Contract Offer.

All rates, terms and conditions for Subject Services are governed by the applicable tariff sections, except as noted in this Contract Offer.

<u>Table A</u> - <u>Subject Services</u>

| Service Type | Service | |
|------------------------------|---|--|
| | Voice Grade | |
| | DSO | |
| | DS1 | |
| | DS3 | |
| | Switched Access Transport (excluding such service provided by BellSouth Telecommunications, Inc.) | |
| Interstate Special | SONET Xpress | |
| Access | Shared Transport Network (STN) | |
| | Relianet | |
| | Broadband Circuit Service (BCS) | |
| | SNET SONET Network Service (SSNS) | |
| | Lightgate Services (DS3) | |
| | SMARTGate | |
| | SMARTPath DS1 and DS3 | |
| Intrastate Special Access | Equivalent services provided as Interstate Special Access above, subject to the terms and conditions of this Contract Offer | |

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.65 Contract Offer No. 62 - Access Service Offer (Cont'd)

25.65.2 MARC-Eligible Services (Cont'd)

(B) Non-Subject Services

Non-Subject Services are listed in Table B, below. Recurring revenue attributable to Non-Subject Services will be included in the Customer's revenue for purposes of determining and satisfying the Customer's MARC under this Contract Offer, but are not otherwise subject to the rates, terms or conditions of this Contract Offer. In particular, but without limitation, Non-Subject Services are not eligible for credits or other incentives provided under this Contract Offer.

Table B - Non-Subject Services

| Service Type | Service | |
|------------------------------|---|--|
| | OCN (Optical Carrier Network) Point-to- Point Dedicated SONET Ring Service (DSRS) | |
| | · · · · · · · · · · · · · · · · · · · | |
| | SONET Ring and Access Service (SRAS) | |
| | GigaMAN (Gigabit Ethernet Metropolitan Area Network) | |
| | Multi-service Optical Network (MON) Ring Service | |
| | OPT-E-MAN (Optical Ethernet Metropolitan Area Network) | |
| Interstate Special Access | DecaMAN (10 Gigabit Ethernet Metropolitan Area Network) | |
| | WaveMAN (Wavelength Metropolitan Area Network) | |
| | Serial Component Video Service (SCVS) | |
| | AVS 270 Video Service | |
| | SMARTRing Services | |
| | Lightgate Services - OCN | |
| | Metro Ethernet Services | |
| | Wavelength Services | |
| Intrastate Special Access | Special Equivalent services provided as Interstate Special Access above, subject to the terms and conditions of this Agreement. | |

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.65 <u>Contract Offer No. 62 - Access Service Offer</u> (Cont'd)

25.65.3 Eligibility Criteria

The Customer must satisfy the following Eligibility Criteria to qualify for this Contract Offer:

- (A) Contract Offer No. 62 is available for special access services for which the Telephone Company has been granted pricing flexibility, and which are located in MSAs for which the Telephone Company has been granted pricing flexibility, as listed in BellSouth Tariff F.C.C. No. 1, Section 23. During the Term Period (as defined in Section 25.65.4(B)), if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 23 at the time of subscription, the Customer may, at its option, include Subject Services eligible for the calculation of credits under this Contract Offer.
- (B) The MARC-Eligible Services must be located within the "Operating Territory" of the Telephone Company, as described in BellSouth Tariff F.C.C. No. 1, Section 15 (Operating Territory);
- (C) The Customer must concurrently subscribe to this Contract Offer and the following additional contract offers:
 - •SNET Tariff F.C.C. No. 39, Contract Offer No. 43; •PBTC Tariff F.C.C. No. 1, Contract Offer No. 149; •Ameritech Tariff F.C.C. No. 2, Contract Offer No. 185; •SWBT Tariff F.C.C. No. 73, Contract Offer No. 162; and •NBTC Tariff F.C.C No. 1, Contract Offer No. 21.

25.65.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 62:

(A) Subscription

To subscribe to Contract Offer No. 62, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The LOS must list all Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer ("Eligible ACNAs"). Services ordered or purchased under ACNAs that are not Eligible ACNAs may not be transferred to, or converted to, or otherwise included in this Contract Offer.

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.65 Contract Offer No. 62 - Access Service Offer (Cont'd) 25.65.4 Terms and Conditions (Cont'd)

- The term of this Contract Offer ("Term Period") shall begin on the date the Letter of Subscription (LOS) is received from the Customer ("Effective Date"), and shall end on December 31, 2012. Upon expiration or termination of this Contract Offer, the Telephone Company will issue to the Customer all credits earned under this Contract Offer prior to the effective date of such termination or expiration, provided that the Customer has complied with all relevant Terms and Conditions of this Contract Offer through the effective date of the termination or expiration, except as provided to the contrary in Section 25.65.9. Following termination or expiration of this Contract Offer, all credits provided under this Contract Offer will cease, and will no longer apply to any services provided by Telephone Company during or after the Term Period of this Contract Offer regardless of any applicable Service Term.
- (C) The Customer agrees to a Minimum Annual Revenue Commitment (MARC) of \$145,000,000. Revenue contributing to the satisfaction of the MARC will include, in the aggregate, recurring revenue for MARC-Eligible Services, as defined in Section 25.65.2 of this Contract Offer, and MARC-eligible services, as defined in the other Concurrently Subscribed Contract Offers listed in Section 25.65.3(D). The MARC shall apply during each Term Year of this Contract Offer.
- (C) Credits earned by the Customer under this Contract Offer No. 62 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 25.65.6(A), below, and in the analogous sections of the other Concurrently Subscribed Contract Offers.
- (D) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of BellSouth Tariff F.C.C. Tariff No. 1 (Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services), and such terms and conditions may be modified through the filing of tariff changes at any time during the Contract Term. However, such tariff modifications will not change the Terms and Conditions described in Contract Offer No. 62.

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.65 Contract Offer No. 62 - Access Service Offer (Cont'd)

25.65.4 Terms and Conditions (Cont'd)

- (F) This Contract Offer No. 62 is available March 25, 2009 through April 25, 2009.
- (G) Subject Services may not be purchased pursuant to:
 (i) any discount or credit plans or offerings based on revenue or purchase volume commitments; (ii) any pricing flexibility contract offers; or (iii) any of the following: Managed Value Plan (MVP) Ameritech Tariff FCC 2 Section 19, SWBT Tariff FCC 73 Section 38, and PBTC Tariff FCC 1 Section 25; Area Commitment Plan (ACP) BellSouth Tariff FCC 1 Section 2.4.8 (B); Transport Advantage Plan (TAP) BellSouth Tariff FCC 1 Section 2.4.8 (H); and Fast Packet Savings Plan (FSP) BellSouth Tariff FCC 1 Section 2.4.8 (F), unless such other offering expressly (i) refers to this Contract Offer, and (ii) permits the application of such incentives, credit or discount, provided, however, that the Customer may purchase Subject Services pursuant to generally available tariffed term pricing plans, excluding those listed above.
- (H) The Customer must pay all billed charges in full when they become due, excluding amounts properly disputed. The Telephone Company will provide the Customer written notice of any non-compliance. The Customer will have ten (10) business days from receipt of the written notice to comply. If the Customer fails to comply, such failure shall be deemed to be a material breach of this Contract Offer, and the Contract Offer will be terminated. Termination liabilities as described in Section 25.65.9, below, will apply. Credits to be provided under this Contract Offer will not be issued unless and until the Customer has paid all billed charges, excluding amounts properly disputed, and unless the Customer is otherwise in material compliance with this Contract Offer.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.65 Contract Offer No. 62 - Access Service Offer (Cont'd)

25.65.5 Minimum Annual Revenue Commitment (MARC)

(A) Satisfaction of the MARC

Satisfaction of the MARC shall be determined according to the recurring revenue attributable to: (i) MARC-Eligible Services (defined in Section 25.65.2), as billed by the Telephone Company, plus any Shortfall Amounts paid by the Customer and applicable to the year to which the Shortfall Amount applies, as provided in Section 25.65.6(F), and (ii) MARC-eligible services as defined in the other Concurrently Subscribed Contract Offers, plus any applicable true-up amounts provided for therein. To be included, recurring revenue must be billed under the Eligible ACNAs. For clarification, but not by way of limitation, the MARC shall exclude non-recurring charges, usage-based charges, temporary service charges, Unbundled Network Element ("UNE") charges and charges for Switched Access Dedicated Transport purchased from BellSouth. Services included in the MARC shall include both services ordered prior to the date upon which the Customer subscribes to this Contract Offer and services ordered during the Term Period.

(B) Monthly and Annual Review of MARC Revenue

AT&T will review revenues for MARC-Eligible Services within thirty (30) days after the end of each month during the Term Period (a "Monthly Review"), and within thirty (30) days after the end of each Term Year ("Annual Review").

25.65.6 Billing and Credits

(A) Monthly Credits

For each month of the Contract Term, the Customer may be eligible for a Monthly MARC Credit under this Contract Offer and the other Concurrently Subscribed Contract Offers ("Monthly MARC Credits" or "MMC").

The Telephone Company will issue MMC to the Customer for any month during the Contract Term for which MARC-Eligible Revenue is at least one-twelfth of the MARC (the "Monthly MARC"), to be determined according to the Monthly Review. The Telephone Company will apply the MMC to the Customer's bill no later than sixty (60) days from the last bill period, or from the end of month in which it was achieved.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.65 Contract Offer No. 62 - Access Service Offer (Cont'd)

25.65.6 Billing and Credits (Cont'd)

(A) Monthly Credits (Cont'd)

The aggregate amounts of Monthly MARC Credits under this Contract Offer and the other Concurrently Subscribed Contract Offers shall be as provided in Table C. The Monthly Credits shall be divided among this Contract Offer and the other Concurrently Subscribed Contract Offers in proportion to the billing incurred for the MARC-Eligible Services under this Contract Offer and the MARC-eligible services in each of the other Concurrently Subscribed Contract Offers. Credits shall not be posted if the Customer is in material breach of this Contract Offer, or in material breach of the terms and conditions governing the Subject Services, including, without limitation, failure to pay any undisputed amount due for Subject Services, until such breach is cured or payment for undisputed amounts is made by Customer.

Table C:

| Term Year | Monthly MARC Credit (MMC) |
|-----------|------------------------------|
| Year 1 | \$666,667 |
| Year 2 | \$666,667 |
| Year 3 | \$666,667 |
| Year 4 | \$666,667 |

(B) Annual True-Up

(i) If, based on the Annual Review, the Customer's MARC Eligible Revenue for a Term Year is equal to or greater than the MARC, the Telephone Company will issue to the Customer any MMC not previously issued as a result of Customer's failure to meet the Monthly MARC during any month of that Term Year.

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.65 Contract Offer No. 62 - Access Service Offer (Cont'd)

25.65.6 Billing and Credits (Cont'd)

- (B) Annual True-Up (Cont'd)
 - (ii) If, based on the Annual Review, the Customer's MARC-Eligible Revenue for a Term Year is less than the MARC, the Telephone Company shall bill, and the Customer shall pay, the difference between the Customer's MARC-Eligible Revenue and the MARC for that Term Year (a "Shortfall Amount"). The Telephone Company will bill the Shortfall Amount, which will be applied to the Customer's billings for Subject Services, within sixty (60) days after the end of the applicable Term Year. Payment of the Shortfall Amount will satisfy the Customer's MARC obligation for the year to which the Shortfall Amount applies. Upon payment of any applicable Shortfall Amount, the Telephone Company shall issue to the Customer any credits for that year, provided the Customer is otherwise in compliance with the Terms and Conditions of this Contract Offer.
- 25.65.7 Assignment/Transfer/Successors Neither party shall assign or otherwise transfer this Contract Offer, or its rights or obligations hereunder, to any person or entity without the prior written consent of the other party, which shall not be unreasonably withheld or delayed, provided, however, that either party shall have the right, without the consent of but with notice to the other party, to assign or otherwise transfer this Contract Offer to any person or entity that controls, is under the control of, or is under common control with the assigning party. Further, the Telephone Company may also, without Customer's consent, assign its rights and obligations under this Contract Offer to an affiliate, or subcontract to an affiliate or a third party work to be performed under this Contract Offer. Any such assignment or other transfer shall be subject to the other party's rights under this Contract Offer, and any assignee or transferee shall continue to perform the assigning or transferring party's obligations under this Contract Offer, and the assignor or transferor will remain financially responsible for the performance of this Contract Offer and/or its obligations hereunder. Any assignment or other transfer of this Contract Offer, or the rights or obligations hereunder, or any attempt to do either, in violation of this provision, shall be void.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.65 <u>Contract Offer No. 62 - Access Service Offer</u> (Cont'd)

25.65.8 Mergers/Acquisitions

All provisions of this Contract Offer shall continue in full force and in effect notwithstanding any merger or acquisition affecting a party. A merger or acquisition shall include, without limitation, any transaction in which the party, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of a merger of acquisition, if another entity involved in the merger or acquisition purchases any service from any Telephone Company entity, such service shall not be included in this Contract Offer for any purpose. The "Transaction Close Date" shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.65.9 <u>Termination</u>

Termination Liability Charge

If, prior to the completion of the Contract Term, the Customer terminates this Contract Offer for any reason other than material breach by the Telephone Company, or if the Telephone Company terminates this Contract Offer as a result of a material breach by the Customer, the Customer must pay a termination liability charge in the amount of:

One-twelfth (1/12) of the MARC in effect at the time of termination (rounded up to the nearest hundred dollars) multiplied by the number of months remaining in the Contract Term, multiplied by six percent (6%); and

Fifty percent (50%) of all MMC issued during the twelve (12) months prior to termination of this Contract Offer.

Any credits earned, but not paid, at the time of termination will not be paid to the Customer.

Upon termination of this Contract Offer, Subject Services shall be provided at the rates provided in Section 4, above, unless they are disconnected.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25. Pricing Flexibility Contract Offers

25.66 <u>Contract No. 63 - Special Access Bundle Service Offer</u>

25.66.1 General Description

Contract Offer No. 63 — Special Access Bundle Service Offer (Contract Offer No. 63) is an access discount pricing plan. This Contract Offer permits Customers that meet the Eligibility Criteria in Section 25.66.3, and the Terms and Conditions in Section 25.66.4, to purchase Subject Services in Section 25.66.2 at the discounted rates listed in Section 25.66.5. Subject Services under this Contract Offer are available in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 25.66.3 (B).

Contract Offer No. 63 is available for subscription from March 27, 2009 through April 27, 2009. This Contract Offer is not renewable.

25.66.2 <u>Subject Services</u>

(A) This Contract Offer applies to pricing-flexibilityqualified services (Subject Services) contained in the following tariff sections:

BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Section 7 — DS3 High Capacity (a/k/a BellSouth SPA High Capacity).

(B) All terms and conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

25.66.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria:

- (A) Subject Services must be pricing-flexibilityqualified access services listed in Section 25.66.2(A).
- (B) Subject Services must be located in the following MSAs: Atlanta, GA; Shreveport, LA; Biloxi (Gulfport), MS; Jackson, MS; and New Orleans, LA.
- (C) Subject Services under this Contract Offer must be existing services (i.e, services provided to the Customer by the Telephone Company prior to purchase under this Contract Offer) or services upgraded from existing services.

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ACCESS SERVICE

25. Pricing Flexibility Contract Offers (Cont'd)

25.66 Contract No. 63 - Special Access Bundle Service Offer (Cont'd)

25.66.3 Eligibility Criteria (Cont'd)

- (D) Subject Services must originate or terminate on a wireless carrier's network.
- (E) Subject Services must sub-tend a SONET ring service purchased from the Telephone Company.

25.66.4 Terms and Conditions

(A) Term Period

The contract term (Term Period) shall be sixty-nine (69) months, commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. This Contract Offer is not renewable. Upon expiration of the Term Period, Subject Services shall be provided at the prevailing applicable monthly (extension) rates described in Sections 7 or 23, unless the Customer selects a payment plan, as described in Sections 7 and 23, and as applicable.

(B) General

- (1) Subject Services, as described in Section 25.66.2, are subject to certain rates, charges and general terms and conditions described in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period, however, such tariff modifications will not change the Terms and Conditions described in this Contract Offer.
- (2) All Terms and Conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offers (Cont'd)
 - 25.66 Contract No. 63 Special Access Bundle Service Offer (Cont'd)
 - 25.66.4 Terms and Conditions (Cont'd)
 - (B) General (Cont'd)
 - (3) Subject Services provided under this Contract Offer may not be purchased under any other contract offer, promotional offering or other discount plan (e.g., TAP) that provides for credits or discounts on a per-Subject Service basis. Revenues attributable to Subject Services purchased under this Contract Offer may be included in any overall Customer revenue commitment or objective (e.g., Minimum Annual Revenue Commitment (MARC), Quarterly Revenue Objective (QRO)) in which Subject Service revenue is eligible to be included.
 - (4) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services under this Contract Offer is prohibited.
 - (5) If the Customer discontinues service under this Contract Offer during the Term Period, or if the Customer breaches any Terms and Conditions of this Contract Offer or any provision of any other applicable tariff, termination liability charges shall apply in accordance with Section 25.66.9.
 - (6) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.
 - (7) DS3 Central Office Multiplexing Subject Services converted under this Contract Offer must subtend new or existing BellSouth SONET services where such services are deployed within the MSAs noted in 25.66.3.²
 - (8) If the Customer previously purchased Subject Services (as defined in this Contract Offer) from the Telephone Company pursuant to BellSouth Tariff F.C.C. No. 1, Section 25, Contract Offer No. 52 and migrates such Subject Services to this Contract Offer, the Telephone Company shall waive any termination liability charges that would otherwise result from such migration. Termination liability charges shall otherwise apply according to the terms of the applicable tariff.

²SONET Ring services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been detariffed by the Telephone Company. Rates, terms and conditions associated with detariffed services are available at www.att.com/guidebook.

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ACCESS SERVICE

- 25. Pricing Flexibility Contract Offers (Cont'd)
 - 25.66 Contract No. 63 Special Access Bundle Service Offer (Cont'd)
 - 25.66.4 <u>Terms and Conditions</u> (Cont'd)
 - (C) Service Terms
 - (1) Subject Services under this Contract Offer shall be subject to a minimum term commitment (Service Term). For Subject Services converted or upgraded to this Contract Offer during the first twenty-four (24) months of the Term Period, the Service Term shall be co-terminus with the Term Period. For Subject Services converted or upgraded to this Contract Offer after the first twenty-four (24) months of this Contract Offer, the Service Term will be sixty (60) months and, upon expiration of the Term Period, such Subject Services will be provided subject to the prevailing sixty (60) month term payment plan rates in Section 23, as applicable to such Subject Services, for the remainder of the Service Term. Upon completion of the Service Term, the Customer may elect to continue the Subject Service at month-tomonth prevailing tariff rates, subscribe to an otherwise available Term Payment Plan as applicable under Section 7 or 23, or to disconnect the Subject Service.
 - (2) If the Customer disconnects a Subject Service before completion of the Service Term during the Term Period, termination charges shall apply in accordance with Section 25.66.9. If the Customer discontinues service under Contract Offer No. 63 during the Term Period, or if the Customer fails to comply with any of the Terms or Conditions of this Contract Offer or of any other applicable tariff provision, termination liability charges shall apply in accordance with Section 25.66.9.

25.66.5 Rates and Charges

(A) BellSouth SPA High Capacity DS3 Rates and Charges. The Telephone Company will initially bill the Customer according to the Plan C Monthly Recurring Charges (MRCs) in effect at the time service is provided, as listed in Section 7 or 23 of BellSouth Tariff F.C.C. No. 1 for all rate elements. The Telephone Company will issue credits to the Customer in an amount equal to twenty (20) percent off the Plan C rates in effect at the time service is provided. Credits will be applied monthly, in arrears. The Customer shall pay such amounts monthly, as billed.

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ACCESS SERVICE

25. Pricing Flexibility Contract Offers (Cont'd)

25.66 Contract No. 63 - Special Access Bundle Service Offer (Cont'd)

25.66.6 <u>Assignment/Transfer/Successors</u>

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless: i) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or ii) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.

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25. Pricing Flexibility Contract Offers (Cont'd)

25.66 Contract No. 63 - Special Access Bundle Service Offer (Cont'd)

25.66.6 Assignment/Transfer/Successors (Cont'd)

(C) If the information required to review the assignee's or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section is not available, the Telephone Company shall exercise its reasonable discretion to determine the credit worthiness of the assignee or transferee based on any information available.

25.66.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been converted.

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- 25. Pricing Flexibility Contract Offers (Cont'd)
 - 25.66 <u>Contract No. 63 Special Access Bundle Service Offer</u> (Cont'd)

25.66.8 Technology Upgrade

If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Services provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or other contract or tariff arrangement to purchase the new service offering from the Telephone Company, in substitution for the Subject Services provided under this Contract Offer, without incurring termination liability under this Contract Offer, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period and billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following additional conditions are met:

- (A) The Customer must meet all eligibility requirements outlined in Section 25.66.3, and Terms and Conditions outlined in Section 25.66.4;
- (B) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option; and
- (C) The Customer will be responsible for all Non-Recurring Charges associated with the upgrade, as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

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ACCESS SERVICE

25. Pricing Flexibility Contract Offers (Cont'd)

25.66 Contract No. 63 - Special Access Bundle Service Offer (Cont'd)

25.66.9 <u>Termination Liability</u>

Termination liability as described below applies in lieu of the termination liability as described in BellSouth Tariff F.C.C. No. 1, Sections 7 and 23. If the Customer discontinues any Subject Service provided under this Contract Offer before the completion of the applicable Service Term during the Term Period for any reason, or if the Customer breaches the Terms or Conditions of this Contract Offer or of any other applicable tariff provision, the Customer must pay the Telephone Company termination liability charges as described below. Termination liability charges will also apply if the Customer is not in compliance with all the provisions of this Contract Offer. These termination liability charges shall become due as of the effective date of the termination of service, and are payable as described below.

The Customer's termination liability charges shall be equal to the Subject Service MRC, multiplied by the number of months remaining in the Term Period, multiplied by fifty (50) percent.

Example 1: A Customer with a \$10,000 MRC terminates service after thirty-six (36) months, and has forty-eight (48) months remaining on the seven (7) year Term Period. The termination liability would be calculated as:

($$10,000 \times 48 \text{ months}$) $\times 50\% = $24,000 \text{ termination}$ liability charge.

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.67 Contract Offer No. 64 - Access Service Offer¹

25.67.1 General Description

The Access Service Offer (Contract Offer No. 64) is an access plan for which concurrent subscription is required to the following Access Tariffs: BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 64; Ameritech Operating Companies (Ameritech) Tariff F.C.C. No 2, Contract Offer No. 186; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 150; The Southern New England Telephone (SNET) Tariff F.C.C. No. 39, Contract Offer No. 44; and Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 163 (collectively, the "Concurrently Subscribed Contract Offers"). BellSouth, Ameritech, PBTC, SNET and SWBT shall be identified herein as the "Qualified Companies."

Contract Offer No. 64 requires eligible Customers to satisfy a Minimum Annual Revenue Commitment (MARC), as defined in Section 25.67.5. The MARC will consist of recurring revenues from, in the aggregate, all Subject Services purchased from BellSouth Telecommunications, Inc. ("BellSouth" or "Telephone Company") and all "Subject Services" as defined in the other Concurrently Subscribed Contract Offers described in Section 25.67.3(B).

Subject Services provided by the Telephone Company are described in Section 25.67.2.

This Contract Offer No. 64 is available for subscription only from July 8, 2009 through August 8, 2009. This offer is not renewable.

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.67 Contract Offer No. 64 - Access Service Offer (Cont'd)

25.67.2 <u>Subject Services</u>

Subject Services are listed in Table A, below. Each Subject Service under this Contract Offer must be ordered and purchased pursuant to a three (3) year term commitment, pursuant to Section 23.5.2.9, as applicable.

Table A - Subject Services

| Subject Services | | | |
|------------------------------|---|--|--|
| Interstate Special Access | DS1 & DS3 | | |
| and located in Phase I | Includes only those services listed above and located in Phase I or Phase II Pricing Flexibility Metropolitan Statistical Areas (MSAs). | | |

- (A) Subject Services ordered and purchased by the Customer pursuant prior to its subscription to this Contract Offer will be referred to as "Existing Subject Services."
- (B) Subject Services that were not being purchased from the Telephone Company prior to its subscription to this Contract Offer will be referred to as "New Subject Services."
- (C) All terms and conditions for the Subject Services are governed by the respective tariff sections, except as provided to the contrary in this Contract Offer No. 64.

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25,67 Contract Offer No. 64 - Access Service Offer (Cont'd)¹

25.67.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 64:

- (A) All Subject Services must be located in the MSAs for which the Telephone Company has been granted pricing flexibility, as listed in BellSouth Tariff F.C.C. No. 1, Section 23. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 23 at the time of subscription, the Customer may, at its option, include Subject Services provided in such additional MSAs in this Contract Offer No. 64, as described in 25.67.2(A), herein.
- (B) The Customer must concurrently subscribe to, and purchase service under, each of the following Contract Offers:
 - BellSouth Tariff F.C.C. No 1, Contract Offer No. 64;
 - Ameritech Tariff F.C.C. No. 2, Contract Offer No. 186;
 - PBTC Tariff F.C.C. No. 1, Contract Offer No. 150;
 - SWBT Tariff F.C.C. No. 73, Contract Offer No. 163; and
 - SNET Tariff F.C.C. No. 39, Contract Offer No. 44.
- (C) During the month prior to the Customer's subscription to this Contract Offer, the Customer must have been purchasing DS1 and DS3 interstate special access services from each of the Qualified Companies.
- (D) During the month prior to the Customer's subscription to this Contract Offer, no less than fifty-five (55) percent of the monthly recurring charges billed by the Qualified Companies to the Customer, in the aggregate, must be for Ethernet services.²

Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at http://cpr.bellsouth.com/guidebook/.

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.67 Contract Offer No. 64 - Access Service Offer (Cont'd)

25.67.3 Eligibility Criteria (Cont'd)

- (E) The Customer's subscription to, and purchase of Subject Services from, the Qualified Companies under the Concurrently Subscribed Contract Offers must include all of the Customer's subsidiaries and affiliates.
- (F) At the time of the Customer's subscription to this Contract Offer, neither the Customer nor any of its affiliates may order or may be purchasing (including the continuing purchase of services previously ordered) any special access service from any of the Qualified Companies pursuant to any other pricing flexibility contract offer, broadband service agreement or other individually negotiated arrangement that includes a revenue or volume commitment, including, without limitation, any minimum annual revenue commitment ("MARC"), quarterly revenue objective ("QRO") or similar commitment), unless the other tariff, contract or other arrangement refers specifically to the Concurrently Subscribed Contract Offers, provided, however, that this provision shall not preclude the Customer from subscribing to and purchasing Subject Services under this Contract Offer if the Customer is purchasing interstate special access services pursuant to an individual case basis (ICB) contract containing a commitment requiring the Customer to purchase a stated minimum number of services or rate elements.

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.67 Contract Offer No. 64 - Access Service Offer (Cont'd)

25.67.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 64:

(A) Subscription

To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company. The LOS shall list the ACNAs of the Customer and all such affiliates and subsidiaries ("Eligible ACNAs"). Services ordered or purchased under other ACNAs may not be transferred to or otherwise included in this Contract Offer, except as expressly provided herein.

- (1) The Customer may purchase Subject Services pursuant to this Contract Offer under ACNAs other than Eligible ACNAs ("Other ACNAs"), and/or the Customer may transfer Subject Services from Other ACNAs to Eligible ACNAs, upon thirty (30) day written notice by the Customer. Subject Services purchased under or transferred from Other ACNAs shall be deemed to be New Subject Services upon their purchase under or transfer to this Contract Offer.
- (2) If the Customer purchases Subject Services pursuant to this Contract Offer under Other ACNAs, and/or if services are transferred from Other ACNAs to Eligible ACNAs, the MARC shall be increased to reflect such purchase under or inclusion in this Contract Offer. The amount by which the MARC is increased shall be equal to the billed monthly recurring charges (MRCs) applicable to the services included in or transferred to this Contract Offer from Other ACNAs times: (a) the number of months remaining in the current Term Year, for purposes of determining the MARC for the current Term Year; and/or (b) twelve (12), for purposes of determining the MARC for each Term Year thereafter.

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.67 Contract Offer No. 64 - Access Service Offer (Cont'd)

25.67.4 Terms and Conditions (Cont'd)

(B) <u>Term Period</u>

The term of this Contract Offer No. 64 (Term Period) shall be thirty-six (36) months, beginning on the date the Letter of Subscription (LOS) is signed by the Customer and the Telephone Company. Each twelve (12) month period of the Term Period (<u>i.e.</u>, the first (1st) through twelfth (12th) month, the thirteenth (13th) through twenty-fourth (24th) month and the twenty-fifth (25th) through thirty-sixth (36th) month)), beginning with the date of the Customer's subscription, shall be referred to as a Term Year. This Contract Offer, including, without limitation, the issuance of credits pursuant to this Contract Offer, shall cease upon the expiration of the Term Period.

(C) Service Term

Each Subject Service shall be subject to a three (3) year term commitment, which shall begin as provided below (Service Term). Upon expiration of the Term Period of this Contract Offer, each Subject Service shall be provided for the remainder of the applicable Service Term according to the rates, terms and conditions applicable to a three (3) year term commitment pursuant to Section 23.5.2.9, as applicable.

- (1) The Service Term for each Existing Subject Service shall begin on the date such Subject Service was placed in service or began its existing term commitment (that is, its term commitment prior to subscription to this Contract Offer), whichever is later.
- (2) The Service Term for each New Subject Service shall begin on the date the Subject Service is placed in service.
- (D) Subject Services purchased under this Contract Offer shall not be included in any other pricing flexibility contract offer, promotional offering, discount plan or other arrangement unless expressly permitted by such other pricing flexibility contract offer or other arrangement.

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25 - CONTRACT TARIFFS (CONT'D)

25.67 Contract Offer No. 64 - Access Service Offer (Cont'd)

25.67.4 Terms and Conditions (Cont'd)

- (E) All terms and conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein. Subject Services are subject to certain rates, charges and general terms and conditions in other sections of BellSouth Tariff F.C.C. No. 1 (Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services), and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. However, such tariff modifications will not change the Terms and Conditions described in Contract Offer No. 64.
- (F) Commingling is defined in BellSouth Tariff F.C.C. No. 1, Section 2.6. Commingling of Subject Services provided pursuant to this Contract Offer No. 64 is prohibited.

(G) Portability

The Telephone Company will waive termination liability charges for moves and/or disconnection of Subject Services, not to exceed five hundred (500) DS1 and/or DS3 Subject Services, subject to the conditions listed below. In the event that termination liability charges for any moves and/or disconnections eligible for waiver under this provision are billed by the Telephone Company, the Telephone Company will issue credits for such charges on a quarterly basis. To receive credits for termination liability charges for such moves and/or disconnects for New and Existing Subject Services, the following conditions must be satisfied:

- (1) The Customer must be in compliance with all Terms and Conditions of this Contract Offer.
- (2) Any Existing Subject Service must have been in service for a minimum of twelve (12) months from its installation date to its disconnection date.

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.67 <u>Contract Offer No. 64 - Access Service Offer</u> (Cont'd)

25.67.4 Terms and Conditions (Cont'd)

- (G) Portability (Cont'd)
 - (3) Any New Subject Service must have been in service for a minimum of eighteen (18) months from its installation date to its disconnection date.

25.67.5 Minimum Annual Revenue Commitment (MARC)

- (A) The Customer shall be subject to a Minimum Annual Revenue Commitment (MARC). The MARC shall include all revenue from MRCs associated with, in the aggregate, all Subject Services as provided in 25.67.2 of this Contract Offer No. 64, and all Subject Services as provided in the other Concurrently Subscribed Contract Offers identified in 25.67.3(B) (MARC Revenue). MARC Revenue shall also include any Termination Liability Charges paid, but not credited quarterly pursuant to Section 25.67.4(G), above, for Subject Services. MARC Revenue shall specifically exclude non-recurring charges (NRCs), usage based charges and temporary service charges. The Customer's MARC obligation shall be a continuing obligation during the entire Term Period, which shall survive any breach or termination of this Contract Offer by the Customer.
- (B) The Customer's MARC shall be the Customer's MRCs, determined in the same manner and with respect to the same services as applicable to the determination of MARC Revenue, as provided in Section 25.67.5(A) during the three (3) billing months immediately prior to the date upon which the Customer subscribes to this Contract Offer, multiplied by four (4), provided, however, that the MARC shall be subject to increase upon the inclusion of, or transfer of services from, Other ACNAs, as provided in 25.67.4.
- (C) Annual True-up: Following the end of each Term Year, the Qualified Companies will compare the Customer's MARC Revenue to the MARC. If the Customer's MARC Revenue for the Term Year is less than the MARC, the Qualified Companies will bill, and the Customer must pay, the difference between the Customer's MARC Revenue and the MARC (True-up Amount). The Qualified Companies will bill the True-up Amount as a single debit entry for, in the aggregate, this Contract Offer and all of the other Concurrently Subscribed Contract Offers, which amount shall be billed the same BAN designated by the Customer.

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

- 25.67 Contract Offer No. 64 Access Service Offer (Cont'd)
- 25.67.6 Discounts and Other Credits
 - (A) Monthly Recurring Charges (MRCs) New Subject Services.

MRCs - Application or Credits for New Subject Services.

The Telephone Company will initially bill the Customer according to the applicable MRCs in Section 23.5.2.9, as applicable to a three (3) year term payment plan for New Subject Services ordered after the date of subscription. The Customer shall then be credited in an amount equal to the difference between the rates in Section 23.5.2.9, as applicable, and the rates Tables D, below. Credits will be applied monthly, in arrears.

The MRCs in Table D, below, will apply to New Subject Services (including any Subject Services transferred to this Contract Offer after the date of subscription).

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.67 Contract Offer No. 64 - Access Service Offer (Cont'd)

25.67.6 Discounts and Other Credits (Cont'd)

(A) <u>Monthly Recurring Charges (MRCs) - New Subject Services</u> (Cont'd) Table D

| DS1 | All States - Al | 1 Zones | |
|--|-----------------|---------|------------|
| Description | | USOC | Rate |
| | | | |
| Local Channel - Per Local Channel | | T11500 | 4110 70 |
| (1) DS1 Service (a.k.a. BellSouth SPA DS1) - 1.544 M | 1bps | TMECS | \$119.70 |
| Interoffice Channel-Fixed | | 1L5XX | \$71.25 |
| Interoffice Channel- Per Mile | | 1L5XX | \$6.84 |
| Channelization | | | 70101 |
| (c) DS1 Basic Channelization System (DS1 to DS0) - I | Per System | MQ1 | \$162.45 |
| D\$3 | All States- All | , | ¥102110 |
| Description | 1 | USOC | Rate |
| Local Channel (Per Local Channel) | | | 1,000 |
| LightGate service | | | |
| (a.k.a. BellSouth SPA Point-to-Point Network) | | | |
| Local Channel Systems (Includes first one-half air m | nile) | | |
| LightGate 1 service | | | |
| (a.k.a. BellSouth SPA Point-to-Point Network DS3 Cap | oacity) System, | WE006 | 41.555.00 |
| per System | | HFSC6 | \$1,656.00 |
| LightGate 1 service | Sama addus) | | |
| (a.k.a. BellSouth SPA Point-to-Point Network 1 DS3 (Interoffice Channel System | Lapacity) | | |
| Mileage Band 0-8 - Fixed, per System | | 1LPS8 | \$703.80 |
| LightGate 1 service | | TLF 30 | \$703.00 |
| (a.k.a. BellSouth SPA Point-to-Point Network 1 DS3 (| Canacity) | | |
| Interoffice Channel System | , apa 0 . 0,) | | |
| Mileage Band 0-8 - Per Mile | | 1LPE8 | \$46.75 |
| LightGate 1 service | | | |
| (a.k.a. BellSouth SPA Point-to-Point Network 1 DS3 (| Capacity) | | |
| Interoffice Channel System | | | |
| Mileage Band 9-25 - Fixed, Per System | | 1LPS9 | \$956.25 |
| LightGate 1 service | | | |
| (a.k.a. BellSouth SPA Point-to-Point Network 1 DS3 (| Capacity) | | |
| Interoffice Channel System | | 41.050 | 446.75 |
| Mileage Band 9-25 - Per Mile | | 1LPE9 | \$46.75 |
| LightGate 1 Service | Canadity) | | |
| <pre>(a.k.a. BellSouth SPA Point-to-Point Network 1 DS3 (Interoffice Channel System</pre> | Lapacity) | | |
| Mileage Band 26+ - Fixed, per System | | 1LPS6 | \$1,113.50 |
| LightGate 1 service | | 11.100 | Ψ1,113.30 |
| (a.k.a. BellSouth SPA Point-to-Point Network 1 DS3 (| Capacity) | | |
| Interoffice Channel System | | | |
| Mileage Band 26+ - Per Mile | | 1LPE6 | \$46.75 |
| | nol Custom | | |
| Central Office Channel Interfaces - Per 28 DS1 Chann | iei system | MQ3C0 | \$465.50 |

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ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.67 Contract Offer No. 64 - Access Service Offer (Cont'd)

25.67.6 <u>Discounts and Other Credits</u> (Cont'd)

(B) Non Recurring Charges (NRCs)

NRCs will apply to New Subject Services, as provided in Section 23.5.2.9, except as provided in Table E, below.

Table E

| Rate element - DS1 New Subject Services ONLY | USOC | NRC Charge |
|---|-------|------------|
| Per Customer Request for DS1 | PR11M | \$50.00 |
| Reconfiguration | | |
| Rearrangement Charge per DS1 | NRBD1 | \$50.00 |

(C) Monthly MARC Credit

The Qualified Companies will issue a monthly credit to the Customer in the amount of \$61,828.66, subject to Quarterly MARC Credit Reduction if Existing Subject Services are terminated, as further provided herein.

The Telephone Company will review the number of Existing Subject Services during each quarter of the Term Period (each period of three consecutive months, beginning with the date of subscription). If, during any such quarter, the Customer has terminated any Existing Subject Services, the amount of the Monthly MARC Credit will be reduced on a pro-rata basis, according to the percentage by which the number of Existing Subject Services in service at the time of subscription was reduced by the termination of Subject Services during the quarter under review. The reduced Monthly MARC Credit amount will be applied prospectively.

Example: At the time of subscription, the Monthly MARC Credit is \$61,828.66. At the beginning of the Term Period, the Customer purchases eight hundred (800) existing Subject Services under this Contract Offer. During the three (3) months of the Term Period, the Customer terminates eighty (80) Subject Services. The Monthly MARC Credit will be reduced by ten (10) percent, to \$55,645.79.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.67 Contract Offer No. 64 - Access Service Offer (Cont'd)

25.67.6 <u>Discounts and Other Credits</u> (Cont'd)

(C) Monthly MARC Credit (Cont'd)

Example 2: At the time of subscription, the Monthly MARC Credit is \$61,828.66. At the beginning of the Term Period, the Customer purchases two thousand (2000) existing Subject Services under this Contract Offer. During the first three (3) months of the Term Period, the Customer terminates eighty (80) Subject Services. The Monthly MARC Credit will be reduced by four (4) percent, to \$59,355.51.

25.67.7 <u>Assignment/Transfer/Successors</u>

Neither party shall assign or otherwise transfer this Contract Offer No. 64, or its rights or obligations hereunder, to any person or entity without the prior written consent of the other party, which shall not be unreasonably withheld or delayed, provided, however, that either party shall have the right, without the consent of but with notice to the other party, to assign or otherwise transfer this Contract Offer No. 64 to any person or entity that controls, is under the control of, or is under common control with the assigning party. Further, the Telephone Company may also, without Customer's consent, assign its rights and obligations under this Contract Offer No. 64 to an affiliate, or subcontract to an affiliate or a third party work to be performed under this Contract Offer No. 64. Any such assignment or other transfer shall be subject to the other party's rights under this Contract Offer No. 64, and any assignee or transferee shall continue to perform the assigning or transferring party's obligations under this Contract Offer No. 64, and the assignor or transferor will remain financially responsible for the performance of this Contract Offer No. 64 and/or its obligations hereunder. Any assignment or other transfer of this Contract Offer No. 64, or the rights or obligations hereunder, or any attempt to do either in violation of this provision, shall be void.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.67 Contract Offer No. 64 - Access Service Offer (Cont'd)

25.67.8 Mergers/Acquisitions

All provisions of this Contract Offer No. 64 shall continue in full force and in effect notwithstanding any merger or acquisition affecting a party. A merger or acquisition, within the meaning of this provision, shall include, without limitation, any transaction in which the party, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of a merger or acquisition, if another entity involved in the merger or acquisition purchases any service from any Telephone Company entity, such service shall not be included in this Contract Offer No. 64 for any purpose. The "Transaction Close Date" shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.67.9 Termination

Termination liability, as described below, applies in lieu of termination liability as described in BellSouth Tariff F.C.C. No. 1. If the Customer terminates Subject Services under this Contract Offer before the completion of the applicable Service Term during the Term Period for any reason other than material breach by the Telephone Company, the Customer must pay the Telephone Company termination charges as described in this Section. These charges shall become due as of the effective date of the termination of service. The Customer must provide written notification to the Telephone Company thirty (30) days prior to the desired date of termination of the Subject Services pursuant to this Contract Offer.

If the Customer terminates a Subject Service before the completion of the Term Period, the Customer's termination liability charge for termination of service shall be equal to fifty (50) percent of the applicable monthly charges for the remainder of the Term Period.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS (CONT'D)

25.67 Contract Offer No. 64 - Access Service Offer (Cont'd)

25.67.9 Termination (Cont'd)

The termination liability charge will be calculated as follows:

(MRCs) multiplied by (months remaining in the Term Period) multiplied by (termination liability percentage of 50%).

Example: The Customer terminates service on a DS3 with a \$1202.50 monthly charge after thirty (30) months of service, and has six (6) months remaining in the thirty-six (36) month term. The termination liability would be calculated as:

 $$1,202.50 \times 6 \times 50\% = $3,607.50 \text{ termination liability charge.}$

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.68 Contract Offer No. 65 - Special Access LightGate® DS3 Service Offer

25.68.1 General Description

Contract Offer No. 65 - Special Access LightGate® DS3 Service Offer (Contract Offer No. 65) is an access discount pricing plan. Contract Offer No. 65 permits Customers who meet the Eligibility Criteria in Section 25.68.3, and the Terms and Conditions in Section 25.68.4, to purchase Subject Services in Section 25.68.2 and receive credits listed in Section 25.68.5. Subject Services are available under Contract Offer No. 65 in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 25.68.3 (B).

Contract Offer No. 65 is available for subscription from July 11, 2009 through August 11, 2009. This Contract Offer is not renewable.

25.68.2 Subject Services

This Contract Offer applies to the pricing-flexibility-qualified service contained in the following tariff section: BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Section 7 - LightGate® 1 DS-3 High Capacity Service (Subject Services).

25.68.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria.

- (A) Subject Services must be pricing flexibility qualified access services listed in Section 25.68.2.
- (B) Subject Services must be located in the following MSA: Nashville, TN.
- (C) Subject Services ordered pursuant to this Contract Offer must be installed by the Telephone Company by August 31, 2009.

25.68.4 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) shall be sixty one (61) months, commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. Upon expiration of the Term Period, Subject Services shall be converted to the prevailing applicable monthly (extension) rates, described in BellSouth Tariff F.C.C. No. 1, Sections 7 or 23, unless the Customer selects an applicable payment plan, as described in Sections 7 and 23, or disconnects the Subject Services. This Contract Offer is not renewable.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

- 25.68 <u>Contract Offer No. 65 Special Access LightGate® DS3 Service Offer</u> (Cont'd)
- 25.68.4 Terms and Conditions (Cont'd)
 - (B) <u>General Terms and Conditions</u>
 - (1) Subject Services are subject to certain rates, terms and conditions in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the Terms and Conditions of this Contract Offer.
 - (2)All Terms and Conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
 - (3) The Customer may not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering or other discount plan ($\underline{e.g.}$, Transport Advantage Plan (TAP)).
 - (4) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services purchased under this Contract Offer is prohibited.
 - (5) If the Customer discontinues service under Contract Offer No. 65 during the Term Period, or if the Customer breaches any Term or Condition of this Contract Offer or any provision of any other applicable tariff, termination liability charges shall apply in accordance with Section 25.68.9.
 - (6)To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.
 - (7) The Customer shall include one DS3 LightGate® Service, installed no later than August 31, 2009 from the Telephone Company, and located in the Nashville, TN MSA under this Contract Offer.
 - (8) The Customer will receive a Reward Credit in an amount equal to the stated percentage in Section 25.68.5 of the prevailing Monthly Rates listed in Section 7 of BellSouth Tariff F.C.C. No. 1, as applicable to a 61-96 month term commitment, for Subject Services. Reward Credits will be applied monthly, in arrears. Taxes, if applicable, will be charged on the corresponding Monthly Rates listed in the tariff, but will not be included in the Reward Credits applied to the Customer's bill.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.68 Contract Offer No. 65 - Special Access LightGate® DS3 Service Offer (Cont'd)

25.68.5 Rates and Charges

(A) <u>BellSouth SPA High Capacity DS3 Rates and Charges</u>

The Customer will initially be billed according to the prevailing Monthly Recurring Charges (MRCs) listed in Section 7 of BellSouth Tariff F.C.C. No. 1, as applicable to a 61-96 month term commitment, for DS3 Subject Services for the Universal Service Order Codes (USOCs) in Table A, below. The Customer will then be credited in an amount equal to one (1) percent of the prevailing 61-96 month term rates. Credits will be applied monthly, in arrears.

Table A

| LightGate® 1 Local Channel - Includes | |
|--|--------------|
| First One-Half Mile | HFSC7 |
| LightGate® 1 Local Channel - Additional | |
| One-Half Miles | 1LPEA |
| LightGate® Customer Channel Interface, | |
| Per DS3 | 1PQEP |
| LightGate® Central Office Channel | · |
| Interface, Per DS3 | 1PQEC |
| LightGate® Interoffice Channel, Fixed | 1LPS8 |
| LightGate® Interoffice Channel, Per Mile | 1LPE8 |
| LightGate® Central Office Channel | |
| Interface, Per DS3 | <u>1PQE3</u> |
| LightGate® Interoffice Channel - Per DS1 | 1PQE1 |

25.68.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of service under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

- 25.68 <u>Contract Offer No. 65 Special Access LightGate® DS3 Service Offer</u> (Cont'd)
- 25.68.6 Assignment/Transfer/Successors (Cont'd)
 - (A) Any debt securities of the proposed assignee, transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or
 - If any debt securities of a proposed assignee, transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.
 - (B) The proposed assignee, transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
 - (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.68.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

25.68.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.68 Contract Offer No. 65 - Special Access LightGate® DS3 Service Offer (Cont'd)

25.68.8 Technology Upgrade

- (A) If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Services provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or other contract or tariff arrangement to purchase the new service offering from the Telephone Company, in substitution for the Subject Services provided under this Contract offer, without incurring termination liability under this Contract Offer, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period and billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following additional conditions are met:
 - (1) The Customer must meet all eligibility requirements outlined in Section 25.68.3, and Terms and Conditions outlined in Section 25.68.4;
 - (2) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option; and
 - (3) The Customer will be responsible for all Non-Recurring Charges (NRCs) associated with the upgrade, as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

25.68.9 Termination Liability

Termination of Contract Offer. If the Customer terminates this Contract Offer or breaches any provision of this Contract Offer, the Customer shall be liable for a termination charge, which shall be equal to fifty (50) percent of the applicable MRCs for the balance of the Term Period. The termination charge will be calculated as follows:

MRCs X 50% X (months remaining in Term Period) = Termination Charge.

Upon termination of this Contract Offer, Subject Services shall be provided at the applicable rate in the tariff, unless they are disconnected.

Example:

MRCs are \$2000. The Customer breaches the Contract Offer with 24 months remaining in the Term Period. The Termination Liability would be calculated as follows:

 $$2000 \times 50\% \times 24 \text{ months} = $24,000 \text{ Termination Liability}$

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.69 Contract Offer No. 66 - Special Access Wireless DS1 Bundle Service Offer

25.69.1 General Description

Contract Offer No. 66--Special Access Bundle Service Offer (Contract Offer No. 66)--is an access discount pricing plan. This Contract Offer permits Customers that meet the Eligibility Criteria in Section 25.69.3 and the Terms and Conditions in Section 25.69.4 to purchase the Subject Services listed in Section 25.69.2 and to receive credits as provided in Section 25.69.5. Subject Services are available under this Contract Offer in the Metropolitan Statistical Area (MSA) listed in Section 25.69.2 (B).

This Contract Offer is available for subscription from August 25, 2009 through September 25, 2009. This Contract Offer is not renewable.

25.69.2 Subject Services

(A) This Contract Offer applies to pricing flexibility qualified services (Subject Services) contained in the following tariff section: BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Section 7 - DS1 High Capacity Service. Each Subject Service shall consist of the following rate elements: (i) one (1) Channel Termination, (ii) one (1) Fixed Mileage Termination, (iii) Variable Mileage if required (from a cell site to a Serving Wire Center), and (iv) multiplexing (LightGate 1 COCI/28 DS1). Subject Service rate elements and their associated Uniform Service Order Code ("USOCs") are listed in Table A, below:

Table A

| Rate Element | USOC |
|--|-------|
| Channel Termination | TMECS |
| Fixed Mileage Termination | 1L5XX |
| Variable Mileage | 1L5XX |
| Multiplexing (LightGate 1 COCI/28 DS1) | MQC31 |

- (B) Subject Services must be located in one of the following MSAs:
 Birmingham, AL; Jacksonville, FL; Atlanta, GA; Nashville, TN; Knoxville,
 TN; Louisville, KY and Miami, FL.
- (C) Subject Services must originate or terminate on a wireless carrier's network.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.69 <u>Contract Offer No. 66 - Special Access Wireless DS1 Bundle Service Offer</u> (Cont'd)

25.69.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria as of the date this Contract Offer becomes effective (Effective Date):

(A) The Customer must be operating, as of the Effective Date, no fewer than the minimum number and no more than the maximum number of cell sites activated and providing service within each of the MSAs listed in Table B, below. Such cell sites in operation as of the Effective Date, together with any other cell sites for which the Customer orders Subject Services at any time during the Term Period, are referred to in this Contract Offer as "Qualified Cell Sites."

Table B

| MSA | Minimum Number of Cell Sites in MSA | Maximum Number of Cell Sites in MSA |
|-----------------------------|--|--|
| Birmingham, AL | 280 | 350 |
| Jacksonville, FL | 295 | 360 |
| Atlanta, GA | 934 | 1250 |
| Nashville and Knoxville, TN | 190 | 250 |
| Louisville, KY | 125 | 200 |
| Miami, FL | 130 | 200 |

(B) The Customer must be purchasing, as of the Effective Date, no fewer than the minimum number and no more than the maximum number DS1 special access circuits from the Telephone Company within each of the MSAs listed in Table C, below, which terminate at Qualified Cell Sites.

Table C

| MSA | Minimum Number of DS1 special access circuits in MSA | Maximum Number of DS1 special access circuits in MSA |
|-----------------------------|---|---|
| Birmingham, AL | 400 | 1200 |
| Jacksonville, FL | 400 | 1200 |
| Atlanta, GA | 1500 | 3500 |
| Nashville and Knoxville, TN | 275 | 1050 |
| Louisville, KY | 250 | 1000 |
| Miami, FL | 275 | 1050 |

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.69 <u>Contract Offer No. 66 - Special Access Wireless DS1 Bundle Service Offer</u> (Cont'd)

25.69.4 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) shall be eighty-four (84) months, commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. Upon expiration or termination of the Term Period, all Subject Services (including without limitation any Subject Services for which the applicable Service Term has not expired) shall no longer receive the discounts provided under this Contract Offer, and shall be converted to the prevailing month-to-month rates in BellSouth Tariff F.C.C. No. 1, Section 23.5.2, unless:

(1) The Customer selects an applicable Term Pricing Plan/Optional Payment Plan; or

(2) Either Party disconnects the Subject Services in a manner consistent with BellSouth Tariff F.C.C. No. 1, Section 23.5.2.

(B) General Terms and Conditions

- (1) Subject Services are subject to certain rates, charges and general terms and conditions described in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the Terms and Conditions of this Contract Offer. If any provision of this Contract Offer conflicts with any otherwise applicable provisions of BellSouth Tariff F.C.C. No. 1, Section 2, 5 or 13, this Contract Offer shall govern over the conflicting provision.
- (2) All Terms and Conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
- (3) During the Term Period, the Customer (including any of its affiliates) may not order or purchase any Special Access service (including the continuing purchase of any service previously ordered) which is subject to any pricing flexibility contract offer containing a revenue commitment or revenue objective (e.g., Minimum Annual Revenue Commitment (MARC), Quarterly Revenue Objective (QRO)), in which Subject Service revenue from this Contract Offer is eligible to be included, unless the contract offer specifically refers to this Contract Offer.
- (4) The Customer may not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering, discount plan or agreement, except as expressly provided in such other contract offer, promotional offering, discount plan or agreement.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

- 25.69 <u>Contract Offer No. 66 Special Access Wireless DS1 Bundle Service Offer (Cont'd)</u>
- 25.69.4 Terms and Conditions (Cont'd)
 - (B) General Terms and Conditions (Cont'd)
 - (5) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company, which must include a list of eligible Access Customer Name Abbreviations (ACNAs) under which the Customer will purchase Subject Services pursuant to this Contract Offer. Customer may update its list of eligible ACNAs from time to time by written notice to the Telephone Company. Services ordered or purchased under other ACNAs may not be transferred or converted to this Contract Offer.
 - (6) The Customer shall order and purchase Subject Services under this Contract Offer at the number of Qualified Cell Sites in each of the MSAs listed in Table D, below. In addition to the numbers of Qualified Cell Sites listed in Table D, below, the Customer shall order and purchase Subject Services at additional eighteen (18) Qualified Cell Sites in any of the MSAs listed in Table D, below. The locations of the eighteen (18) additional Qualified Cell Sites shall be designated by the Customer at its discretion. The Telephone Company must have provided service to the Customer at each Qualified Cell Cite at which Subject Services are purchased prior to the Effective Date.

Table D

| MSA | Number of Qualified Cell Sites |
|-----------------------------|-----------------------------------|
| Birmingham, AL | 293 |
| Jacksonville, FL | 296 |
| Atlanta, GA | 939 |
| Nashville and Knoxville, TN | 193 |
| Louisville, KY | 130 |
| Miami, FL | 162 |

(7) The Customer may reduce the number of Qualified Cell Sties at which it purchases subject Services to the extent permitted under Sections 25.69.5(A)2 and 25.69.5(A)3, below.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

- 25.69 <u>Contract Offer No. 66 Special Access Wireless DS1 Bundle Service Offer</u> (Cont'd)
- 25.69.4 <u>Terms and Conditions</u> (Cont'd)
 (B) <u>General Terms and Conditions</u> (Cont'd)
 - (8) All Subject Services must be ordered under Plan C, as described in Section 23 of BellSouth Tariff F.C.C. No. 1, under a 61-96 month term commitments. This ordering requirement is for administrative purposes only, to assure the proper provisioning and billing of Subject Services. Subject Services will not be subject to any term commitment or termination liability charges as provided in Section 23, or to any other ordering obligations inconsistent with this Contract Offer. Instead, the Subject Services will have a term coterminous with the Term Period, and any term commitments or termination charges applicable to Subject Services shall be those provided in this Contract Offer. Rates and charges for Subject Services shall include credits provided under Section 25.69.5 of this Contract Offer.
 - (9) Beginning no later than fifty-seven (57) months after the beginning of the Term Period, the parties to this Contract Offer shall begin to negotiate in good faith regarding a successor to this Contract Offer.
 - (10) If the Customer previously subscribed to BellSouth Tariff F.C.C. No. 1, Section 23, Contract Offer No. 59 or No. 60, the Telephone Company shall either waive or apply a credit to Customer's account under this Contract Offer 66 in an amount equal to any termination liability charges that would otherwise apply pursuant to Contract Offer No. 59 or No. 60 as a result of the migration of Subject Services from Contract Offer No. 59 or No. 60 to this Contract Offer. Any termination liability charges that do not arise from such migration shall otherwise apply according to the terms of any applicable tariff. The Customer may migrate to this Contract Offer only services provided to the Customer under those ACNAs included in the Customer's LOS for Contract Offer No. 59 or No. 60. Services purchased under other ACNAs, or transferred from other ACNAs, shall not be included in this Contract Offer.
 - (11) Termination Liability charges shall not apply to the conversion to this Contract Offer of any service previously provided pursuant to BellSouth Tariff F.C.C. No. 1.

25.69.5 Rates and Charges

(A) Charges for Subject Services will be invoiced to Customer monthly, and will be calculated by cell site. The Telephone Company will charge the Customer a fixed monthly recurring amount for the purchased Subject Services at each Qualified Cell Site in an amount equal to eight hundred forty dollars (\$840) per cell site, per month (Cell Site Fixed Charge). For the Cell Site Fixed Charge, the Telephone Company will provide, at Customer's option, up to four (4) Subject Services at each Qualified Cell Site. The Cell Site Fixed Charge will continue to apply to each Qualified Cell Site from the date Subject Services are installed until the end of the Term Period, except as provided in Sections 25.69.5(A)(2) and 25.69.5(C), below.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.69 Contract Offer No. 66 - Special Access Wireless DS1 Bundle Service Offer (Cont'd)

25.69.5 Rates and Charges (Cont'd)

(A) (Cont'd)

The Customer may purchase additional Subject Services at any Qualified Cell Site at a fixed monthly recurring charge for each additional Subject Service (Additional Service Charge). Such additional Subject Services may be disconnected, at the Customer's discretion, at any time during the Term Period without termination charges or any other charges associated with the disconnection of such Subject Services. The Additional Service Charge shall be \$125 per Subject Service at any Qualified Cell Site.

- (1) For each Qualified Cell Site, the sum of the Cell Site Fixed Charge and any applicable Additional Service Charges shall be known as the "Total Fixed Charge." The Total Fixed Charge will be applied to Subject Services as follows. The Customer will be billed monthly for Subject Services according to the prevailing Monthly Recurring Charges (MRCs) listed in Section 23 of BellSouth Tariff F.C.C. No. 1, as applicable to a 61-96 month term commitment (Plan C). The Telephone Company will then issue adjustments to the Customer in an amount equal to the difference between the MRCs billed to the Customer and the total amount of all Total Fixed Charges for the Qualified Cell Sites. These adjustments will be applied to the Customer's bills monthly, one month in arrears. Taxes and other charges, as defined in Section 25.69.5(B) of this Contract Offer, if applicable, will be charged according to the Plan C rates, but will not be included in the adjustments applied to the Customer's bill.
 - (a) The charges include average Variable Mileage per Subject Service, for all Subject Services purchased under this Contract Offer, not to exceed thirteen (13) miles. The Telephone Company will review the Variable Mileage associated with the Subject Services purchased by the Customer no more frequently than twice per year beginning with the effective date of this Contract Offer. If, upon such review, the Telephone Company determines that Variable Mileage for Subject Services exceeds an average of twelve (12) miles per Subject Service, the Telephone Company will bill the Customer for all Variable Mileage in excess of twelve (12) miles per Subject Service by applying the charges in Tariff Section 23, as applicable to a 61-96 month term commitment plan.

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ACCESS SERVICE

25 - CONTRACT TARIFFS

25.69 <u>Contract Offer No. 66 - Special Access Wireless DS1 Bundle Service Offer</u> (Cont'd)

25.69.5 Rates and Charges (Cont'd)

- (A) (Cont'd)
- (2) The Customer may replace Subject Services, without termination or other charges under this Contract Offer, with any Ethernet²-based service offered by the Telephone Company having a bandwidth of at least ten (10) megabits per second (Mbps) and purchased pursuant to a contract providing for a term commitment applicable to any service replacing a Subject Service that is at least equal to the remainder of the Term Period (Qualified Ethernet² Service). Following the replacement of Subject Services with Qualified Ethernet² Services, the Total Fixed Charge shall no longer apply to those Subject Services. The Customer may continue to purchase Subject Services following such replacement, subject to only an Additional Service Charge.
- (3) Except for any taxes or surcharges as set forth in Section 25.69.5(B), no other rates or charges apply to the Subject Services. The Telephone Company's obligations to provide Subject Services under this Contract Offer are subject to the availability of suitable facilities. If suitable facilities do not exist, the Telephone Company shall provide, or otherwise make available, such suitable facilities subject to special construction charges, if applicable. The non-recurring charges (NRCs) set forth in Table A, below, shall apply to Subject Services provided under this Contract Offer, subject to Section 25.69.5(A)(3)(i), below. All other NRCs are waived.
 - (a) The Telephone Company shall establish on behalf of the Customer a credit pool in the amount of Five Hundred Eighty-four Thousand Dollars (\$584,000), to be applied against otherwise applicable NRCs during the Term Period (NRC Credit Pool). The Telephone Company will bill, and the Customer shall pay as they come due, the NRCs listed in Table E. The Telephone Company will review billing for such NRCs semi-annually, and will issue credits to the Customer for such NRCs, until the NRC Credit Pool is exhausted, provided, however, that the Telephone Company will review billing for such NRCs monthly for the first six (6) months following the Effective Date, and will issue credits to Customer for such NRCs.

Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

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ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.69 <u>Contract Offer No. 66 - Special Access Wireless DS1 Bundle Service Offer</u> (Cont'd)

25.69.5 Rates and Charges (Cont'd)

TABLE E:

| TABLE E. | | BellSouth BellSouth |
|---|----------------|---------------------|
| | | Tariff FCC #1 |
| Rate Element | | Section |
| Initial Service Order Charge | \$61.00 | 5.1.1 |
| Service Date Advancement Charge - per order | \$200.00 | 5.1.1 |
| Service Date Advancement - SPA DS1 Services - Per | | |
| Circuit | \$900.00 | 5.1.1 |
| Service Date Advancement - Missed Appointment SPA DS1 | | |
| Services - Per Circuit | \$345.00 | 5.1.1 |
| Service Date Change Charge — per Order | \$200.00 | 5.1.1 |
| Additional Dispatch Charge | \$300.00 | 5.1.1 |
| Design Change Charge - per Order | \$31.60 | 5.1.1 |
| Charges for Additional Engineering — each additional | | |
| hour or fraction thereof — Basic time | \$150.00 | 13.1.1 |
| Charges for Additional Engineering — each additional | | |
| hour or fraction thereof — Overtime outside of basic | 400.00 | |
| hours | \$39.93 | 13.1.1 |
| Installation or Repair Overtime - Outside Basic | * 04 00 | 10.0.6 |
| Schedule Working Hours - per hour or fraction thereof | \$31.00 | 13.2.6 |
| Installation or Repair Premium Time - Outside Basic | ¢27.00 | 12.0.6 |
| Schedule Working Hours - per hour or fraction thereof | \$37.00 | 13.2.6 |
| Installation or Repair Stand-By Time — Outside Basic | ¢0.00 | 12.0.6 |
| Schedule Working Hours - per hour or fraction thereof | \$8.00 | 13.2.6 |
| Maintenance of Service Charge — per each Half Hour or | ¢10 00 | 12.0.6 |
| fraction there of — Basic Working Hours | \$12.00 | 13.2.6 |
| Maintenance of Service Charge — per each Half Hour or | ¢44 00 | 12.0.6 |
| fraction there of — Overtime Working Hours | \$44.00 | 13.2.6 |
| Maintenance of Service Charge — per each Half Hour or | ¢00 00 | 12.0.6 |
| fraction there of — Premium Working Hours | \$80.00 | 13.2.6 |

(A) Taxes and Surcharges. Rates and charges set forth in this Contract Offer are exclusive of, and the Customer will pay, all current and future taxes and fees (but excluding taxes or fees imposed on gross receipts of general commercial businesses, net income, corporate franchise, property/ad valorem, payroll/employment, capital stock or net worth tax and the right to do business, i.e., license taxes or fees) relating to the sale, transfer of ownership, installation, license, use or provision of the Subject Services, and other applicable governmentally established surcharges and similar charges, which AT&T is permitted by applicable law to pass through to the Customer, including, without limitation, Universal Service Fund surcharges (and any associated interest and penalties resulting from the Customer's failure to timely pay such taxes or similar charges), except to the extent the Customer submits and maintains a reasonably acceptable to AT&T exemption certificate covering all of the Subject Services, and/or provides satisfactory proof of a valid tax exemption for the Subject Services.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.69 Contract Offer No. 66 - Special Access Wireless DS1 Bundle Service Offer (Cont' \overline{d})

25.69.5 Rates and Charges (Cont'd)

(C) If the Customer requests that the Telephone Company provide Qualified Ethernet² Service to replace Subject Services at any Qualified Cell Site at which Subject Services have been purchased under this Contract Offer, and the Telephone Company fails to do so within ninety (90) days after such request, the Telephone Company will provide the Customer up to six (6) Subject Services at each such Qualified Cell Site for a fixed monthly recurring amount of \$840 per Qualified Cell Site. Additional Subject Services may be purchased at such Qualified Cell Sites for a fixed monthly recurring amount of \$125 per additional Subject Service. These charges shall be applied in lieu of, but in the same manner as, the Total Fixed Charge, as provided in Section 25.69.5 (A)(1) of this Contract Offer.

25.69.6 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

- (A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or if any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.
- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or (2) "high risk" in a Paydex score as published by Dun and Bradstreet.

²Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.69 Contract Offer No. 66 - Special Access Wireless DS1 Bundle Service Offer (Cont'd)

25.69.6 Assignment/Transfer (Cont'd)

(C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.69.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

25.69.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete, and/or the final date on which the assets of the acquired/merged company have been purchased.

25.69.8 Termination or Failure to Purchase

During the Term Period, the charges provided herein shall apply to Subject Services under this Contract Offer in lieu of any otherwise applicable termination liability charges or similar charges, except as otherwise provided herein. Upon expiration of the Term Period, termination liability shall apply according to the terms of the applicable tariff provisions.

Except as otherwise provided in this Contract Offer, if the Customer terminates any Subject Service for any reason other than uncured material breach by the Telephone Company of this Contract Offer or any other applicable tariff provision prior to the end of the Term Period or fails to purchase any Subject Service for which purchase is required, or if the Telephone Company terminates any Subject Service as a result of the Customer's uncured material breach of this Contract Offer or of any other applicable tariff provision, termination liability charges shall apply in the amount of (i) fifty percent (50%) of the discounted MRCs applicable to the terminated Subject Services, net of all credits provided for in this Contract Offer, multiplied by (ii) the number of calendar months, or fractions thereof, remaining in the Term Period following the effective date of the termination. Customer may terminate this Contract Offer or discontinue the purchase of any Subject Service at any time during the Term Period, in whole or in part, as a result of an uncured material breach of this Contract Offer or any other applicable tariff provision by the Telephone Company.

The non-breaching party shall give the other party no less than thirty (30) days' prior written notice and an opportunity to cure any breach of this Contract Offer.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.69 Contract Offer No. 66 - Special Access Wireless DS1 Bundle Service Offer (Cont'd)

25.69.8 Termination or Failure to Purchase (Cont'd)

Notwithstanding anything to the contrary in this Contract Offer or elsewhere in BellSouth Tariff F.C.C. No. 1, termination liability charges or similar charges shall not apply to the termination of a Subject Service if: (i) the Customer submits a service order seeking to replace the Subject Service with a Qualified Ethernet Service, as provided in Section 25.69.5(A)(2) of this Contract offer, (ii) the Telephone Company is obligated to provide the Qualified Ethernet Service ordered by the Customer, and (iii) the Telephone Company materially fails to provide or otherwise perform its obligations with respect to the Qualified Ethernet Service as required pursuant to Section 25.69.5.A.(2) of this Contract Offer.

25.69.9 Technology Upgrade/Migration

- (A) If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Services provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or tariff arrangement to purchase the new service offerings from the Telephone Company, in substitution for the Subject Services provided under this Contract Offer, without incurring termination liability charges under this Contract Offer, provided, however, that the contract offer or tariff arrangement governing the new service includes a term period and billing amount equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following conditions are met:
 - (1) The Customer must meet all eligibility requirements outlined in Section 25.69.3, and Terms and Conditions outlined in Section 25.69.4;
 - (2) The Customer must provide a written notification to the Telephone Company ninety (90) days prior to exercising this option; and
 - (3) The Customer must pay all NRCs associated with the upgrade, as well as any applicable Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

25.69.10 De-Tariffing of Subject Services

If, at any time during the Term Period, the Subject Services available under this Contract Offer are voluntarily or involuntarily detariffed by the Telephone Company, in whole or in part, pursuant to a statutory change, order or requirement of a governmental or judicial authority of competent jurisdiction, the rates, Terms and Conditions for Subject Services provided under this Contract Offer will remain in full force and effect for the remainder of the unexpired Term Period.

² Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with detariffed services are available at www.att.com/guidebook.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.70 Contract Offer No. 67 - Special Access LightGate® DS3 Service Offer

25.70.1 General Description

Contract Offer No. 67 — Special Access LightGate® DS3 Service Offer (Contract Offer No. 67) is an access discount pricing plan. Contract Offer No. 67 permits Customers who meet the Eligibility Criteria in Section 25.70.3, and the Terms and Conditions in Section 25.70.4, to purchase Subject Service in Section 25.70.2 and receive credits listed in Section 25.70.5. Subject Service is available under Contract Offer No. 67 in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 25.70.3 (B).

Contract Offer No. 67 is available for subscription from October 10, 2009 through November 10, 2009. This Contract Offer is not renewable.

25.70.2 <u>Subject Services</u>

This Contract Offer applies to the pricing-flexibility-qualified service contained in the following tariff section: BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Section 7 - LightGate® 1 DS-3 High Capacity Service (Subject Services).

25.70.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria:

- (A) Subject Service must be pricing flexibility qualified access services listed in Section 25.70.2.
- (B) Subject Service must be located in the following MSA: Nashville, TN.
- (C) Subject Services must be new installations. Services that were being provided to the Customer by the Telephone Company prior to the Customer's subscription to this Contract Offer are not eligible for this Contract Offer.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.70 <u>Contract Offer No. 67 - Special Access LightGate® DS3 Service Offer</u> (Cont'd)

25.70.3 Eligibility Criteria (Cont'd)

(A) Subject Service must subtend a newly installed Self-healing Multi-nodal Alternate Route Topology Ring (SMARTRIng®²), provided by the Telephone Company.

25.70.4 Terms and Conditions

(A) Term Period

This Contract Offer shall be effective commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. Subject Service must be in service for a period of sixtyone (61) months (Term Period) commencing on the date the service begins billing. Upon expiration of the Term Period, Subject Service shall be converted to the prevailing applicable monthly (extension) rates, described in BellSouth Tariff F.C.C. No. 1, Sections 7 or 23, unless the Customer selects an applicable payment plan, as described in Sections 7 and 23, or disconnects the Subject Service.

This Contract Offer is not renewable.

(B) General Terms and Conditions

(1) Subject Service is subject to certain rates, terms and conditions in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the Terms and Conditions of this Contract Offer.

²SMARTRing services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been detariffed by the Telephone Company. Rates, terms and conditions associated with detariffed services are available at www.att.com/guidebook.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

- 25.70 <u>Contract Offer No. 67 Special Access LightGate® DS3 Service Offer</u> (Cont'd)
- 25.70.4 Terms and Conditions (Cont'd)
 - (B) General Terms and Conditions (Cont'd)
 - (2)All Terms and Conditions for the Subject Service provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
 - (3) The Customer may not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering or other discount plan (e.g., Transport Advantage Plan (TAP)).
 - (4)Commingling shall be defined as provided in Section 2.6. Commingling of Subject Service purchased under this Contract Offer is prohibited.
 - (5) If the Customer discontinues service under Contract Offer No. 67 during the Term Period, or if the Customer breaches any Term or Condition of this Contract Offer or any provision of any other applicable tariff, termination liability charges shall apply in accordance with Section 25.70.9.
 - (6)To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.
 - (7) The Customer shall purchase DS3 LightGate® 1 Service located in the Nashville, TN MSA under this Contract Offer.
 - (8) The Customer will receive a Reward Credit in an amount equal to the stated percentage in Section 25.70.5 of the prevailing Monthly Rates listed in Section 7 of BellSouth Tariff F.C.C. No. 1, as applicable to a Plan C term commitment, for Subject Service. Reward Credits will be applied monthly, in arrears. Taxes, if applicable, will be charged on the corresponding Monthly Rates listed in the tariff, but will not be included in the Reward Credits applied to the Customer's bill.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.70 Contract Offer No. 67 - Special Access LightGate® DS3 Service Offer (Cont'd)

25.70.5 Rates and Charges

The Customer will initially be billed according to the prevailing Monthly Recurring Charges (MRCs) listed in Section 7 of BellSouth Tariff F.C.C. No. 1, as applicable to a Plan C term commitment, for Subject Service for the Universal Service Order Codes (USOCs) in Table A, below. The Customer will then be credited in an amount equal to ten (10) percent of the prevailing Plan C term rates. Credits will be applied monthly, in arrears.

Table A

| Table 1 | |
|---|-------|
| Description of Rate Element | USOC |
| LightGate® Interoffice Channel, Fixed | 1LPS9 |
| LightGate® Interoffice Channel, Per Mile | 1LPE9 |
| LightGate® Central Office Channel Interface, Per DS3 | 1PQE3 |

The Non-recurring charge associated with the following in Table B shall be waived.

Table B

| Description | |
|-----------------------------------|-------|
| · | USOC |
| LightGate® Central Office Channel | |
| Interface, Per DS3 | 1PQE3 |

25.70.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of service under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

- 25.70 Contract Offer No. 67 Special Access LightGate® DS3 Service Offer (Cont'd)
- 25.70.6 Assignment/Transfer/Successors (Cont'd)
 - (A) Any debt securities of the proposed assignee, transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission: or

If any debt securities of a proposed assignee, transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee, transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1)"fair" or below in a composite credit appraisal published by Dun and Bradstreet; or (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (C)If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.70.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

25.70.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Service, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.70 Contract Offer No. 67 - Special Access LightGate® DS3 Service Offer (Cont'd)

25.70.8 Technology Upgrade

- (A) If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Service provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or other contract or tariff arrangement to purchase the new service offering from the Telephone Company, in substitution for the Subject Service provided under this Contract offer, without incurring termination liability under this Contract Offer, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period and billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following additional conditions are met:
 - (1) The Customer must meet all eligibility requirements outlined in Section 25.70.3, and the Terms and Conditions outlined in Section 25.70.4;
 - (2) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option; and
 - (3) The Customer will be responsible for all Non-Recurring Charges (NRCs) associated with the upgrade, as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.70 <u>Contract Offer No. 67 - Special Access LightGate® DS3 Service Offer</u> (Cont'd)

25.70.9 Termination Liability

Termination of Contract Offer. If the Customer terminates this Contract Offer or breaches any provision of this Contract Offer, the Customer shall be liable for a termination charge, which shall be equal to fifty (50) percent of the applicable MRCs for the balance of the Term Period. The termination charge will be calculated as follows:

MRC X 50% X (months remaining in Term Period) = Termination Charge.

Upon termination of this Contract Offer, Subject Service shall be provided at the applicable rate in Tariff, unless they are disconnected.

Example:

MRCs are \$1,350.00. The Customer breaches the Contract Offer with 24 months remaining in the Term Period. The Termination Liability would be calculated as follows:

\$1,350 X 50% X 24 months = \$16,200 Termination Liability

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.71 Contract Offer No. 68 - Special Access LightGate® DS3 Service Offer

25.71.1 General Description

Contract Offer No. 68 — Special Access LightGate® 1 Service (a.k.a. BellSouth SPA Point-to-Point Network 1 DS3 Capacity) and LightGate® 2 Service (a.k.a. BellSouth SPA Point-to-Point Network 3 DS3 Capacity) (Contract Offer No. 68) is an access discount pricing plan. Contract Offer No. 68 permits Customers who meet the Eligibility Criteria in Section 25.71.3, and the Terms and Conditions in Section 25.71.4, to purchase Subject Service in Section 25.71.2 at the discounted rates described in Section 25.71.5. Subject Services are available under Contract Offer No. 68 in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 25.71.3 (B).

Contract Offer No. 68 is available for subscription from 5/29/2010 through 6/29/2010. This Contract Offer is not renewable.

25.71.2 Subject Services

This Contract Offer applies to the pricing-flexibility-qualified service contained in the following tariff section: BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Section 7 — LightGate® 1 Service (a.k.a. BellSouth SPA Point-to-Point Network 1 DS3 Capacity) and LightGate® 2 Service (a.k.a. BellSouth SPA Point-to-Point Network 3 DS3 Capacity) (Subject Services).

25.71.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria.

- (A) Subject Services must be pricing flexibility qualified access services listed in Section 25.71.2; and
- (B) Subject Services must be located in the following MSA: Atlanta, GA.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.71 Contract Offer No. 68 - Special Access LightGate® DS3 Service Offer

25.71.4 Terms and Conditions

(A) Term Period

This Contract Offer shall be effective commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. Subject Services must be in service for a period of twelve (12) months (Term Period) commencing on the date the service begins billing. Upon expiration of the Term Period, Subject Services shall be converted to the prevailing applicable monthly (extension) rates, described in BellSouth Tariff F.C.C. No. 1, Sections 7 or 23, unless the Customer selects an applicable payment plan, as described in Sections 7 and 23, or disconnects the Subject Services.

This Contract Offer is not renewable.

(B) General Terms and Conditions

- (1)Subject Services are subject to certain rates, terms and conditions in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the Terms and Conditions of this Contract Offer.
- (2)All Terms and Conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
- (3) The Customer may not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering or other discount plan ($\underline{e.g.}$, Transport Advantage Plan (TAP)).
- (4) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services purchased under this Contract Offer is prohibited.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

- 25.71 Contract Offer No. 68 Special Access LightGate® DS3 Service Offer
- 25.71.4 Terms and Conditions (Cont'd)
- (B) General Terms and Conditions (Cont'd)
 - (5) If the Customer discontinues service under Contract Offer No. 68 during the Term Period, or if the Customer breaches any Term or Condition of this Contract Offer or any provision of any other applicable tariff, termination liability charges shall apply in accordance with Section 25.71.9.
 - (6)To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.
 - (7) The Customer shall purchase Subject Services located in the Atlanta, GA MSA pursuant to the rates, and Terms and Conditions under this Contract Offer.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.71 Contract Offer No. 68 - Special Access LightGate® DS3 Service Offer

25.71.5 Rates and Charges

The Customer shall pay the following Monthly Recurring Charges (MRCs) as listed in Table A, below.

Table A

| Description of Rate Element | USOC | Rate |
|---|-------|------------|
| LightGate® 1 Local Channel Systems Per System | HFSC7 | \$977.50 |
| LightGate® 2 Local Channel Systems Per System | HFSCE | \$2,099.50 |
| LightGate® 2 service Local Channel Systems, Local Channel Mileage Rates Local Channel Systems, Each additional system one-half air mile | 1LPEA | \$97.75 |
| LightGate® 2 service Local Channel Systems, LightGate service Asynchrounous System Channel Interface Central Office Channel Interfaces, Per DS3's | 1PQEC | \$70.00 |
| LightGate® 2 service Local Channel Systems, LightGate service Asynchrounous System Channel Interface Customer Channel Interfaces, Per DS3's | 1PQEP | \$70.00 |
| | | |

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.71 Contract Offer No. 68 - Special Access LightGate® DS3 Service Offer

25.71.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of service under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee, transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee, transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee, transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (A) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.71.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.71 Contract Offer No. 68 - Special Access LightGate® DS3 Service Offer

25.71.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Service, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.71.8 Technology Upgrade

- (A) If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Services provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or other contract or tariff arrangement to purchase the new service offering from the Telephone Company, in substitution for the Subject Services provided under this Contract Offer, without incurring termination liability under this Contract Offer, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period and billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following additional conditions are met:
 - (1) The Customer must meet all eligibility requirements outlined in Section 25.71.3, and Terms and Conditions outlined in Section 25.71.4;
 - (2) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option; and

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.71 Contract Offer No. 68 - Special Access LightGate® DS3 Service Offer

25.71.8 Technology Upgrade (Cont'd)

(3) The Customer will be responsible for all Non-Recurring Charges (NRCs) associated with the upgrade, as well as any Special Construction Charges to provision the upgraded service.

25.71.9 Termination Liability

If the Customer terminates this Contract Offer or breaches any provision of this Contract Offer, the Customer shall be liable for a termination charge, which shall be equal to fifty (50) percent of the applicable MRCs for the balance of the Term Period. The termination charge will be calculated as follows:

MRC X 50% X (months remaining in Term Period) = Termination Charge.

Upon termination of this Contract Offer, Subject Services shall be provided at the applicable rate in the Tariff, unless they are disconnected.

Example:

MRCs are \$2415.00. The Customer breaches the Contract Offer with 1 month remaining in the Term Period. The Termination Liability would be calculated as follows:

\$2415 X 50% X 1 month = \$1207.50 Termination Liability

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.72 Contract Offer No. 69 - Special Access LightGate® DS3 Service Offer

25.72.1 General Description

Contract Offer No. 69 — Special Access LightGate® 1 Service (a.k.a. BellSouth SPA Point-to-Point Network 1 DS3 Capacity) and LightGate® 2 Service (a.k.a. BellSouth SPA Point-to-Point Network 3 DS3 Capacity) (Contract Offer No. 69) is an access discount pricing plan. Contract Offer No. 69 permits Customers who meet the Eligibility Criteria in Section 25.72.3, and the Terms and Conditions in Section 25.72.4, to purchase Subject Service in Section 25.72.2 at the discounted rates described in Section 25.72.5. Subject Services are available under Contract Offer No. 69 in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 25.72.3 (B).

Contract Offer No. 69 is available for subscription from July 7, 2010 through August 7, 2010. This Contract Offer is not renewable.

25.72.2 <u>Subject Services</u>

This Contract Offer applies to the pricing-flexibility-qualified service contained in the following tariff section: BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Section 7 — LightGate® 1 Service (a.k.a. BellSouth SPA Point-to-Point Network 1 DS3 Capacity) and LightGate® 2 Service (a.k.a. BellSouth SPA Point-to-Point Network 3 DS3 Capacity) (Subject Services).

25.72.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria.

- (A) Subject Services must be pricing flexibility qualified access services listed in Section 25.72.2; and
- (B) Subject Services must be located in the following MSA: Nashville, TN.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.72 <u>Contract Offer No. 69 — Special Access LightGate® DS3 Service Offer</u> (Cont'd)

25.72.4 Terms and Conditions

(A) <u>Term Period</u>

This Contract Offer shall be effective commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. Subject Services must be in service for a period of twelve (12) months (Term Period) commencing on the date the service begins billing. Upon expiration of the Term Period, Subject Services shall be converted to the prevailing applicable monthly (extension) rates, described in BellSouth Tariff F.C.C. No. 1, Sections 7 or 23, unless the Customer selects an applicable payment plan, as described in Sections 7 and 23, or disconnects the Subject Services.

This Contract Offer is not renewable.

(B) General Terms and Conditions

- (1)Subject Services are subject to certain rates, terms and conditions in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the Terms and Conditions of this Contract Offer.
- (2) All Terms and Conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
- (3) The Customer may not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering or other discount plan (e.g., Transport Advantage Plan (TAP)).
- (4) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Services purchased under this Contract Offer is prohibited.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

- 25.72 <u>Contract Offer No. 69 Special Access LightGate® DS3 Service Offer</u> (Cont'd)
- 25.72.4 Terms and Conditions (Cont'd)
- (B) General Terms and Conditions (Cont'd)
 - (5) If the Customer discontinues service under Contract Offer No. 69 during the Term Period, or if the Customer breaches any Term or Condition of this Contract Offer or any provision of any other applicable tariff, termination liability charges shall apply in accordance with Section 25.72.9.
 - (6)To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.
 - (7) The Customer shall purchase Subject Services located in the Nashville, TN MSA pursuant to the rates, and Terms and Conditions under this Contract Offer.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.72 <u>Contract Offer No. 69 — Special Access LightGate® DS3 Service Offer</u> (Cont'd)

25.72.5 Rates and Charges

The Customer shall pay the following Monthly Recurring Charges (MRCs) as listed in Table A, below.

Table A

| Description of Rate Element | USOC | Rate |
|---|-------|------------|
| LightGate® 1 Local Channel Systems Per System | HFSC7 | \$977.50 |
| LightGate® 2 Local Channel Systems Per System | HFSCE | \$2,099.50 |
| LightGate® 2 service Local Channel Systems, Local Channel Mileage Rates Local Channel Systems, Each additional system one-half air mile | 1LPEA | \$97.75 |
| LightGate® 2 service Local Channel Systems, LightGate service Asynchrounous System Channel Interface Central Office Channel Interfaces, Per DS3's | 1PQEC | \$70.00 |
| LightGate® 2 service Local Channel Systems, LightGate service Asynchrounous System Channel Interface Customer Channel Interfaces, Per DS3's | 1PQEP | \$70.00 |

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.72 <u>Contract Offer No. 69 — Special Access LightGate® DS3 Service Offer</u> (Cont'd)

25.72.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of service under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee, transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee, transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee, transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (A) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.72.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.72 <u>Contract Offer No. 69 — Special Access LightGate® DS3 Service Offer</u> (Cont'd)

25.72.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Service, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.72.8 Technology Upgrade

- (A) If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Services provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or other contract or tariff arrangement to purchase the new service offering from the Telephone Company, in substitution for the Subject Services provided under this Contract Offer, without incurring termination liability under this Contract Offer, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period and billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following additional conditions are met:
 - (1) The Customer must meet all eligibility requirements outlined in Section 25.72.3, and Terms and Conditions outlined in Section 25.72.4;
 - (2) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option; and

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

- 25.72 <u>Contract Offer No. 69 Special Access LightGate® DS3 Service Offer</u> (Cont'd)
- 25.72.8 Technology Upgrade (Cont'd)
 - (3) The Customer will be responsible for all Non-Recurring Charges (NRCs) associated with the upgrade, as well as any Special Construction Charges to provision the upgraded service.

25.72.9 <u>Termination Liability</u>

If the Customer terminates this Contract Offer or breaches any provision of this Contract Offer, the Customer shall be liable for a termination charge, which shall be equal to fifty (50) percent of the applicable MRCs for the balance of the Term Period. The termination charge will be calculated as follows:

MRC X 50% X (months remaining in Term Period) = Termination Charge.

Upon termination of this Contract Offer, Subject Services shall be provided at the applicable rate in the Tariff, unless they are disconnected.

Example:

MRCs are \$2415.00. The Customer breaches the Contract Offer with 1 month remaining in the Term Period. The Termination Liability would be calculated as follows:

\$2415 X 50% X 1 month = \$1207.50 Termination Liability

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES

25 - CONTRACT TARIFFS

25.73 Contract Offer No. 70 - Special Access LightGate DS3 Service Offer

25.73.1 General Description

Contract Offer No. 70 — Special Access LightGate® DS3 Service Offer (Contract Offer No. 70) is an access discount pricing plan. Contract Offer No. 70 permits Customers who meet the Eligibility Criteria in Section 25.73.3, and the Terms and Conditions in Section 25.73.4, to purchase Subject Service in Section 25.73.2 and receive credits described in Section 25.73.5. Subject Service is available under Contract Offer No. 70 in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 25.73.3 (B).

Contract Offer No. 70 is available for subscription from 8/21/2010 through 9/21/2010. This Contract Offer is not renewable.

25.73.2 Subject Service

This Contract Offer applies to the pricing-flexibility-qualified service contained in the following tariff section: BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Section 23 - LightGate* 1 DS-3 High Capacity Service (Subject Service).

25.73.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria.

- (A) Subject Service must be pricing flexibility qualified access services listed in Section 25.73.2.
- (B) Subject Service must be located in each of the following MSAs: Lake Charles, LA; Miami-Ft. Lauderdale, FL and New Orleans, LA.
- (C) Subject Service ordered pursuant to this Contract Offer must be existing service that has completed a minimum 36-month term and provided with a Central Office Termination on an AT&T Interstate SMARTRIng® Service provided on terms pursuant to the AT&T Interstate Guidebook.

25.73.4 Terms and Conditions

(A) Term Period

This Contract Offer shall be effective commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. Subject Service must be in service for a period of thirty-six (36) months (Term Period) commencing on the date the service begins billing. Upon expiration of the Term Period, Subject Service shall be converted to the prevailing applicable monthly extension rates, described in BellSouth Tariff F.C.C. No. 1, Sections 7 or 23, unless the Customer selects an applicable payment plan, as described in Sections 7 and 23, or disconnects the Subject Service. This Contract Offer is not renewable.

²SMARTRing* Services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been detariffed by the Telephone Company. Rates, terms and conditions associated with detariffed services are available at www.att.com/guidebook

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ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES 25 - CONTRACT TARIFFS

- 25.73 Contract Offer No. 70 Special Access LightGate® DS3 Service Offer (Cont'd)
- 25.73.4 Terms and Conditions (Cont'd)
 - (B) General Terms and Conditions
 - (1) Subject Service is subject to certain rates, terms and conditions in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the Terms and Conditions of this Contract Offer.
 - (2) All Terms and Conditions for the Subject Service provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
 - (3) The Customer may not include Subject Service provided under this Contract Offer in any other contract offer, promotional offering or other discount plan (e.g., Transport Advantage Plan (TAP)).
 - (4) Commingling, as described in Section 2.6, of Subject Service purchased under this Contract Offer is prohibited.
 - (5) If the Customer discontinues service under Contract Offer No. 70 during the Term Period, or if the Customer breaches any Term or Condition of this Contract Offer, termination liability charges shall apply in accordance with Section 25.73.9.
 - (6) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.
 - (7) The Customer shall purchase three (3) DS3 LightGate® 1 Services. One (1) must be located in the Lake Charles, LA MSA, One (1) must be located in the Miami-Ft. Lauderdale, FL MSA, and one (1) must be located in the New Orleans, LA MSA under this Contract Offer.
 - (8) The Customer will receive a Reward Credit in an amount equal to twenty percent (20%) of the prevailing TPP Plan A rates, as described in Section 23.5.2.9, for the thirty-six (36) month Term Period for the following USOCs in Section 25.73.5 for Subject Service.

HFSC7 LightGate 1 Service System, per system

1LPEA Local Channel Mileage Rates, each additional system one-half air mile.

The Reward Credits will be applied monthly, in arrears. The Reward Credit in this Contract Offer will only apply to the USOCs listed above. The monthly rates shown in Table A, Section 25.73.5, herein, reflect the net amount of the NRCs and MRCs from Section 23 less the applicable twenty percent (20%) Reward Credit.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES 25 - CONTRACT TARIFFS

25.73 Contract Offer No. 70 - Special Access LightGate® DS3 Service Offer (Cont'd)

25.73.5 Rates and Charges

The Customer will initially be billed according to the prevailing MRCs listed in Section 23 for Subject Service in the New Orleans, LA MSA, and Section 23 for Subject Service located in the Lake Charles, LA and Miami-Ft Lauderdale, FL MSA of BellSouth Tariff F.C.C. No. 1, as applicable to a Plan A term commitment, as described in Section 23.5.2.9. The Customer will then be credited in an amount equal to twenty percent (20%) of the MRCs in Section 23 for the Rate Elements listed below. The Monthly Rates, below, illustrate the net amount. These Reward Credits will be applied monthly, in arrears.

Table A

| Description of Rate Element | Non-Recurring | USOC | Monthly Rate |
|--|---------------|-------|--------------|
| LightGate® 1 Local Channel Systems Per System — Lake Charles, LA and Miami-Ft Lauderdale, FL MSAs | \$00 | HFSC7 | \$1272.00 |
| LightGate® 1 service Local Channel Systems, Local Channel Mileage Rates Local Channel Systems, Each additional system one-half air mile- Lake Charles, LA and Miami-Ft Lauderdale, FL MSAs | \$00 | 1LPEA | \$152.00 |
| LightGate® 1 service Local Channel Systems, LightGate® 1 service systems- New Orleans, LA MSA | \$00 | HFSC7 | \$986.00 |
| LightGate® 1 service Local Channel Systems, Local Channel Mileage Rates Local Channel Systems, Each additional system one-half air mile New Orleans, LA MSA | \$00 | 1LPEA | \$105.40 |

25.73.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of service under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee, transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee, transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES 25 - CONTRACT TARIFFS

25.73 Contract Offer No. 70 - Special Access LightGate® DS3 Service Offer (Cont'd)

25.73.6 Assignment/Transfer/Successors (Cont'd)¹

- (B) The proposed assignee, transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.73.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

25.73.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Service, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.73.8 <u>Technology Upgrade</u>

- (A) If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Service provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or other contract or tariff arrangement to purchase the new service offering from the Telephone Company, in substitution for the Subject Service provided under this Contract offer, without incurring termination liability under this Contract Offer, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period and billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following additional conditions are met:
 - (1) The Customer must meet all eligibility requirements outlined in Section 25.73.3, and Terms and Conditions outlined in Section 25.73.4;
 - (2) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option; and

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICES 25 - CONTRACT TARIFFS

- 25.73 <u>Contract Offer No. 70 Special Access LightGate® DS3 Service Offer</u> (Cont'd)
- 25.73.8 Technology Upgrade (Cont'd)
 - (A) (Cont'd)
 - (3) The Customer will be responsible for all NRCs associated with the upgrade as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

25.73.9 Termination Liability

If the Customer terminates this Contract Offer or breaches any provision of this Contract Offer, the Customer shall be liable for a termination charge, which shall be equal to fifty percent (50%) of the applicable MRCs for the balance of the Term Period. The termination charge will be calculated as follows:

MRC X 50% X (months remaining in Term Period) = Termination Charge.

Upon termination of this Contract Offer, Subject Service shall be provided at the applicable rate in Tariff, unless it is disconnected.

Example:

MRCs are \$2415.00. The Customer breaches the Contract Offer with one (1) month remaining in the Term Period. The Termination Liability would be calculated as follows:

 $$2415 \times 50\% \times 1 \text{ month} = $1207.50 \text{ Termination Liability}$

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25 - CONTRACT TARIFFS

25.74 Contract Offer No. 71 - Special Access LightGate® DS3 Service Offer

25.74.1 General Description

Contract Offer No. 71 — Special Access LightGate® DS3 Service Offer (Contract Offer No. 71) is an access discount pricing plan. Contract Offer No. 71 permits Customers who meet the Eligibility Criteria in Section 25.74.3, and the Terms and Conditions in Section 25.74.4, to receive reward credits described in Section 25.74.5 for Subject Services as described in Section 25.74.2.

Contract Offer No. 71 is available for subscription from November 10, 2010 through December 10, 2010. This Contract Offer is not renewable.

25.74.2 Subject Services

This Contract Offer applies to the pricing-flexibility-qualified service contained in the following tariff section: BellSouth Telecommunications, Inc. (BellSouth) Tariff F.C.C. No. 1, Section 7 - LightGate® 1 DS-3 High Capacity Service (Subject Services).

25.74.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria.

- (A) Subject Service must be pricing flexibility qualified access services listed in Section 25.74.2.
- (B) Subject Service must be located in the following MSA: Nashville-Davidson, TN
- (C) Customer must have an existing Subject Service subtending a Telephone Company Interstate SMARTRIng® Service.²
- (D) All terms and conditions for the Subject Services listed above are governed by their respective tariff sections, except as noted herein.

² SMARTRing services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order FCC No. 07-180, released October 12, 2007, these services have been detariffed by the Telephone Company. Rates, terms and conditions associated with detariffed services are available at www.att.com/guidebook.

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ACCESS SERVICE

25.74 <u>Contract Offer No. 71 - Special Access LightGate® DS3 Service Offer</u> (Cont'd)

25.74.4 Terms and Conditions

(A) Term Period

The Contract Term (Term Period) shall be sixty-one (61) months commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. At the expiration of the Term Period, the Customer may choose from the payment plan options described in BellSouth Tariff F.C.C. No. 1, Sections 7 or 23, applicable to Subject Services. If, at the expiration of the Term Period, the Customer does not choose to disconnect or select one of the applicable payment plans, Subject Services shall be converted to the prevailing applicable monthly (extension) rates, described in BellSouth Tariff F.C.C. No. 1, Sections 7 or 23. This Contract Offer is not renewable.

(B) General Terms and Conditions

- (1) Subject Service is subject to certain rates, terms and conditions in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the Terms and Conditions of this Contract Offer.
- (2) All Terms and Conditions for the Subject Service provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
- (3) The Customer may not include Subject Services provided under this Contract Offer in any other contract offer, promotional offering or other discount plan (e.g., Transport Advantage Plan (TAP)).
- (4) Commingling shall be defined as provided in Section 2.6. Commingling of Subject Service purchased under this Contract Offer is prohibited.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25.74 <u>Contract Offer No. 71 - Special Access LightGate® DS3 Service Offer</u> (Cont'd)

25.74.4 Terms and Conditions (Cont'd)

- (B) General Terms and Conditions (Cont'd)
 - (5) If the Customer discontinues service under Contract Offer No. 71 during the Term Period, or if the Customer breaches any of the Terms and Conditions of this Contract Offer or any provision of any other applicable tariff with respect to the Subject Services, termination liability charges shall apply in accordance with Section 25.74.9.
 - (6) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company.
 - (7) The Customer shall migrate one (1) existing Subject Service to the rates, terms and conditions under this Contract Offer. Such Subject Service shall subtend a Central Office Termination on a Telephone Company Interstate SMARTRIng®² Service.
 - (8) The Customer will receive a Reward Credit in an amount equal to thirty-seven percent (37%) of the prevailing Term Payment Plan monthly rates in Section 7 of the BellSouth Tariff F.C.C. No. 1, as applicable to a Plan C term commitment for Subject Services. Reward Credits will be applied monthly, in arrears. Taxes, if applicable, will be charged on the corresponding prevailing Monthly Rates listed in the tariff, but will not be included in the Reward Credit applied to the Customer's Bill. The prevailing rates are the rates as set forth in Section 7 at the time of subscription to this Contract Offer.
 - (9) If the Customer purchased Subject Service (as defined in this Contract Offer) from the Telephone Company pursuant to BellSouth Tariff F.C.C. No. 1, Section 25, Contract Offer No. 67, and migrates such Subject Services to this Contract Offer, the Telephone Company shall waive any termination liability charges that would otherwise apply pursuant to that Contract Offer. Termination liability charges shall otherwise apply according to the terms of the applicable tariff.

SMARTRing services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order FCC No. 07-180, released October 12, 2007, these services have been detariffed by the Telephone Company. Rates, terms and conditions associated with detariffed services are available at www.att.com/guidebook. .

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25.74 <u>Contract Offer No. 71 - Special Access LightGate® DS3 Service Offer</u> (Cont'd)

25.74.5 Rates and Charges

The Customer will be billed, and must pay, the prevailing Monthly Recurring Charges (MRCs) listed in Section 7 of the BellSouth Tariff F.C.C. No. 1 for all rate elements as applicable to a Plan C term commitment for Subject Services, per the Universal Service Order Codes (USOCs) in Table A, below. The Customer will be credited in an amount equal to thirty-seven percent (37%) of the prevailing Plan C monthly term rates. Credits will be applied monthly, in arrears.

Table A

| Description of Rate Element | USOC |
|--|-------|
| LightGate® 1 Local Channel Systems Per System — | HFSC7 |
| LightGate® 1 service Local Channel Systems, LightGate service Asynchronous System, Channel Interfaces Central Office Channel Interfaces per DS3 | 1PQEC |
| LightGate® 1 service Local Channel Systems, Channel Interfaces Customer Channel Interfaces per DS3 | 1PQEP |
| BellSouth LightGate Co Channel Interface Per DS3 | 1PQE3 |
| LightGate Interoffice Channel 9- 25 Miles Fixed | 1LPS9 |
| LightGate Interoffice Channel 9- 25 Miles Fixed | 1LPE9 |

Non-recurring rates associated with the rate element list above shall be waived.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25.74 <u>Contract Offer No. 71 - Special Access LightGate® DS3 Service Offer</u> (Cont'd)

25.74.6 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of service under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee, transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee, transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee, transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "High Risk" in a PAYDEX score as published by Dun and Bradstreet.
- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.74.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25.74 <u>Contract Offer No. 71 - Special Access LightGate® DS3 Service Offer</u> (Cont'd)

25.74.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Service, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.74.8 Technology Upgrade

- (A) If the Telephone Company makes available one or more new special access service offerings capable of substituting for the Subject Service provided under this Contract Offer, and such new offering(s) employ new technology not available from the Telephone Company at the commencement of the Term Period, the Customer will be permitted to enter into a new contract offer or other contract or tariff arrangement to purchase the new service offering from the Telephone Company, in substitution for the Subject Service provided under this Contract offer, without incurring termination liability under this Contract Offer, provided, however, that the contract offer, other contract or tariff governing the new service includes a term period and billing equal to, or greater than, that of this Contract Offer. The Customer may exercise the upgrade option provided the following additional conditions are met:
 - (1) The Customer must meet all eligibility requirements outlined in Section 25.74.3, and Terms and Conditions outlined in Section 25.74.4;
 - (2) The Customer must notify the Telephone Company ninety (90) days prior to exercising this option; and
 - (3) The Customer will be responsible for all Non-Recurring Charges associated with the upgrade, as well as any Special Construction Charges incurred by the Telephone Company to provision the upgraded service.

BELLSOUTH TELECOMMUNICATIONS Four AT&T Plaza, Dallas, Texas 75202 TARIFF F.C.C. NO. 1 ORIGINAL PAGE 25-453

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ACCESS SERVICE

25.74 <u>Contract Offer No. 71 - Special Access LightGate® DS3 Service Offer</u> (Cont'd)

25.74.9 Termination Liability

Termination liability, as described below, applies in lieu of the termination liability provisions of BellSouth Tariff F.C.C. No. 1. If Customer terminates Contract Offer No. 71 before the completion of the Term Period, Customer will pay the Telephone Company termination liability charges as described below. Termination liability charges will also apply if the Customer is not in compliance with the Eligibility Criteria in Section 25.74.3, or the Terms and Conditions in Section 25.74.4. These termination liability charges shall become due as of the effective date of the termination of service and are payable as described below. Customer's termination liability charges for termination of service shall be equal to:

MRC X 50% X (months remaining in Term Period) = Termination Charge.

Example:

The Customer with a MRC of \$1214.00 for Subject Services terminates the Contract Offer after sixty (60) month and has one (1) month remaining in the sixty-one (61) month Term Period. The Termination Liability would be calculated as follows:

\$1214 X 50% X 1 months = \$607.00 Termination Liability

Upon termination of this Contract Offer, Subject Services shall be provided at the applicable rate in BellSouth Tariff F.C.C. No. 1, unless they are disconnected.

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings

25.75 <u>Contract Offer No. 72 - Access Service Offer</u>

25.75.1 <u>General Description</u>

The Special Access Service Offer (Contract Offer No. 72) is a Minimum Annual Revenue Commitment plan for which concurrent subscription is required to this Contract Offer and the following Access Tariffs: Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 24; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 155; The Southern New England Telephone (SNET) Tariff F.C.C. No. 39, Contract Offer No. 49; Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73 Contract Offer No. 170, and Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 194 (collectively, with this Contract Offer No. 72, Concurrently Subscribed Contract Offers). NBTC, PBTC, SNET, SWBT and Ameritech, with the Telephone Company, shall be identified herein as the "Qualified Companies."

Subject to the Terms and Conditions set forth elsewhere in this Contract Offer No. 72 and the other Concurrently Subscribed Contract Offers, Contract Offer No. 72 requires eligible Customers to make and satisfy a Minimum Annual Revenue Commitment (MARC), as defined in Section 25.75.5. The MARC consists of certain recurring revenues from, in the aggregate, all MARC-eligible services purchased from BellSouth Telecommunications, Inc. (BellSouth or the Telephone Company), as defined and provided in this Contract Offer No. 72, and the MARC-eligible services as defined and provided in the other Concurrently Subscribed Contract Offers described in Section 25.75.3(C).

MARC-eligible services provided by the Telephone Company are described in Section 25.75.2, with the Subject Services set forth in Section 25.75.2(A), and Non-Subject Services set forth in Section 25.75.2(B).

Contract Offer No. 72 will be available for subscription only from November 11, 2010 through December 11, 2010. This offer is not renewable.

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.75 <u>Contract Offer No. 72 - Access Service Offer</u> (Cont'd)

25.75.2 Subject and Non-Subject Services

MARC-eligible services under this Contract Offer No. 72 consist of both Subject Services, listed in Table A, below, and Non-Subject Services, listed in Table B, below, provided by the Telephone Company and located within the "Operating Territory" of the Telephone Company, as described in BellSouth Tariff F.C.C. No. 1, Section 15 (Operating Territory) except that in no event shall any services connecting to the Customer's or any of its Affiliate's cell sites, mobile telecommunications switching offices (MTSOs), or mobile switching centers (MSCs) be considered MARC-eligible services.

(A) <u>Subject Services</u>
Subject Services are pricing flexibility qualified access services or rate elements listed in Table A, below.

Table A - Subject Services

| Category | Services Included |
|--|---|
| Interstate Special Access located in Pricing Flexibility Metropolitan Statistical Areas (MSAs) | DS1, DS3, SMARTgate, SMARTPath DS1 and DS3, except for any rate elements not subject to pricing flexibility |

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ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.2 <u>Subject and Non-Subject Services</u> (Cont'd)
 - (B) Non-Subject Services Non-Subject Services are listed in Table B, below.

Table B - Non-Subject Services

| Category | Services Included |
|--|--|
| Interstate Special Access Services provided by the Telephone Company but not located in Pricing Flexibility Metropolitan Statistical Areas (MSAs) and any rate elements located in Pricing Flexibility MSAs but not subject to pricing flexibility relief. | DS1, DS3, SMARTgate, SMARTPath DS1 and DS3 services and rate elements not listed in Table A |
| Broadband Interstate Special Access | ² Optical Carrier Network (OCN) Point to Point, SmartRing , Lightgate Services-OCN, Metro Ethernet Services, Serial Component Video Service (SCVS), AVS 270 Video Service, HDTV |
| Intrastate Special Access | Intrastate services equivalent to the interstate services listed above as either Subject Services |

(C) All terms and conditions for those MARC-eligible services that are tariffed are governed by their respective tariff sections, except as noted in this Contract Offer No. 72. All terms and conditions for those MARC-eligible services that are not tariffed are governed by the applicable guidebooks, service guides or contracts. No service purchased by or on behalf of any Affiliate of Customer that is not a "Permitted Affiliate," as defined herein, and no service purchased by Customer, or any of its Permitted Affiliates, for its provision of wireless telecommunications services, shall constitute a Subject Service or Non-Subject Service under this Contract Offer. A "Permitted Affiliate," as that phrase is used in this Contract Offer, is an Affiliate of Customer that is identified by Customer on its LOS under this Contract Offer. "Affiliate" is defined herein as set forth in the Communications Act of 1934, as amended. "Wireless telecommunications services" is defined as set forth in 47 CFR § 1.907.

Interstate OCN PTP, SMARTRing, Lightgate Services-OCN, Metro Ethernet Services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)¹
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.2 Subject and Non-Subject Services (Cont'd)
 - (D) Subject Services and Non-Subject Services shall also include any additional similar or successor services which are provided by the Qualified Companies and were not available as of the effective date of this Contract Offer No. 72.

25.75.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 72:

(A) Contract Offer No. 72 is available for qualified special access services located in the Pricing Flexibility MSAs where the Telephone Company has been granted Phase II pricing flexibility, as listed in BellSouth Tariff F.C.C. No. 1, Section 23 and those additional MSA's listed below. During the Term Period of this Contract Offer No. 72, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 23 at the time of subscription, the Customer may, at its option, include Subject Services in those additional MSAs as eligible for the discounts under this Contract Offer No. 72.

Alexandria, LA: Asheville, NC; Augusta, GA; Birmingham, AL; Charlotte-Gastonia, NC; Clarksville-Hopkinsville, TN; Columbus, GA; Greenville, SC; Huntsville, AL; Lexington-Fayette, KY; Mobile, AL; New Orleans, LA; Panama City, FL,

- (B) During the twelve (12) months prior to the Subscription Date, the Customer must have purchased services equivalent to those included among the Subject Services and Non-Subject Services under this Contract Offer, which services must have resulted in charges equivalent to those included in MARC-Eligible Charges under this Contract Offer (as defined in Section 25.75.4(C), below) during those twelve (12) months equal to no less than \$800 million.
- (C) <u>Concurrently Subscribed Contract Offers.</u> The Customer must concurrently subscribe to the following Contract Offers:
 - NBTC Tariff F.C.C. No. 1, Contract Offer No. 24;
 - PBTC Tariff F.C.C. No. 1, Contract Offer No. 155;
 - SWBT Tariff F.C.C. No. 73, Contract Offer No. 170;
 - Ameritech Tariff F.C.C. No. 2, Contract Offer No. 194;
 - BellSouth Tariff F.C.C. No. 1, Contract Offer No. 72; and
 - SNET Tariff F.C.C. No. 39, Contract Offer No. 49.

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.75 <u>Contract Offer No. 72 - Access Service Offer</u> (Cont'd)

25.75.3 Eligibility Criteria (Cont'd)

(D) As of the time of the Customer's subscription to this Contract Offer, the Customer may not be purchasing interstate or intrastate special access services from the Telephone Company pursuant to any pricing flexibility contract offer, broadband services agreement, intrastate "ICB" contract or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment, other than the Concurrently Subscribed Contract Offers or any contract offer that will be terminated upon the Customer's subscription to Concurrently Subscribed Contract Offers.

25.75.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 72:

(A) Subscription.

To subscribe to Contract Offer No. 72, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The Customer must provide, at the time of subscription, all applicable and qualifying Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer No. 72 for itself and its Permitted Affiliates (hereafter referred to as "Eligible ACNAs"). Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, this Contract Offer No. 72.

(B) Term Period

The term of this Contract Offer No. 72 (Term Period) shall begin on the date the Letter of Subscription (LOS) is signed by the last of the Customer and the Telephone Company (Subscription Date) and shall end on June 30, 2014, subject to extensions as provided in this Section 25.75.4(B). Term Year 1 shall begin on the Subscription Date and end on June 30, 2011, and shall consist of three quarters (from the Subscription Date to December 31, 2010; from January 1, 2011 to March 31, 2011; and from April 1, 2011 to June 30, 2011). Each subsequent Term Year shall consist of a period of twelve (12) consecutive months, beginning July 1st after the end of the previous Term Year.

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ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.4 Terms and Conditions (Cont'd)
 - (B) Term Period (Cont'd)

The Term Period will be extended at the Customer's option by up to two (2) consecutive one-year extension periods if the Customer provides to the Telephone Company written notice of intent to extend this Contract Offer No. 72 for such an extension period, at least ninety (90) days prior to June 30, 2014, or with respect to the second extension, at least ninety (90) days prior to June 30, 2015. If the Customer fails to provide such notice, the Term Period ends on June 30, 2014, or after the first extension period on June 30, 2015, as applicable. The extension, if any, must apply to all of the Concurrently Subscribed Contract Offers.

(C) The Customer must satisfy a MARC, as described in 25.75.5(A), for each Term Year of this Contract Offer No. 72. The MARC shall be satisfied by gross billed recurring revenue, after application of any discounts or credits applicable to those recurring revenues (except Area Commitment Plan credits under the BellSouth Tariff F.C.C. No. 1, and those issued under this Contract Offer No. 72 and the other Concurrently Subscribed Contract Offers), as well as adjustments for overbilling, underbilling and billing dispute settlements addressed during the Annual True-up Process only for, in the aggregate, the MARC-eligible services, as set forth in Section 25.75.2 of this Contract Offer No. 72, and the MARC-eligible services, as similarly set forth in the other Concurrently Subscribed Contract Offers, which are purchased by and billed to Customer and its Permitted Affiliates (as each exists as of July 1, 2010) (or their permitted successors) under the Eligible ACNAs (collectively, "MARC-Eligible Charges"). The MARC-eligible services, as set forth in Section 25.75.2 of this Contract Offer No. 72, and the MARC-eligible services as similarly set forth in the other Concurrently Subscribed Contract Offers, are collectively referred as the "MARC-Eligible Services." The Customer's MARC-Eligible Charges shall specifically exclude non-recurring charges, usage-based charges and temporary service charges. A "permitted successor" is a successor-in-interest to the Customer or a Permitted Affiliate that is itself an Affiliate of Customer, provided, however, that charges for MARC-eligible services, as set forth in Section 25.75.2 of this Contract Offer No. 72, and charges for MARCeligible services, as similarly set forth in the other Concurrently Subscribed Contract Offers, shall only be considered MRC-Eligible Charges to the extent that they would have prior to the transaction that resulted in such permitted successor.

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ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.4 Terms and Conditions (Cont'd)
 - (D) Credits earned by the Customer under this Contract Offer No. 72 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 25.75.6, below, and in the analogous sections of the other Concurrently Subscribed Contract Offers.
 - (E) Credits earned under this Contract Offer No. 72 are in addition to, and do not alter, any existing service discounts/term plans available in the Telephone Company's generally applicable tariffs or other Contract Tariffs.
 - (F) MARC-Eligible Services under this Contract Offer No. 72 may not be purchased pursuant to any pricing flexibility contract offer, broadband services agreement, intrastate "ICB" contract or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment, other than the Concurrently Subscribed Contract Offers (any such precluded tariffs or agreements hereafter referred to as an "Other Commitment Agreement"), unless the Other Commitment Agreement expressly refers to this Contract Offer and expressly permits the Customer to purchase such services subject to both this Contract Offer and the Other Commitment Agreement. The word "purchase," as used in the foregoing sentence refers to the Customer obtaining or using any service in exchange for compensation, regardless of when the service was ordered or installed.

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- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 <u>Contract Offer No. 72 Access Service Offer</u> (Cont'd)
 - 25.75.4 <u>Terms and Conditions</u> (Cont'd)
 - (G) Purchase of Long Distance Voice Services:

The Customer must commit to purchasing, between August 1, 2010 and July 31, 2012, a single TDM-based long distance voice service and/or a single IP-based long distance voice service from an affiliate of the Telephone Company, including, but not limited to, ABN/OneNet, representing aggregate recurring billed revenues of no less than \$85 million over such two-year period, after applicable discounts, credits, and adjustments.

- (H) Credits to be provided under this Contract Offer No. 72 will not be issued unless and until the Customer has paid all billed charges for MARC-Eligible Services due and owing as of the date the credits are issued (excluding amounts properly disputed), and is otherwise in material compliance with this Contract Offer.
- (I) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of BellSouth Tariff F.C.C. No. 1 (Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services), and such terms and conditions may be modified through the filing of tariff changes at any time during the Contract Term. However, such tariff modifications will not change the Terms and Conditions described in this Contract Offer No. 72.
- (J) Commingling (as defined in BellSouth Tariff F.C.C. No. 1, Section 2.6) of Subject Services provided pursuant to this Contract Offer No. 72 is prohibited.

²ABN/OneNet services are provided on a contractual basis outside of the tariff, including all terms and conditions. Rates, terms and conditions associated with ABN/OneNet services are available at http://new.serviceguide.att.com/

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.75 Contract Offer No. 72 - Access Service Offer (Cont'd)

25.75.5 Minimum Annual Revenue Commitment (MARC)

(A) MARC Establishment

The Customer must satisfy a MARC for each Term Year, as set forth in Table C, below, to be satisfied by MARC-Eligible Charges.

Table C

| Term Year | Minimum Annual Revenue Commitment |
|---------------------------------------|--------------------------------------|
| Year 1 | \$491,166,666 |
| Year 2 | \$846,000,000 |
| Year 3 | \$848,000,000 |
| Year 4 | \$848,000,000 |
| Year 5 - First Optional Extension | \$848,000,000 |
| Year 6 - Second Optional Extension | \$848,000,000 |

(B) MARC Calculations

Satisfaction of the MARC shall be determined according to MARC-Eligible Charges (defined in Section 25.75.4(C)). MARC-Eligible Charges include charges for MARC-Eligible Services that were in service as of the Subscription Date, as well as those placed in service during the Term Period.

(C) Failure to Satisfy the MARC

If the Customer fails to satisfy the MARC or a year-to-date prorated quarterly MARC, as the case may be, as determined in the Quarterly True-Up Process or the Annual True-Up Process, the Qualified Companies shall bill and the Customer shall pay the amount of the Quarterly Shortfall or Annual Shortfall (collectively "Shortfalls"), as applicable, as provided in Sections 25.75.6(B) and (C), below. Any Shortfalls shall be divided among this Contract Offer No. 72 and the other Concurrently Subscribed Contract Offers in proportion to the billing incurred for MARC-Eligible Charges under those contract offers. Customer and the Qualified Companies shall attempt in good faith to complete the processes contemplated in the Quarterly True-Up and Annual True-Up, including making any payments or applying any credits resulting there from within ninety (90) days from the end of the respective quarterly period or Term Year.

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.75 <u>Contract Offer No. 72 - Access Service Offer</u> (Cont'd)

25.75.5 Minimum Annual Revenue Commitment (MARC) (Cont'd)

(D) If Qualified Companies sell or dispose of more than one percent (1%) of their assets, or if the Customer sells or disposes of more than one percent (1%) of its assets used in purchasing services required to achieve any MARC, and any such sale or disposal materially impairs the Customer's ability to satisfy any MARC, the parties shall negotiate in good faith one or more replacement contract offers to reflect the impairment of such sale or disposal on Customer's ability to satisfy the affected MARC(s) and implement corresponding proportional reductions of the MARC(s) and Monthly MARC Credits (MMC).

25.75.6 Discounts and Other Credits

(A) Monthly Credits

For each month of a Term Year, the Customer is eligible for a single Monthly MARC credit under, collectively, this Contract Offer and the other Concurrently Subscribed Contract Offers (Monthly MARC Credits or MMCs).

The Qualified Companies will issue an MMC to the Customer for any month during a Term Year in which the Customer satisfies one-twelfth (1/12) of the MARC for that Term Year (Monthly MARC). If the Customer has not met the Monthly MARC, no credit will be given at that time, but Customer remains eligible to receive such MMCs at a later date in conjunction with the Quarterly and Annual True-Up processes as noted below.

The aggregate amount of Monthly MARC Credits for a Term Year under this Contract Offer No. 72 and the other Concurrently Subscribed Contract Offers shall be as provided in Table D, below. The Monthly Credits shall be divided among this Contract Offer No. 72 and the other Concurrently Subscribed Contract Offers in proportion to the billing incurred for the MARC-Eligible Charges. The Telephone Company will apply the portion of the MMC associated with this Contract Offer No. 72 to the Customer's bill no later than sixty (60) days from the end of the month in which the Monthly MARC was achieved. MMCs will be allocated among the Qualified Companies according to the amounts of revenue attributable to Subject Services and billed by the Qualified Companies during the relevant month.

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- 25. Pricing Flexibility Contract Offerings (Cont'd)¹
 - 25.75 <u>Contract Offer No. 72 Access Service Offer</u> (Cont'd)
 - 25.75.6 Discounts and Other Credits (Cont'd)
 - (A) Monthly Credits (Cont'd)

MMCs shall not be posted if the Customer is in material breach of this Contract Offer No. 72 or another Concurrently Subscribed Contract Offer, or in material breach of any other terms and conditions governing the Subject Services, including, without limitation, failure to pay any undisputed amount due for Subject Services, until such breach is cured or payment for undisputed amounts is made by Customer.

<u>Table D</u>

| Term Year | Monthly MARC Credit (MMC) |
|---------------------------------------|------------------------------|
| Year 1 | \$6,000,000 |
| Year 2 | \$6,000,000 |
| Year 3 | \$6,000,000 |
| Year 4 | \$6,000,000 |
| Year 5 - First | \$6,000,000 |
| Optional Extension | |
| Year 6 - Second Optional Extension | \$6,000,000 |

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ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.6 Discounts and Other Credits (Cont'd)
 - B) Quarterly True-up Process
 - (1) The Qualified Companies shall perform a MARC trueup calculation following each of the first three quarters of each Term Year of this Contract Offer No.72 and the other Concurrently Subscribed Contract Offers (Quarterly True-up Process), provided that the Term Year 1 shall have such quarterly true-ups only for the first two of its three quarters. To perform such calculations, the Qualified Companies shall determine the Customer's aggregate MARC-Eligible Charges for the completed quarters of the Term Year, plus any Quarterly Shortfall(s) (defined in Section 25.75.6(B)(2) and analogous provisions of the other Concurrently Subscribed Contract Offers) previously paid by the Customer under this Contract Offer No. 72 and any of the other Concurrently Subscribed Contract Offers for the completed quarters of that Term Year (collectively, Year-to-Date Revenue), and shall compare that amount to the year-to-date pro-rated MARC, which shall be defined as the product of onefourth of the MARC times the number of quarters included in each Quarterly True-up Process (Yearto-Date MARC), provided, however, that the pro-rated MARC attributable to each of the quarters of Term Year 1 shall be the product of one-third of the Term Year 1 MARC times the number of quarters included in the Term Year 1 Quarterly True-Up Process. Subsequent quarters will begin every three months thereafter, for the remainder of the Term Period.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

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- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.6 Discounts and Other Credits (Cont'd)
 - (B) Quarterly True-up Process (Cont'd)
 - (2) If, based on the Quarterly True-up Process, the Year-to-Date Revenue is less than the Year-to-Date MARC, the Qualified Companies will bill and the Customer will pay the amount equal to the difference between the Year-to-Date MARC and the Year-to-Date Revenue (Quarterly Shortfall). Any Quarterly Shortfall will be allocated among the Qualified Companies according to the amounts of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant quarter. Upon payment of the Quarterly Shortfall, the Telephone Company shall issue (i) any MMC not previously issued for any month included in that Quarterly Review, and (ii) the MMC for the last month of that quarter. In lieu of making payment of the Quarterly Shortfall and subsequently receiving any MMCs due under this Section for that same quarter, Customer shall be entitled to have such amounts be netted such that if the Quarterly Shortfall exceeds the amount of any such MMCs, Customer pays a net Quarterly Shortfall equal to the net amount of such difference, or if the Quarterly Shortfall is less difference, or if the Quarterly Shortfall is less than the amount of any such MMCs, Customer makes no Quarterly Shortfall payment but rather receives net MMCs that reflect the net amount of such difference.
 - (3) If, based on the Quarterly True-up Process, the Customer's Year-to-Date Revenue is equal to or greater than the Year-to-Date MARC, the Telephone Company shall issue to the Customer any MMC(s) not previously issued for any month included in that Quarterly True-up Process due to Customer's failure to meet the Monthly MARC.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.75 <u>Contract Offer No. 72 - Access Service Offer</u> (Cont'd)

25.75.6 Discounts and Other Credits (Cont'd)

(C) Annual True-up Process

- (1) If, at the end of a Term Year, the Customer's MARC-Eligible Charges (ignoring any Quarterly Shortfall(s) previously paid by the Customer for that Term Year) are equal to, or greater than, the MARC for that Term Year, the Telephone Company will issue a credit for any Quarterly Shortfall(s) previously paid by the Customer for that Term Year (Reversing Credit), and shall issue to the Customer (i) any MMC(s) not previously issued for any month included in that Term Year, and (ii) the MCC for the last month of that Term Year. The Customer's MARC-Eligible Charges shall be adjusted by the net amount of only those billing adjustments for overbilling, underbilling, and billing dispute settlements during that Term Year that both: (i) are not already reflected in the MARC-Eligible Charge calculation via monthly recurring charge billing, and (ii) exceed, either individually or in the aggregate for a group of related adjustments, one million dollars (\$1,000,000).
- (2) If, at the end of a Term Year, the amount of the Customer's MARC-Eligible Charges plus any Quarterly Shortfall(s) previously paid for that Term Year is less than the MARC for that Term Year, the Qualified Companies shall bill, and the Customer shall pay, an amount equal to the difference between (a) the MARC, and (b) the Customer's MARC-Eligible Charges plus any shortfall(s) paid for that Term Year (Annual Shortfall). Any Annual Shortfall will be allocated among the Qualified Companies according to the amounts of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant Term Year. Upon payment of the Annual Shortfall, the Telephone Company shall issue to the Customer (i) any MMC not previously issued for any month included in that Term Year, and (ii) the MMC for the last month of that Term Year. In lieu of making payment of the Annual Shortfall and subsequently receiving any MMCs due under this Section for that Term Year, Customer shall be entitled to have such amounts be netted such that if the Annual Shortfall exceeds the amount of any such MMCs, Customer

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ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.6 Discounts and Other Credits (Cont'd)
 - (C) Annual True-up Process (Cont'd)
 - (2) (Cont'd)

pays a net Annual Shortfall equal to the net amount of such difference, or if the Annual Shortfall is less than the amount of any such MMCs, Customer makes no Annual Shortfall payment but rather receives net MMCs that reflect the net amount of such difference.

- (3) If at the end of a Term Year, (a) the Customer's MARC-Eligible Charges are less than the MARC for that Term Year, but (b) the Customer's MARC-Eligible Charges plus any Quarterly Shortfall(s) previously paid by the Customer under this Contract Offer No. 72 and the other Concurrently Subscribed Contract Offers for that Term Year are greater than the MARC for that Term Year, then the Qualified Companies will issue a credit for the difference between (c) the Customer's MARC-Eligible Charges plus any Quarterly Shortfall(s) for that Term Year, less (d) the MARC for that Term Year (Partially Reversing Credit). Any such credits will be allocated among the Qualified Companies according to the amount of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant month. The Telephone Company shall issue (i) any MMC not previously issued for any month included in that Term Year, and (ii) the MMC for the last month of that Term Year.
- (4) If, at the end of any Term Year except Term Year 1, the Customer's MARC-Eligible Charges (ignoring any Quarterly Shortfall(s) previously paid by the Customer for that Term Year) for that Term Year are greater than the MARC for that Term Year, the Telephone Company will issue a credit equal to ten percent (10%) of such excess (Above-the-MARC Credit Amount). The Above-the-MARC Credit Amount will be allocated among the Qualified Companies according to the amount of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant Term Year.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.7 <u>Service Level Agreements (SLA)</u>

The terms and conditions of this Service Level Agreement (SLA) shall apply to Subject Services provided under this Contract Offer, in addition to any Credit Allowance for Service Interruptions available under BellSouth Tariff F.C.C. No. 1, Section 2.4.4 or any credits pursuant to the Installation Interval Guarantee under BellSouth Tariff F.C.C. No. 1, Section 7.4.13. SLA data will be gathered, tabulated and reported according to the Telephone Company's generally applicable network installation and maintenance operational rules, methods and procedures.

(A) Special Construction Reimbursement Fund (SCRF).

The Telephone Company shall establish on behalf of the Customer a Special Construction Reimbursement Fund (SCRF). Any credits issued to the Customer pursuant to the SLA will be applied to the SCRF. SCRF credits will be available to the Customer only to defray any Special Construction charges that apply to Subject Services. Any credits allocated to the SCRF must be used by the Customer within twelve (12) months after the end of the Term Year for which such credits were issued.

- (B) Installation Interval.
 - (1) The Telephone Company must provide service by the confirmed due date for at least ninety percent (90%) of DS1 Subject Services and at least ninety-two percent (92%) of DS3 Subject Services (each to be referred to as an "Installation Credit Level"). If (i) installation of Subject Services falls below the applicable Installation Credit Level for six (6) consecutive calendar months (an "Installation Interval Failure") and (ii) the "Average Monthly Orders Amount" as defined in Section 25.75.7(B)(3), below, meets or exceeds the Monthly Benchmark, as defined in Table A in Section 25.75.7 (B)(3), then the Telephone Company will apply a credit to the SCRF in the amount listed in Table A, below, for each Subject Service for which the confirmed due date was not met during those six (6) calendar months.

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ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.7 Service Level Agreements (SLA) (Cont'd)
 - (B) Installation Interval. (Cont'd)
 - (2) If (i) installation of Subject Services falls below the applicable Installation Credit Level for one or more additional consecutive months immediately following an Installation Interval Failure, and (ii) the "Average Monthly Orders Amount" as defined in Section 25.75.7 (B)(3), below, meets or exceeds the Monthly Benchmark, as defined in Table A in Section 25.75.7B)(3), then an additional credit will be applied to the SCRF for each such additional month(s). Such additional credits will be in the amount listed in Table A, below, for each Subject Service for which the confirmed due date was not met during any such additional calendar month(s). Multiple Installation Interval credits will not apply to any calendar month.
 - (3) The "Average Monthly Orders Amount," is the average number of Subject Service circuits, by circuit type, with confirmed due dates during any period of six (6) consecutive calendar months or, in the case of any additional calendar month subject to Section 25.75.7 (B)(2), above, the average number of Subject Service circuits, by circuit type, with confirmed due dates during such additional calendar month and the preceding five (5) calendar months. The Monthly Benchmark, by circuit type, is listed in Table A, below.

Table A

| Circuit Type | Monthly Benchmark | Credit |
|--------------|----------------------|--------|
| DS1 | 4,900 | \$250 |
| DS3 | 300 | \$350 |

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.7 <u>Service Level Agreements (SLA)</u> (Cont'd)
 - (B) Installation Interval. (Cont'd)

Example 1.

| | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 | Month 6 | Month 7 | Month 8 | Month 9 |
|--|------------|---------|---------|------------|------------|------------|-------------------------------|---|------------|
| DS3 | 97.2% | 89.7% | 89.8% | 89.1% | 90.9% | 89.3% | 89.3% | 91.6% | 94.0% |
| SUBJECT SERVICES WITH DUE DATES IN EACH MONTH | 322 | 339 | 315 | 320 | 299 | 308 | 356 | 297 | 336 |
| Average Monthly Orders Amount | NA | NA | NA | NA | NA | NA | 322.8 (average of months 2-7) | 315.8 (average of months 3-8) | NA |
| DD MISSES | 9 | 35 | 32 | 35 | 27 | 33 | 38 | 25 | 20 |

In Example 1, the Telephone Company's installation of DS3 Subject Services fell below Credit Level (92%) during six consecutive months (Months 2 through 7). In each of those months, the Average Monthly Orders Amount (i.e., the six-month average number of DS3 Subject Services with confirmed due dates) exceeded the applicable Monthly Benchmark (300). The applicable credit would be calculated by adding the total number of Subject Services that were not installed by the applicable confirmed due dates (DD Misses) and multiplying that number by the applicable credit amount (\$350).

(Month 2 DD Misses + Month 3 DD Misses + Month 4 DD Misses + Month 5 DD Misses + Month 6 DD Misses + Month 7 DD Misses) x Credit Amount = Total Credit, or

 $(35 + 32 + 35 + 27 + 33 + 38) \times 350 = $70,000 \text{ Total Credit}$

In Month 8, the Telephone Company again failed to install service at or above the Credit Level, and the Average Monthly Orders Amount (i.e., the six-month rolling average number of monthly orders with confirmed due dates (for Months 3 through 8)) exceeded the Monthly Benchmark (300). An additional credit would be issued for Month 8 only. No additional credits would be issued for the preceding six months, since a credit was already issued for those months.

Month 8 DD Misses x Credit Amount = Total Credit $25 \times $350 = \$8,750$

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.7 <u>Service Level Agreements (SLA)</u> (Cont'd)
 - (A) Service Interruptions.
 - (1) Service Restoration Interval.
 - (a) The Telephone Company will restore service within four (4) hours after the Telephone Company receives the applicable trouble report for at least forty eight percent (48%) of all service interruptions for DS1 Subject Services and for at least sixty five percent (65%) of all service interruptions for DS3 Subject Services (each to be referred to as a "Service Restoration Credit Level"). If (i) service restoration falls below the applicable Service Restoration Credit Level for six (6) consecutive months (a "Service Restoration Failure"), and (ii) the number of trouble reports in each such month meets or exceeds the "Monthly Trouble Report Minimum," as defined in Section 25.75.7 (C)(1)(a), below, then the Telephone Company will apply a credit to the SCRF in the amount listed in Table B, below, for each trouble report for which service was not restored within the Restoration Interval during those six (6) calendar months.
 - (b) If (i) service restoration falls below the Service Restoration Credit Level for one or more additional consecutive months immediately following a Service Restoration Failure, and (ii) the number of trouble reports for each such month(s) meets or exceeds the "Monthly Trouble Report Minimum," as defined in Section 25.75.7 (C)(1)(a), below, then the Telephone Company will apply an additional credit to the SCRF in the amount listed in Table B, below, for each trouble report for which service was not restored within the applicable Restoration Interval during each such additional calendar month(s). Multiple Service Restoration credits will not apply to any calendar month.

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.7 Service Level Agreements (SLA) (Cont'd)
 - (C) Service Interruptions. (Cont'd)
 - (1) Service Restoration Interval. (Cont'd)
 - (c) The "Monthly Trouble Report Minimum", by circuit type, is set forth in Table B, below.

| 1 | Гэ | h | ما | R |
|---|----|---|----|---|
| | | | | |

| Table D | | |
|--------------|-----------------------------------|--------|
| Circuit Type | Monthly Trouble Report Minimum | Credit |
| DS1 | 4,000 | \$100 |
| DS3 | 125 | \$350 |

Example 2:

| | Month | Month | Month | Month | Month | | Month | Month | Month |
|--------------------|--------|--------|--------|--------|--------|---------|--------|--------|--------|
| DS1 | 1 | 2 | 3 | 4 | 5 | Month 6 | 7 | 8 | 9 |
| FF TRBL REPORTS | 3937 | 4000 | 4184 | 4553 | 4032 | 4532 | 4601 | 4035 | 4005 |
| TTR > 4.0 | 1302 | 2149 | 1506 | 2396 | 2168 | 2709 | 2417 | 2139 | 2099 |
| % 4.0 | 66.93% | 46.28% | 64.01% | 47.38% | 46.23% | 40.23% | 47.47% | 46.99% | 47.59% |

In Example 2, the Telephone Company restored service in four hours or less for fewer than 48% of DS1 Subject Services during six consecutive months (Months 4 through 9). During each of those months, the number of trouble reports for DS1 Subject Services met or exceeded the Trouble Report Minimum. The applicable credit would be calculated by adding the total number of Subject Services that were not repaired within the 4 hour timeframe (TTR>= 4.0) and multiplying that number by the applicable credit amount (\$100).

(Jul TTR 4 + Aug TTR 4 + Sept TTR 4 + Oct TTR 4 + Nov TT 4 + Dec TTR 4) x Credit Amount = Total Credit

0r

 $(2396 + 2168 + 2709 + 2417 + 2139 + 2099) \times $100 = $1,392,800$

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.7 Service Level Agreements (SLA) (Cont'd)
 - (C) Service Interruptions. (Cont'd)
 - (1) Repeat Trouble.
 - (a) No more than twenty-three percent (23%) of all DS1 trouble tickets and eleven percent (11%) of all DS3 trouble tickets closed by the Telephone Company (each to be referred to as a "Repeat Trouble Credit Level") during any calendar month shall be for circuits that have had one or more trouble tickets in the previous thirty (30) calendar days. If (i) the percentage of repeat trouble exceeds the Repeat Trouble Rate for six (6) consecutive months (a "Repeat Trouble Failure"), and (ii) the number of trouble reports in each such month meets or exceeds the "Monthly Trouble Report Minimum," as defined below, then the Telephone Company will apply a credit to the SCRF in the amount listed in Table C, below, for each repeat trouble report during those six (6) calendar months.
 - (b) If (i) repeat troubles exceed the Repeat Trouble Credit Level for one or more additional months immediately following a Repeat Trouble Failure, and (ii) the number of trouble reports in each such month meets or exceeds the "Monthly Trouble Report Minimum," as defined below, then the Telephone Company will apply an additional credit to the SCRF in the amount listed in Table C, below, for each repeat trouble report during each such additional calendar month. Multiple Repeat Trouble credits will not apply to any calendar month.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.7 <u>Service Level Agreements</u> (SLA) (Cont'd)
 - (C) Service Interruptions. (Cont'd)
 - (2) Repeat Trouble. (Cont'd)
 - (a) The "Monthly Trouble Report Minimum", by circuit type, is set forth in Table C, below.

| Table C | Ta | ble | e C |
|---------|----|-----|-----|
|---------|----|-----|-----|

| Circuit Type | Monthly Trouble Report Minimum | Credit |
|--------------|-----------------------------------|--------|
| DS1 | 4,000 | \$100 |
| DS3 | 125 | \$350 |

Example 3.

| | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 | Month 6 | Month 7 | Month 8 | Month 9 |
|--------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| DS1 | 16.5% | 17.1% | 25.0% | 25.2% | 25.5% | 25.1% | 25.0% | 25.4% | 19.3% |
| REPEATS | 494 | 584 | 999 | 1101 | 1098 | 1028 | 1005 | 1016 | 643 |
| TRBL RPTS | 2996 | 3416 | 4002 | 4361 | 4310 | 4101 | 4023 | 4000 | 3333 |

In Example 3, more than 23% measure of all troubles were classified as repeat troubles for six consecutive months (Months 3 through 8), and Customer trouble reports in each such month exceeded the Monthly Trouble Report Minimum. A credit of \$624,700 would be applied to the SCRF.

 $(999+1101+1098+1028+1005+1016) \times 100 = $624,700$

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.75 Contract Offer No. 72 - Access Service Offer (Cont'd)

25.75.8 Assignment/Transfer/Successors

- (A) Neither party shall assign or otherwise transfer this Contract Offer No. 72 or its rights or obligations hereunder to any person or entity without the prior written consent of the other party, which shall not be unreasonably withheld or delayed, provided, however, that Customer shall have the right, without the consent of but with notice to the Telephone Company, to assign or otherwise transfer the entirety of this Contract Offer No. 72 to any Permitted Affiliate, so long as: (i) the other Concurrently Subscribed Contract Offers are likewise assigned or otherwise transferred in their entirety to that same Affiliate; and (ii) that Affiliate otherwise qualifies under this Contract Offer No. 72 and the other Currently Subscribed Contract Offers. Any assignment or other transfer shall be subject to the other party's rights under this Contract Offer No. 72 and the other Concurrently Subscribed Contract Offers; any assignee or transferee shall continue to perform the assigning or transferring party's obligations under this Contract Offer No. 72 and the other Concurrently Subscribed Contract Offers; any assignment or transfer by the Customer shall be subject to the provisions of Section 25.75.7(B), below, and the assignor or transferor will remain financially responsible for the performance of this Contract Offer No. 72 and/or its obligations hereunder. Any assignment or other transfer of this Contract Offer No. 72 or the rights or obligations hereunder, or any attempt to do either, in violation of this provision shall be void.
- (B) Subject to the provisions of Section 25.75.7(A), above, the Customer may assign or transfer this Contract Offer if (i) the proposed assignee or transferee demonstrates credit worthiness under both (1) and (2), below (and if (1) and (2) are not applicable to Customer, then (3) shall apply); and (ii) neither the proposed assignee or transferee nor its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it) at any time during the Term Period.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.8 Assignment/Transfer/Successors (Cont'd)
 - (B) (Cont'd)
 - (1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or if any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.
 - (2) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (a) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (b) "high risk" in a Paydex score as published by Dun and Bradstreet.
 - (3) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (1) or (2) of this Section 25.75.7(B) is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 <u>Contract Offer No. 72 Access Service Offer</u> (Cont'd)
 - 25.75.9 Mergers/Acquisitions and Sales/Divestitures

All provisions of this Contract Offer No. 72 shall continue in full force and in effect notwithstanding any merger or acquisition affecting a party. A merger or acquisition within the meaning of this provision, shall include, without limitation, any transaction in which the party, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of a merger of acquisition, if another entity involved in the merger or acquisition purchases any service from any Telephone Company entity, such service shall not be included in this Contract Offer No. 72 for any purpose. The "Transaction Close Date" shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased. Purchases by the other entity shall not be part of any calculation hereunder, including, without limitation, as a MARC-Eligible Service, as generating MARC-Eligible Charges, to determine achievement of the MARC, in fulfilling the commitment set forth in this Contract Tariff 25.75.5(A), or be eligible for any credits under this Agreement.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.75 Contract Offer No. 72 - Access Service Offer (Cont'd)

25.75.10 Termination

(A) Termination Liability Charge

If, prior to the completion of the Term Period, the Customer terminates this Contract Offer No. 72 or any of the other Concurrently Subscribed Contract Offers for any reason other than material breach by the Telephone Company or one of the other Qualified Companies, or if the Telephone Company terminates this Contract Offer No. 72 or if one of the other Qualified Companies terminates its other Concurrently Subscribed Contract Offer as a result of a material breach by the Customer, then this Contract Offer No. 72 shall be terminated (if not already terminated) and the Customer shall pay a termination liability charge in the aggregate amount of (i) the Pro-rated True-Up Amount (as defined below), if any, (ii) either (a) 20.57% of the unsatisfied MARC for Term Year 1, if termination occurs in Term Year 1, or (b) twelve percent (12%) of the unsatisfied MARC for the remainder of any Term Year after Term Year 1, in which termination occurs, in either case beginning immediately after the period covered by the Prorated True-Up Amount, (iii) twelve percent(12%) for each Term Year remaining after the Term Year in which termination occurs, and (iv) the last two (2) MMCs earned by the Customer. (If such earned MMCs have not yet been issued by the Telephone Company, the Customer shall not repay such MMCs. Instead, such MMC's will not be issued.)

The "Pro-rated True-Up Amount" will be equal to the difference, if any, between the pro-rated MARC for that Term Year under this Contract Offer, as of the termination effective date, minus the aggregate of (a) the MARC-Eligible Charges, and (b) any Quarterly Shortfall charges paid for the Term Year in which the termination occurs.

For avoidance of doubt, if the Pro-rated True-Up Amount is a negative number (i.e., Customer has, on a year-to-date basis, paid MARC-Eligible Charges and Quarterly Shortfall charges in excess of the pro-rated MARC for that Term Year as of the termination effective date), the Pro-rated True-Up Amount shall be zero, and the amount of termination liability owed by Customer under this section shall be reduced as follows:

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)
 - 25.75.10 Termination (Cont'd)
 - (A) <u>Termination Liability Charge</u> (Cont'd)
 - (1) by either 20.57% if termination occurs during Term Year 1, or twelve percent (12%) if termination occurs during any other Term Year, of the excess, if any, of
 - (a) the MARC-Eligible Charges for that Term Year, over
 - (b) the pro-rated MARC for the period covered by the Prorated True-Up Amount;
 - (2) if there is a reduction under Section 25.75.9(A)(1), by the amount of any Quarterly Shortfall charges paid for that Term Year; or
 - (3) if there is no reduction under Section 25.75.9(A)(1), then by the excess of
 - (a) the MARC-Eligible Charges and Quarterly Shortfall charges paid for that Term Year, over
 - (b) the pro-rated MARC for the period covered by the Prorated True-Up Amount

If the aggregate reduction under Section 25.75.9(A)(1) and (2), or the reduction under Section 25.75.9(A)(3), exceeds the amount of the termination liability owed by Customer under this Section, then the Telephone Company shall issue a credit in the amount of such excess.

The Customer will pay in full the termination liability thirty (30) days after notice by the Telephone Company. This termination liability charge shall apply in addition to, and shall not affect, any termination liability charges that may otherwise apply according to the terms of any applicable BellSouth Tariff F.C.C. No. 1.

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)

25.75.10 Termination (Cont'd)

(B) If, during the Term Period, the Tariff and/or Guidebook monthly recurring charges (MRCs) applicable to Subject and Non-Subject Services, as listed in this Section, below, under this Contract Offer and the other Concurrently Subscribed Contract Offers, are reduced by a cumulative total of thirty (30) percent, as compared to the rates applicable to Subject and Non-Subject Services on the Subscription Date, either party may terminate this Contract Offer No. 72 and the other Concurrently Subscribed Contract Offers without incurring any termination liability charge that would otherwise be due under this Contract Offer No. 72, upon sixty (60) day advance written notice to the other party. Such option to terminate shall be exercisable to this Contract Offer No. 72 and the other Concurrently Subscribed Contract Offers as a package; neither party can terminate less than all of them. To determine whether such a rate reduction has occurred, the Qualified Companies will take the following steps.

Within sixty (60) days after the Subscription Date of this Contract Offer No. 72, the Qualified Companies will perform an analysis of the Initial Rates (Initial Rate Analysis). The Initial Rate Analysis will be based on the actual quantities of the rate elements, below, and the actual quantities of those rate elements listed in the analogous section of the other Concurrently Subscribed Contract Offers, in each case being purchased by the Customer and its Permitted Affiliates as of the Subscription Date.

1. DS-1: Channel Terminations (CT), Channel Mileage (CM) fixed and CM per mile;

ISSUED: JUNE 16, 2011 EFFECTIVE: JULY 1, 2011

ACCESS SERVICE

- 25. Pricing Flexibility Contract Offerings (Cont'd)
 - 25.75 Contract Offer No. 72 Access Service Offer (Cont'd)

25.75.10 Termination (Cont'd)

- (B) (Cont'd)
 - 2. DS-3: CT, CM fixed, CM per mile and Multiplexing
 (MUX);
 - 3. SONET Dedicated Ring Service²: Central Office and Customer Premises Nodes, Add/Drop Capability, Ports, Mileage, Optical to Electrical DS1 Add/Drop Capability and Regenerators; and
 - 4. Optical Carrier Network Point-to-Point (OCN PTP)
 Services²: Local Distribution Channel, Interoffice
 Transport, Collocation Transport, Add/Drop
 Function, Add/Drop Multiplexing, Protection and
 Regenerators.

During the Term Period, the Customer may request an analysis of the rates applicable to rate elements listed in Section 25.75.9(B) and those rate elements listed in the analogous sections of the other Concurrently Subscribed Contract Offers, as of the end of any Term Year. To request such an analysis, the Customer must provide the Qualified Companies with written notice within sixty (60) days after the end of the Term Year to which the request applies. Following such a request, the Qualified Companies shall perform an analysis of the rates applicable to the rate elements listed in Section 25.75.9(B) and to those rate elements listed in the analogous section of the other Concurrently Subscribed Contract Offers, using the same rate elements and quantities as were evaluated in the analysis of the Initial Rates (EOY Rate Analysis). The Initial Rate Analysis will be compared with the EOY Rate Analysis to determine the change, if any, in the rates applicable to Subject and Non-Subject Services.

Interstate OCN PTP and DSRS Services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ISSUED: AUGUST 24, 2011 EFFECTIVE: AUGUST 25, 2011

ACCESS SERVICE

25.76 <u>Contract Offer No. 73 - Special Access Wireless DS1 and DS3 Service</u> Offer

(N)

(Nx)

25.76.1 General Description

Contract Offer No. 73, Special Access DS1 and DS3 Service Offer (Contract Offer No. 73), is a Minimum Volume Commitment plan for special access for which concurrent subscription is required to this Contract Offer and the following Access Tariffs: Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 25; Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 203, and Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73 Contract Offer No. 175 and Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 156, (collectively, with this Contract Offer No. 73, Concurrently Subscribed Contract Offers). NBTC, Ameritech, SWBT, PBTC, and BellSouth Telecommunications LLC (BellSouth) shall be identified herein as the "Qualified Companies."

Subject to the Terms and Conditions set forth elsewhere in this Contract Offer No. 73 and the other Concurrently Subscribed Contract Offers, Contract Offer No. 73 requires eligible Customers to make and satisfy Minimum Volumes, as defined in Section 25.76.5. The Minimum Volumes consist of certain Subject Services purchased from the BellSouth Tariff F.C.C. No. 1, and the other Qualified Companies as provided in this Contract Offer.

(Nx)

This Contract Offer is available for subscription from August 25, 2011 through September 25, 2011. This Contract Offer is not renewable.

(N)

(N)

25.76.2 Subject Services

- (A) This Contract Offer applies to pricing Subject Services contained in the following tariff sections: BellSouth Tariff F.C.C. No. 1, Sections 6, 7 and 23 DS1 and DS3 High Capacity Service.
- (B) Subject Services must be located in the Pricing Flexibility MSAs for which the Telephone Company has been granted pricing flexibility relief, as listed in BellSouth Tariff F.C.C. No. 1, Section 23 and those listed in Table A. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 23 at the time of subscription, the Customer may, at its option, include Subject Services eligible for the discounts under this Contract Offer No. 73.

(x) Filed under the authority of Special Permission No. 11-013 of the F.C.C.

ISSUED: AUGUST 24, 2011 EFFECTIVE: AUGUST 25, 2011

ACCESS SERVICE

25.76 Contract Offer No. 73 - Special Access Wireless DS1 and DS3 Service $\overline{\text{Offer}}$ (Cont'd)

(N)

25.76.2 <u>Subject Services</u> (Cont'd)

Table A-

| MSA | |
|---------------------|----|
| Macon-Warner Robins | GA |
| Pascagoula | MS |

25.76.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria as of the date this Contract Offer becomes effective (Effective Date):

- (A) All Subject Services must terminate on Customer's Wireless Network.
- (B) All Subject Services must subtend a SONET ring service purchased by the Customer from the Telephone Company.
- (C) During the month prior to the Customer's subscription to this Contract Offer, the Customer must have in service no fewer than sixteen thousand (16,000) and no more than seventeen thousand (17,000) DS1s, and no fewer than one thousand two hundred (1,200) and no more than one thousand three hundred (1,300) DS3 access circuits from the Qualified Companies, each of which terminates at a Qualified Cell Site.
- (N)

(Nx)

- (D) <u>Concurrently Subscribed Contract Offers.</u> The Customer must concurrently subscribe to the following Contract Offers:
 - •NBTC Tariff F.C.C. No. 1, Contract Offer No. 25;
 - •SWBT Tariff F.C.C. No. 73, Contract Offer No. 175;
 - •Ameritech Tariff F.C.C. No. 2, Contract Offer No. 203; and
 - ●PBTC Tariff F.C.C. No. 1, Contract Offer No. 156.

(Nx)

¹Dedicated SONET Ring Service (DSRS) services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, these services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

(N)

(N)

(x) Filed under the authority of Special Permission No. 11-013 of the F.C.C.

ISSUED: AUGUST 24, 2011 EFFECTIVE: AUGUST 25, 2011

ACCESS SERVICE

25.76 <u>Contract Offer No. 73 - Special Access Wireless DS1 and DS3 Service</u> Offer (Cont'd)

(N)

25.76.4 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) shall be sixty (60) months, commencing on the date the Telephone Company receives the signed Letter of Subscription (LOS) from the Customer. Upon expiration of the Term Period, the rates and terms and conditions of this Contract Offer shall no longer apply, and Subject Services shall be provided at the prevailing month-to-month rates in BellSouth Tariff F.C.C. No. 1, Section 7.

(B) General Terms and Conditions

- (1) Subject Services are subject to certain rates, charges and general terms and conditions described in BellSouth Tariff F.C.C. No. 1, Sections 2, 5 and 13, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the terms and conditions of this Contract Offer. If any provision of this Contract Offer conflicts with any otherwise applicable provisions of BellSouth Tariff F.C.C. No. 1, Section 2, 5 or 13, this Contract Offer shall govern over the conflicting provision.
- (2) All traffic transmitted over Subject Services must originate or terminate at a Mobile Switching Center (MSC) operated by the Customer.
- (3) All terms and conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
- (4) Subject Services eligible for credits under this Contract Offer shall not be included in any other pricing flexibility contract offer, unless expressly permitted by such other pricing flexibility contract offer or other arrangement.

ISSUED: AUGUST 24, 2011 EFFECTIVE: AUGUST 25, 2011

ACCESS SERVICE

25.76 <u>Contract Offer No. 73 - Special Access Wireless DS1 and DS3 Service</u> Offer (Cont'd)

(N)

- 25.76.4 Terms and Conditions (Con't)
 - (B) General Terms and Conditions (Cont'd)
 - (4) Jointly provided access services may be included as Subject Services under this Contract Offer, provided such services meet the terms and conditions herein. Such Subject Services shall be eligible for the credits provided in this Contract Offer, but such credits will be applicable only to the portion of such services provided by the Telephone Company. Jointly Provided Access Services will be counted for purposes of determining the Customer's compliance with the DS1 and DS3 Volume Commitments set forth in Section 25.76.5 of this Contract Offer.
 - (6) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company, which must include a list of eligible Access Customer Name Abbreviations (ACNAs) under which the Subject Services pursuant to this Contract Offer may be purchased. Subject Services ordered or purchased under other ACNAs may not be transferred or converted to this Contract Offer.
 - (7) If, as of the Subscription Date of this Contract Offer, the Customer purchases services pursuant to BellSouth Tariff F.C.C. No. 1, Contract Offer No. 51, this Contract Offer shall supersede Contract Offer No. 51. The Customer's subscription to Contract Offer No. 51 shall be terminated and "Subject Services" under Contract Offer No. 51 shall be provided pursuant to this Contract Offer. Customer shall not incur any termination liability under Contract Offers No. 51 as a result of the supersedure of Contract offer No. 51.

ISSUED: AUGUST 24, 2011 EFFECTIVE: AUGUST 25, 2011

ACCESS SERVICE

25.76 Contract Offer No. 73 - Special Access Wireless DS1 and DS3 Service \overline{Offer} (Cont'd)

(N)

- 25.76.4 <u>Terms and Conditions</u> (Cont'd)
 - (B) General Terms and Conditions (Cont'd)
 - (8) Commingling shall be as defined in BellSouth Tariff F.C.C. No. 1, Section 2.6. Commingling of Subject Services provided under this Contract Offer is prohibited.
 - (9) Credits earned under this Contract Offer No. 73 are in addition to, and do not alter, any discounts, term plans or other rates available in the Telephone Company's tariffs, except for those pricing flexibility contract tariffs superseded by the Concurrently Subscribed Tariffs.
 - (10)With the exception of the Concurrently Subscribed Contract Offers, the Customer shall not purchase special access pursuant to any pricing flexibility contract offer, broadband services agreement, intrastate "ICB" contract or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment (any such precluded tariffs or agreements hereafter referred to as an "Other Commitment Agreement"), unless the Other Commitment Agreement expressly refers to this Contract Offer and expressly permits the Customer to purchase such services subject to both this Contract Offer and the Other Commitment Agreement. The word "purchase," as used in the foregoing sentence, refers to the Customer obtaining or using any service in exchange for compensation, regardless of when the service was ordered or installed.

ISSUED: AUGUST 24, 2011 EFFECTIVE: AUGUST 25, 2011

ACCESS SERVICE

25.76 <u>Contract Offer No. 73 - Special Access Wireless DS1 and DS3 Service Offer (Cont'd)</u>

25.76.5 Minimum Volume Credits

- (A) The Telephone Company will issue credits to the Customer as provided in this Section 25.76.5(B), conditioned on the Customer's purchase of the minimum volumes of Subject Services from the Qualified Companies, as set forth below ("Minimum Volumes").
 - (1) During each month of the Term Period, the Customer must be purchasing from the Qualified Companies, in total, a minimum of sixteen thousand seven hundred and nineteen (16,719) DS1 Subject Services.
 - (2) During each month of the Term Period, the Customer must be purchasing from the Qualified Companies, in total, a minimum of one thousand two hundred and nine (1209) DS3 Subject Services.
- (B) If the Customer satisfies the minimum volume conditions, the Telephone Company will issue credits to the Customer in the amount of thirty dollars (\$30) for each DS1 in excess of the Minimum Volumes identified in Section 25.76.5.A.1, and one hundred dollars (\$100) for each DS3 in excess of the Minimum Volumes identified in Section 25.76.5.A.2, which shall be distributed among the Qualified Companies as provided herein. Credits shall be applied to "Subject Services" provided pursuant to the Concurrently Subscribed Contract Offers according to the installation date, with credits being applied to the most recently installed Subject Services first.

(N)

ISSUED: AUGUST 24, 2011 EFFECTIVE: AUGUST 25, 2011

ACCESS SERVICE

25.76 Contract Offer No. 73 - Special Access Wireless DS1 and DS3 Service \overline{Offer} (Cont'd)

(N)

- 25.76.6 Replacement of Subject Services with Ethernet-Based Services¹
 - (A) The Customer may terminate DS1 Subject Services without termination liability charges, provided that the following conditions have been met.
 - (1) The Subject Service must have been in service for at least six (6) months prior to termination.
 - (2) The Subject Service must have been replaced by Ethernet-based service¹ provided to the Customer by the Telephone Company at the same Qualified Cell Site, with Ethernet¹ bandwidth of no less than 5 Mbps per Customer cell site (Replacement Service).
 - (3) No lapse in billing may have occurred between the termination of the Subject Service and the installation of the Replacement Service.
 - (B) The Customer may qualify for credits to be applied against termination liability charges billed for terminated DS3 Subjects Services ("DS3 Credits"), provided that the following conditions have been met.
 - (1) The Subject Service must have been continuously in service since the Effective Date of this Contract Offer.
 - (2) The Subject Service must have been in service for at least twenty-four (24) months prior to termination.
 - (3) No lapse in billing may have occurred between the termination of the Subject Service and the installation of the Replacement Service.

¹Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook

ISSUED: AUGUST 24, 2011 EFFECTIVE: AUGUST 25, 2011

ACCESS SERVICE

25.76 Contract Offer No. 73 - Special Access Wireless DS1 and DS3 Service \overline{Offer} (Cont'd)

.

(N)

25.76.6 Replacement of Subject Services with Ethernet-Based Services (Cont'd)

(B) (Cont'd)

The Telephone Company will calculate and issue (when applicable) DS3 Credits for each three (3) month period during the Term Period, beginning from the Subscription Date (each such period to be referred to as a "Quarter"). DS3 Credits will be based on the equivalent of one terminated DS3 Subject Service for every twenty-eight (28) DS1 Subject Services that have been terminated without termination liability pursuant to Section 25.76.6(A), above, during the relevant Quarter ("Eligible DS1s"). The Telephone Company will determine the number of Eligible DS1s for the Quarter, divide the number of Eligible DS1s by twenty-eight (28), and round the quotient down to the nearest whole number. The result of this calculation will be referred to as the "DS3 Termination Allowance." The amount of the DS3 Credit will be calculated by multiplying the DS3 Termination Allowance times the average amount of all termination liability charges billed to the Customer per terminated DS3 Subject Service during the Quarter ("Average DS3 TLC").

Formula: DS3 Termination Allowance x Average DS3 Termination Liability Charge = DS3 Credit

Example: During Quarter X of the Term Period, the Customer terminates 165 DS1 Subject Services without termination liability, as provided in Section 25.76.6(A). During Quarter X, the Customer also terminates 6 DS3 Subject Services. Total termination liability charges for the terminated DS3 Subject Services are \$24,000. The DS3 Termination Allowance is 5 (165/28 = 5.89). The Average DS3 TLC is \$4,000 (\$24,000/6 = \$4,000). The DS3 Credit is \$20,000 (\$4,000 x 5 = \$20,000).

ISSUED: AUGUST 24, 2011 EFFECTIVE: AUGUST 25, 2011

ACCESS SERVICE

25.76 <u>Contract Offer No. 73 - Special Access Wireless DS1 and DS3 Service</u> Offer (Cont'd)

(N)

25.76.7 Assignment and Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in F.C.C. No. 2, Section 2.1.2 are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent, has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly, or indirectly, more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (i)"fair" or below in a composite credit appraisal published by Dun and Bradstreet, or
 - (ii) "high risk" in a Paydex score as published by Dun and Bradstreet.

ISSUED: AUGUST 24, 2011 EFFECTIVE: AUGUST 25, 2011

ACCESS SERVICE

25.76 <u>Contract Offer No. 73 - Special Access Wireless DS1 and DS3 Service</u> Offer (Cont'd)

25.76.7 Assignment and Transfer (Cont'd)

(C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

25.76.8 Mergers/Acquisitions

All provisions of this Contract Offer shall continue in full force and effect notwithstanding any merger or acquisition affecting the Customer. A merger or acquisition within the meaning of this provision, shall include, without limitation, any transaction in which the Customer, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

(N)

ISSUED: SEPTEMBER 15, 2011 EFFECTIVE: SEPTEMBER 16, 2011

ACCESS SERVICE

25.77 <u>Contract Offer No. 74 - Special Access Wireless DS1 and DS3 Service</u> (N) Offer

25.77.1 General Description

This DS1/DS3 Service Offer (Contract Offer No. 74) is an access services discount pricing plan that permits Customers who meet the Eligibility Criteria in Section 25.77.3 and the Terms and Conditions in Section 25.77.4 to purchase Subject Services, as defined in Section 25.77.2, subject to the credits listed in Section 25.77.5. Subject Services are available only in the Pricing Flexibility Metropolitan Statistical Areas (MSAs) described in Section 25.77.2(B).

This Contract Offer is available for subscription from September 16, 2011 through October 16, 2011. This Contract Offer is not renewable.

25.77.2 Subject Services

- (A) Contract Offer No. 74 applies to the following pricing flexibility qualified access services (contained in the following tariff sections (Subject Services):
 - (1) BellSouth Telecommunications LLC (BellSouth) Tariff F.C.C. No. 1, Sections 6, 7 and 23 DS1 and DS3 High Capacity Service;
- (B) Subject Services must be located in the Pricing Flexibility MSAs for which the Telephone Company has been granted pricing flexibility relief, as listed in BellSouth Tariff F.C.C. No. 1, Section 23 and those listed in Table A, below. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs, the Customer may, at its option, include Subject Services in those MSAs in this Contract Offer.

Table A

| MSA |
|-------------------------|
| Macon-Warner Robins, GA |
| Pascagoula, MS |

ACCESS SERVICE

25.77 <u>Contract Offer No. 74 - Special Access Wireless DS1 and DS3 Service</u> (N) Offer (Cont'd)

25.77.2 <u>Subject Services</u> (Cont'd)

- (C) Prior to the Subscription Date, as defined in Section 25.77.4(A), below, all Subject Services must have been purchased by the Customer pursuant to a pricing flexibility contract offer, the term of which expired within eight (8) months prior to the Subscription Date.
- (D) All terms and conditions for Subject Services are governed by their respective tariff sections, except as provided in this Contract Offer.

25.77.3 Eligibility Criteria

The following eligibility criteria must be met to subscribe to this Contract Offer No. 74 discounted rates:

- (A) The Customer must be operating, as of the Effective Date, no fewer than two thousand(2,000) and no more than twenty-five hundred (2500) DS3s special access circuits from the Telephone Company that terminate at cell sites in operation as of the Subscription Date (referred to in this Contract Offer as "Qualified Cell Sites").
- (B) The Customer must be purchasing, as of the Subscription Date, no fewer than thirty-six thousand (36,000) and no more than thirty-seven thousand (37,000) DS1 special access circuits from the Telephone Company that terminate at Qualified Cell Sites.
- (C) The Customer must be purchasing, as of the Subscription Date, no fewer than four hundred (400) and no more than five hundred (500) Ethernet¹ port connections purchased from the Telephone Company in connection with services that terminate at Qualified Cell Sites.

¹Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook

(N

ISSUED: SEPTEMBER 15, 2011 EFFECTIVE: SEPTEMBER 16, 2011

ACCESS SERVICE

25.77 <u>Contract Offer No. 74 - Special Access Wireless DS1 and DS3 Service</u> (N) Offer (Cont'd)

25.77.4 Terms and Conditions

(A) The term of this Contract Offer (Term Period) shall be sixty (60) months, beginning on the date a signed Letter of Subscription (LOS) is received from the Customer by the Telephone Company (the Subscription Date).

(B) Service Term

Each Subject Service shall be subject to a minimum term commitment of twenty-four (24) months (Service Term). Customer shall order each Subject Service pursuant to a minimum twenty-four (24) month Transport Payment Plan (TPP), as provided in BellSouth Tariff F.C.C. No. 1, Section 7, except as provided in this Contract Offer. Beginning on the thirteenth month of this Contract Offer, each Subject Service then in service will be subject to the rates, and the terms and conditions of BellSouth Tariff F.C.C. No. 1, Section 7, and any other applicable tariff sections for the remainder of the applicable Service Term. If any Subject Service is disconnected by the Customer, or by the Telephone Company as a result of any breach of this Contract Offer, prior to the completion of the applicable Service Term during the Term Period, the Customer will be liable for termination liability charges as provided in BellSouth Tariff F.C.C. No. 1, Section 7, except as provided to the contrary with respect to any Subject Services that are replaced by Ethernet-based services during the Term Period, as provided in Section 25.77.4(J) of this Contract Offer.

¹Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook

ACCESS SERVICE

25.77 Contract Offer No. 74 – Special Access Wireless DS1 and DS3 Service (N) \overline{Offer} (Cont'd)

25.77.4 Terms and Conditions (Cont'd)

- (C) To subscribe to this Contract Offer, the Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company. The Customer must provide, at the time of subscription, all Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer (Eligible ACNAs). Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, this Contract Offer.
- (D) If the Customer requests any available services, features or functions not included in this Contract Offer, the Customer will pay the applicable tariff rates for those additions, as provided in Section 23 Metropolitan Statistical Area Access Services.
- (E) Upon completion of the applicable Service Terms, Subject Services will be provided at the prevailing month-to-month rates in this BellSouth Tariff F.C.C. No. 1, Section 23 unless the Customer disconnects the services or chooses another applicable rate.
- (F) Subject Services shall not be included in any other pricing flexibility contract offer, promotional offering, discount plan or other arrangement, unless expressly permitted by such other pricing flexibility contract offer or other arrangement.
- (G) Customer may not be subscribed to any volume or revenue plans under the BellSouth Tariff F.C.C. No. 1.
- (H) Commingling (as defined in BellSouth Tariff F.C.C. No. 1, Sections 2.6) of Subject Services provided pursuant to this Contract Offer No. 74 is prohibited.
- (I) All traffic carried over Subject Services must originate or terminate at a Mobile Switching Center (MSC) operated by, or on behalf of, the Customer.

ACCESS SERVICE

25.77 <u>Contract Offer No. 74 - Special Access Wireless DS1 and DS3 Service</u> (N) Offer (Cont'd)

25.77.4 Terms and Conditions (Cont'd)

- (J) The Customer shall not purchase special access pursuant to any pricing flexibility contract offer, broadband services agreement, or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment (any such precluded tariffs or agreements hereafter referred to as an "Other Commitment Agreement"), unless the Other Commitment Agreement expressly refers to this Contract Offer and expressly permits the Customer to purchase such services subject to both this Contract Offer and the Other Commitment Agreement. The word "purchase," as used in the foregoing sentence, refers to the Customer obtaining or using any service in exchange for compensation, regardless of when the service was ordered or installed.
- (K) The Customer may disconnect Subject Services without termination liability charges, provided that the following conditions have been met.
 - (1) The Subject Service must have been in service for at least twelve (12) months prior to termination.
 - (2) The Subject Service must have been replaced by Ethernet-based service provided to the Customer by the Telephone Company at the same Qualified Cell Site (Replacement Service).
 - (3) No lapse in billing may have occurred between the termination of the Subject Service and the installation of the Replacement Service.
 - (4) Any DS3 Subject Service may be terminated only if all DS1 Subject Services riding on the DS3 Subject Service have also been terminated in the manner permitted by this Section 25.77.4
 - (5) Customer purchases Ethernet-based services with a minimum Committed Information Rate ("CIR") of 100 Mbps at each affected Qualified Cell Site.

¹Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook

ACCESS SERVICE

25.77 <u>Contract Offer No. 74 - Special Access Wireless DS1 and DS3 Service</u> (N) Offer (Cont'd)

25.77.5 Rates and Charges.

These rates shall apply only for the first twelve (12) months of the Term Period of this Contract Offer.

(A) The Telephone Company will initially bill the Customer according to the applicable Transport Payment Plan Monthly Recurring Charges ("TPP MRCs") that were in effect as of the Subscription Date. The Customer will then be credited in an amount equal to sixteen percent (16%) off the TPP MRCs for the rate elements listed in Table A, below, and six percent (6%) off the TPP MRCs for the rate elements listed in Table B, below. Credits will be applied monthly in arrears. Taxes, if applicable, will be charged on the TPP MRC rates, but will not be included in the credits applied to the Customer's bill.

Table A-

| Rate Element | USOC |
|---|-------|
| DS3 CHANNEL TERMINATION - Per Point of Termination | TUZPX |
| INTEROFFICE CHANNEL MILEAGE Fixed | 10XHX |
| INTEROFFICE CHANNEL MILEAGE Per mile | 1J5HS |
| CENTRAL OFFICE MULTIPLEXING - DS3 TO DS1 - Per Arrangement | MKM |

Table B-

| Rate Element | USOC |
|---------------------------------|-------|
| DS1 CHANNEL TERMINATION - Per | |
| Point of Termination | TMECS |
| INTEROFFICE CHANNEL MILEAGE | |
| Fixed | 1L577 |
| INTEROFFICE CHANNEL MILEAGE Per | |
| mile | 1L577 |
| CENTRAL OFFICE MULTIPLEXING - | |
| DS1 TO DSO - Per Arrangement | MQ1 |

(B) Any charges or rate elements not listed in Tables A and B, above, will be governed by the otherwise applicable tariff provisions.

ISSUED: SEPTEMBER 15, 2011 EFFECTIVE: SEPTEMBER 16, 2011

ACCESS SERVICE

25.77 <u>Contract Offer No. 74 - Special Access Wireless DS1 and DS3 Service</u> (N) Offer (Cont'd)

25.77.6 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.77.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

ISSUED: SEPTEMBER 15, 2011 EFFECTIVE: SEPTEMBER 16, 2011

ACCESS SERVICE

25.77 <u>Contract Offer No. 74 - Special Access Wireless DS1 and DS3 Service</u> (N) Offer (Cont'd)

25.77.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and the Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete. and/or the final date on which the assets of the acquired/merged company have been purchased.

ISSUED: JANUARY 26, 2012 EFFECTIVE: JANUARY 27, 2012

ACCESS SERVICE

25.78 <u>Contract Offer No. 75 - Special Access DS3 Service Offer</u>

25.78.1 General Description

This DS3 Service Offer (Contract Offer No. 75) is an access services plan that permits Customers who meet the Eligibility Criteria in Section 25.78.3, and the Terms and Conditions in Section 25.78.4, to purchase Subject Services as defined in Section 25.78.2. This Contract Offer is available for subscription from January 27, 2012 through February 27, 2012. This Contract Offer is not renewable.

25.78.2 Subject Services

- (A) Contract Offer No. 75 applies to the following pricing flexibility qualified access services (contained in the following tariff sections (Subject Services):
 - (1) BellSouth Tariff F.C.C. No. 1, Section 7 DS3 High Capacity, LightGate service.
- (B) Subject Services must be located in one of the following pricing flexibility Metropolitan Statistical Areas (MSAs): Atlanta, GA; Athens, GA; Columbus, GA; Melbourne, FL; West Palm Beach, FL or Miami-Ft. Lauderdale, FL (Eligible MSAs). During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs located, either in whole or in part, within LATA 438 (Atlanta) or 460 (Southeast Florida), the Customer may, at its option, include Subject Services in those MSAs in this Contract Offer.
- (C) Subject Services must be located in one of the following Local Access and Transport Areas (LATAs): LATA 438 (Atlanta) or LATA 460 (Southeast Florida).
- (D) All terms and conditions for Subject Services are governed by their respective tariff sections, except as provided in this Contract Offer.
- (E) Subject Services must not have been ordered or in service prior to the Effective Date of this Contract Offer.

(N)

ISSUED: JANUARY 26, 2012 EFFECTIVE: JANUARY 27, 2012

ACCESS SERVICE

25.78 <u>Contract Offer No. 75 - Special Access DS3 Service Offer</u> (Cont'd)

(N)

25.78.3 Eligibility Criteria

The following eligibility criteria must be met to subscribe to this Contract Offer No. 75 discounted rates:

(A) The Customer must be purchasing, as of the Effective Date of this Contract Offer, BellSouth Metro Ethernet Service from the Telephone Company with customer port connections located in LATA 438 (Atlanta) and/or LATA 460 (Southeast Florida).

25.78.4 Terms and Conditions

- (A) Term Period. The term of this Contract Offer (Term Period) shall begin on the date a signed Letter of Subscription (LOS) is received from the Customer by the Telephone Company (the Subscription Date), and end on April 2, 2013.
- (B) Service Term. For administrative purposes only, each Subject Service must be ordered under Transport Payment Plan A (12-36 months), with a twelve (12) month term commitment (Service Term). However, the Customer may terminate Subject Services prior to the end of their Service Terms without termination liability charges. Within thirty (30) days after subscription to this Contract Offer, the Customer must place all of its order(s) for Subject Services, each of which must have a customer-desired due date (CDDD) no later than ninety (90) days after the date the Customer places the order. Upon expiration of the Term Period, any Subject Service still in service shall be provided at rates, terms and conditions applicable to Transport Payment Plan A or any other applicable rate plan chosen by the Customer.

Bell South Metro Ethernet Services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been detariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook

ISSUED: JANUARY 26, 2012 EFFECTIVE: JANUARY 27, 2012

ACCESS SERVICE

25.78 <u>Contract Offer No. 75 - Special Access DS3 Service Offer</u> (Cont'd)

25.78.4 Terms and Conditions (Cont'd)

- (C) To subscribe to this Contract Offer, the Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company. The Customer must provide, at the time of subscription, all Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer (Eligible ACNAs). Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, this Contract Offer.
- (D) Commingling (as defined in BellSouth Tariff F.C.C. No. 1, Sections 2.6) of Subject Services provided pursuant to this Contract Offer No. 75 is prohibited.
- (E) The Customer shall not purchase special access services pursuant to any pricing flexibility contract offer, broadband services agreement, or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment (any such precluded tariffs or agreements hereafter referred to as an "Other Commitment Agreement"), unless the Other Commitment Agreement expressly refers to this Contract Offer and expressly permits the Customer to purchase such services subject to both this Contract Offer and the Other Commitment Agreement. The word "purchase," as used in the foregoing sentence, refers to the Customer obtaining or using any service in exchange for compensation, regardless of when the service was ordered or installed.

(N)

ISSUED: JANUARY 26, 2012 EFFECTIVE: JANUARY 27, 2012

ACCESS SERVICE

25.78 Contract Offer No. 75 - Special Access DS3 Service Offer (Cont'd)

25.78.4 Terms and Conditions (Cont'd)

- (F) The Customer may disconnect Subject Services without incurring termination liability charges, provided that the conditions set forth below have been met. If such termination liability charges are billed, the Telephone Company will issue credits to offset those charges.
 - (1) The Subject Service must have been replaced by AT&T Switched Ethernet Service provided to the Customer by the Telephone Company at the same location (Replacement Service).
 - (2) No lapse in billing may have occurred between the termination of the Subject Service and the installation of the Replacement Service.
 - (3) The Customer must include the "Contract Number" associated with this Contract Offer on all disconnect orders for replaced Subject Services.
- (G) Subject Services eligible for termination liability waivers or credits under this Contract Offer shall not also be eligible for any similar termination liability waiver under any other pricing flexibility contract offer, promotional offering, discount plan or other arrangement, unless expressly permitted by such other pricing flexibility contract offer or other arrangement.
- (H) The Customer may order a maximum of twenty (20) Subject Services, as described in 25.78.2, pursuant to this Contract Offer, in each of LATA 438 (Atlanta) and LATA 460 (Southeast Florida).

(N)

AT&T Switched Ethernet Services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been detariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook

ISSUED: JANUARY 26, 2012 EFFECTIVE: JANUARY 27, 2012

ACCESS SERVICE

25.78 Contract Offer No. 75 - Special Access DS3 Service Offer (Cont'd)

25.78.4 Terms and Conditions (Cont'd)

- (I) Every Subject Service ordered under this Contract Offer must have two (2) LightGate 1 service (a.k.a. BellSouth SPA Point-to-Point Network 1 DS3 Capacity) Local Channel Service System rate components.
- (J) Credits available under this Contract Offer are not applicable to Subject Services with over fifty (50) miles of Interoffice mileage.

25.78.5 Rates and Charges

The credits provided under this Contract Offer apply only for the first five (5) months of the Service Term of each Subject Service. Thereafter, Subject Services will be provided at the normally applicable rates in the Transport Payment Plan, Plan A, for the remainder of the applicable Service Term.

(A) The Telephone Company will initially bill the Customer according to the applicable Transport Payment Plan Monthly Recurring Charges (TPP MRCs) that were in effect as of the Subscription Date. The Customer will then be credited in an amount equal to the difference between the TPP MRC and the MRC listed in Table A, below. Credits will be applied monthly in arrears. Taxes, if applicable, will be charged on the TPP MRC rates, but will not be included in the credits applied to the Customer's bill.

(N)

ISSUED: JANUARY 26, 2012 EFFECTIVE: JANUARY 27, 2012

ACCESS SERVICE

25.78 Contract Offer No. 75 - Special Access DS3 Service Offer (Cont'd)

(N)

25.78.5 Rates and Charges (Cont'd)

(A) (Cont'd)

Table A

| TUBLE A | | l l |
|---|--------|--------------------------------|
| Rate Element | USOC | Monthly Recurring Charge |
| LightGate 1 service (a.k.a. | | |
| BellSouth SPA Point to Point Network 1 | | |
| | | |
| DS3 Capacity) System (includes first one-half air | | |
| mile) | HFSC7 | \$536.50 |
| Each additional system one- | | • |
| half air mile | ILPEA | \$0.00 |
| Mileage Band 0-8 | | |
| Fixed, per system | 1LPS8 | \$0.00 |
| Per mile | 1LPE8 | \$0.00 |
| Mileage Band 9-25 | | |
| Fixed, per system | 1LPS9 | \$333.00 |
| Per mile | 1LPE9 | \$0.00 |
| Mileage Band 26+* | 41.506 | 4==- |
| Fixed, per system | 1LPS6 | \$558.00 |
| Per mile | 1LPE6 | \$12.60 |

^{*} Application of this Contract Offer is limited to Subject Services including no more than fifty (50) Interoffice miles

⁽B) Any charges or rate elements not listed in Table A, above, will be governed by the otherwise applicable tariff provisions.

ISSUED: JANUARY 26, 2012 EFFECTIVE: JANUARY 27, 2012

ACCESS SERVICE

25.78 Contract Offer No. 75 - Special Access DS3 Service Offer (Cont'd)

25.78.6 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade, and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (C) If the information required to review the assignee's or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.78.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

(N)

ISSUED: JANUARY 26, 2012 EFFECTIVE: JANUARY 27, 2012

ACCESS SERVICE

25.78 <u>Contract Offer No. 75 - Special Access DS3 Service Offer</u> (Cont'd)

25.78.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

(N)

ISSUED: APRIL 6, 2012 EFFECTIVE: APRIL 7, 2012

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.79 Contract Offer No. 76 - DS1/DS3 Service Offer

25.79.1 General Description

DS1/DS3 Service Offer (Contract Offer No. 76) is an access services plan that permits Customers who meet the Eligibility Criteria in Section 25.79.3, and the Terms and Conditions in Section 25.79.4, to disconnect Subject Services, as defined in Section 25.79.2, without incurring termination liability charges. This Contract Offer is available for subscription from April 7, 2012 through May 7, 2012. This Contract Offer is not renewable.

25.79.2 Subject Services

- (A) Contract Offer No. 76 applies to the following pricing flexibility qualified access services (contained in the following tariff sections (Subject Services):
 - (1) BellSouth Telecommunications LLC (BellSouth) Tariff F.C.C. No. 1, Sections 6, 7 and 23 DS1 and DS3 High Capacity Service;
- (B) Subject Services must be located in the Pricing Flexibility MSAs for which the Telephone Company has been granted pricing flexibility relief, as listed in BellSouth Tariff F.C.C. No. 1, Section 23. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs, the Customer may, at its option, include Subject Services in those MSAs in this Contract Offer.
- (C) All terms and conditions for Subject Services are governed by their respective tariff sections, except as provided in this Contract Offer.

25.79.3 Eligibility Criteria

The following eligibility criteria must be met to subscribe to this Contract Offer No. 76 discounted rates:

- (A) The Customer must be purchasing, as of the Subscription Date, no fewer than eight hundred and thirty (830) and no more than one thousand and twenty (1,020) DS1 special access circuits from the Telephone Company that terminate at Qualified Cell Sites.
- (B) The Customer must be purchasing, as of the Subscription Date, no fewer than sixty-five (65) and no more than eighty-five (85) DS3 special access circuits from the Telephone Company that terminate at Qualified Cell Sites.

(N)

ISSUED: APRIL 6, 2012 EFFECTIVE: APRIL 7, 2012

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.79 Contract Offer No. 76 - DS1/DS3 Service Offer (Cont'd)

25.79.4 Terms and Conditions

- (A) Term Period. The term of this Contract Offer (Term Period) shall be eighty-four (84) months, beginning on the date a signed Letter of Subscription (LOS) is received from the Customer by the Telephone Company (the Subscription Date).
- (B) To subscribe to this Contract Offer, the Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company. The Customer must provide, at the time of subscription, all Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer (Eligible ACNAs). Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, this Contract Offer.
- (C) Subject Services receiving termination liability waivers under this Contract Offer shall not receive a similar termination liability waiver under any other pricing flexibility contract offer, promotional offering, discount plan or other arrangement, unless expressly permitted by such other pricing flexibility contract offer or other arrangement.
- (D) Customer may not be subscribed to any volume or revenue plans under the BellSouth Tariff F.C.C. No. 1.
- (E) Commingling (as defined in BellSouth Tariff F.C.C. No. 1, Section 2.6) of Subject Services provided pursuant to this Contract Offer No. 76 is prohibited.
- (F) All traffic carried over Subject Services must originate or terminate at Mobile Switching Centers (MSCs) operated by, or on behalf of, the Customer.

(N)

ISSUED: APRIL 6, 2012 EFFECTIVE: APRIL 7, 2012

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.79 Contract Offer No. 76 - DS1/DS3 Service Offer (Cont'd)

25.79.4 Terms and Conditions (Cont'd)

- (G) The Customer may disconnect Subject Services without termination liability charges, provided that the conditions set forth below have been met. If such termination liability charges are billed, the Telephone Company will issue credits to offset those charges.
 - (1) The Subject Service must have been in service for at least twelve (12) months prior to termination.
 - (2) The Subject Service must have been replaced by Ethernet-based service provided to the Customer by the Telephone Company at the same Qualified Cell Site (Replacement Service).
 - (3) No lapse in billing may have occurred between the termination of the Subject Service and the installation of the Replacement Service.
 - (4) Replacement Services must have a minimum Committed Information Rate (CIR) of 50 Mbps at each affected Qualified Cell Site.
 - (5) Any DS3 Subject Service may be terminated only if all DS1 Subject Services riding on the DS3 Subject Service have also been terminated in the manner permitted by this Section 25.79.4(G).
 - (6) The Customer must include the Contract Number (CNUM) associated with this Contract Offer on all disconnect orders for replaced Subject Services.

(N)

Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook.

ISSUED: APRIL 6, 2012 EFFECTIVE: APRIL 7, 2012

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.79 Contract Offer No. 76 - DS1/DS3 Service Offer (Cont'd)

(N)

25.79.5 <u>Assignment/Transfer</u>

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.79.5 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

ISSUED: APRIL 6, 2012 EFFECTIVE: APRIL 7, 2012

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.79 Contract Offer No. 76 - DS1/DS3 Service Offer (Cont'd)

(N)

25.79.6 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

ISSUED: JULY 25, 2012 EFFECTIVE: JULY 26, 2012

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.80 Contract Offer No. 77 - DS1 Service Offer

25.80.1 General Description

This DS1 Service Offer (Contract Offer No. 77) is an access services plan that permits Customers who meet the Eligibility Criteria in Section 25.80.3, and the Terms and Conditions in Section 25.80.4, to disconnect Subject Services, as defined in Section 25.80.2, without incurring termination liability charges. This Contract Offer is available for subscription from July 26, 2012 through August 26, 2012. This Contract Offer is not renewable.

25.80.2 Subject Services

- (A)Contract Offer No. 77 applies to the following pricing flexibility qualified access services (contained in the following tariff sections (Subject Services):
 - (1) BellSouth Telecommunications, LLC (BellSouth)
 Tariff F.C.C. No. 1, Sections 7 and 23 DS1 High
 Capacity Service;
- (B) Subject Services must be located in the Pricing Flexibility MSAs for which the Telephone Company has been granted pricing flexibility relief, as listed in BellSouth Tariff F.C.C. No. 1, Section 23, and those listed in Table A, below. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs, the Customer may, at its option, include Subject Services in those MSAs in this Contract Offer.

| <u>Table A</u> | |
|-------------------------|---|
| MSA | |
| Macon-Warner Robins, GA | |
| Pascagoula, MS | |
| Non-MSA - NC | |
| Non-MSA- MS | |
| Non-MSA - KY | _ |

(C) All terms and conditions for Subject Services are governed by their respective tariff sections, except as provided in this Contract Offer.

(N)

ISSUED: JULY 25, 2012 EFFECTIVE: JULY 26, 2012

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.80 Contract Offer No. 77 - DS1 Service Offer (Cont'd)

(N)

25.80.3 <u>Eligibility Criteria</u>

The following eligibility criteria must be met to subscribe to this Contract Offer No. 77:

(A) The Customer must be purchasing, as of the Subscription Date, no fewer than four thousand five hundred (4,500) and no more than five thousand (5,000) DS1 special access circuits from the Telephone Company that terminate at Qualified Cell Sites, including any such circuits purchased from the intrastate jurisdiction.

25.80.4 Terms and Conditions

- (A) Term Period. The term of this Contract Offer (Term Period) shall be eighty-four (84) months, beginning on the date a signed Letter of Subscription (LOS) is received from the Customer by the Telephone Company (the Subscription Date).
- (B) To subscribe to this Contract Offer, the Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company. The Customer must provide, at the time of subscription, all Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer (Eligible ACNAs). Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, this Contract Offer.
- (C) Subject Services eligible for termination liability waivers under this Contract Tariff shall not be eligible for similar termination liability waivers under any other pricing flexibility contract offer, promotional offering, discount plan or other arrangement.
- (D) Commingling (as defined in BellSouth Tariff F.C.C. No. 1, Section 2.6) of Subject Services provided pursuant to this Contract Offer No. 77 is prohibited.
- (E) All traffic carried over Subject Services must originate or terminate at Mobile Switching Centers (MSCs) operated by, or on behalf of, the Customer.

ISSUED: JULY 25, 2012 EFFECTIVE: JULY 26, 2012

ACCESS SERVICE

25. CONTRACT TARIFFS (Cont'd)

25.80 Contract Offer No. 77 - DS1 Service Offer (Cont'd)

25.80.4 Terms and Conditions (Cont'd)

- (F) The Customer may disconnect any Subject Service without termination liability charges, provided that the conditions set forth below are met. If such termination liability charges are billed, the Telephone Company will issue credits to offset those charges.
 - (1) The Subject Service must have been in service for at least twelve (12) months prior to termination.
 - (2) The Subject Service must have been replaced by Ethernet-based service provided to the Customer by the Telephone Company at the same Qualified Cell Site (Replacement Service).
 - (3) No lapse in billing may have occurred between the termination of the Subject Service and the installation of the Replacement Service.
 - (4) Replacement Services must have a minimum Committed Information Rate ("CIR") of 10 Mbps at each affected Qualified Cell Site.
 - (5) The Customer must include the Contract Number associated with this Contract Offer on all disconnect orders for replaced Subject Services.

25.80.5 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

і (N)

¹ Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook.

ISSUED: JULY 25, 2012 EFFECTIVE: JULY 26, 2012

ACCESS SERVICE

25. CONTRACT TARIFFS (Cont'd)

25.80 Contract Offer No. 77 - DS1 Service Offer (Cont'd)

25.80.5 Assignment/Transfer (Cont'd)

- (A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or
 - If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.
- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.80.5 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

(N)

ISSUED: JULY 25, 2012 EFFECTIVE: JULY 26, 2012

ACCESS SERVICE

25. CONTRACT TARIFFS (Cont'd)

25.80 Contract Offer No. 77 - DS1 Service Offer (Cont'd)

25.80.6 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

(N)

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-519 CANCELS ORIGINAL PAGE 25-519

ISSUED: NOVEMBER 6, 2014

EFFECTIVE: NOVEMBER 21, 2014

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.81 Reserved for Future Use

(T)

Material previously appearing on this page now appears on Original Page 28.2.

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-520 CANCELS ORIGINAL PAGE 25-520

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.81 Reserved for Future Use (Cont'd)

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Material previously appearing on this page no appears on Original Page 28-3.

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-521 CANCELS ORIGINAL PAGE 25-521

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.81 Reserved for Future Use (Cont'd)

(T)

Material previously appearing on this page now appears on Original Page 28-4.

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-522 CANCELS ORIGINAL PAGE 25-522

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.81 Reserved for Future Use (Cont'd)

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Material previously appearing on this page now appears on Original Page 28-5.

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-523 CANCELS ORIGINAL PAGE 25-523

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.81 Reserved for Future Use (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-524 CANCELS ORIGINAL PAGE 25-524

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.81 Reserved for Future Use (Cont'd)

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Material previously appearing on this page now appears on Original Page 28-7.

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-525 CANCELS ORIGINAL PAGE 25-525

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.82 Contract Offer No. 79 - Special Access Service Offer

(N)

25.82.1 General Description

(N)

(Nx)

This Access Service Offer (Contract Offer No. 79) is an access discount pricing plan for which concurrent subscription is required to the following Access Tariffs: BellSouth Telecommunications LLC (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 79; Ameritech Operating Companies (Ameritech) Tariff F.C.C. No 2, Contract Offer No. 214; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer 163; The Southern New England Telephone (SNET) Tariff F.C.C. No. 39, Contract Offer No. 57; and Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 184 (collectively, the "Concurrently Subscribed Contract Offers"). BellSouth, Ameritech, PBTC, SNET and SWBT shall be identified herein as the "Qualified Companies."

(Nx) (N)

Contract Offer No. 79 requires eligible Customers to satisfy a Minimum Annual Revenue Commitment (MARC), as defined in Section 25.82.8. The MARC will consist of recurring revenues from, in the aggregate, all Subject Services and Non-subject Services purchased from BellSouth Telecommunications LLC ("BellSouth" or "Telephone Company") and all "Subject Services" and "Non-Subject Services," as defined in the other Concurrently Subscribed Contract Offers described in Section 25.82.4(B) (together referred to as "Contributory Services").

Subject Services provided by the Telephone Company are described in Section 25.82.3.

This Contract Offer No. 79 is available for subscription only from February 12, 2013 through March 12, 2013. This offer is not renewable.

(N)

x - Issued under the authority of Special Permission No. 13-001 of the F.C.C.

ISSUED: FEBRUARY 11, 2013 EFFECTIVE: FEBRUARY 12, 2013

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.82 Contract Offer No. 79 - Special Access Service Offer (Cont'd)

(N)

25.82.2 Contributory Services

The MARC shall include revenue from all Contributory Services purchased from the Qualified Companies, under both this Contract Offer and the concurrently subscribed Contract Offers listed in Section 25.82.4(B). Recurring revenues for all Contributory Services shall be included for the purposes of determining the amount of the MARC and the Customer's satisfaction of the MARC.

25.82.3 <u>Contributory Services shall be comprised of Subject Services</u> and Non-Subject Services as described below:

(A) Subject Services

Subject Services are listed in Table A, below. Each Subject Service under this Contract Offer must be ordered and purchased pursuant to a three (3) year term commitment, pursuant to Section 23.5.2.9, as applicable.

Table A - Subject Services

| Interstate | Special | Access | DS1 & | DS3 |
|------------|---------|---------|-------|-----|
| Incerseace | Special | 1100033 | ט דכם | 000 |

Includes only those services listed above and located in Pricing Flexibility Metropolitan Statistical Areas (MSAs), as described in 25.82.4(A) herein.

- (B) Subject Services ordered and purchased by the Customer prior to its subscription to this Contract Offer will be referred to as "Existing Subject Services."
- (C) Subject Services that were not being purchased from the Telephone Company prior to its subscription to this Contract Offer will be referred to as "New Subject Services."
- (D) All terms and conditions for the Subject Services are governed by the respective tariff sections, except as provided in this Contract Offer No. 79.

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.82 Contract Offer No. 79 - Special Access Service Offer (Cont'd)

25.82.3 <u>Contributory Services shall be comprised of Subject Services</u> and Non-Subject Services as described below: (Cont'd)

(E) Non-Subject Services

All recurring revenue from Non-Subject Services shall be included in the MARC, but shall not otherwise be subject to the rates, terms or conditions of this Contract Offer. Non-Subject Services are listed in Table B, below.

<u>Table B - Non-Subject Services</u>

| Category | Services Included |
|---|--|
| Interstate Special Access Services provided by the Telephone Company but not located in Pricing Flexibility Metropolitan Statistical Areas (MSAs), and any rate elements located in Pricing Flexibility MSAs but not subject to pricing flexibility relief. | DS1, DS3 |
| Broadband Interstate Special Access | Optical Carrier Network (OCN) Point- to-Point, Dedicated SONET Ring Service (DSRS),GigaMAN®, DecaMAN®, BellSouth Metro Ethernet Service, OPT-E-MAN Services and AT&T Switched Ethernet Service |

(N)

Optical Carrier Network (OCN) Point-to-Point, Dedicated SONET Ring Service (DSRS), GigaMAN®, DecaMAN®, BellSouth Metro Ethernet Service, OPT-E-MAN Services and AT&T Switched Ethernet Service are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been detariffed by the Telephone Company. Rates, terms, and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.82 Contract Offer No. 79 - Special Access Service Offer (Cont'd)

(N)

25.82.4 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 79:

(A) Subject Services must be located in the Pricing Flexibility MSAs for which the Telephone Company has been granted pricing flexibility relief, as listed in BellSouth Tariff F.C.C. No. 1, Section 23 and those listed in Table C, below. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs, the Customer may at its ontion include Subject the Customer may, at its option, include Subject Services in those MSAs in this Contract Offer.

Table C

| MSA | State |
|-----------------------|-------|
| Macon - Warner Robins | GA |
| Pascagoula | MS |
| Non - MSA | MS |
| Non - MSA | NC |
| Non - MSA | KY |

(N)

(Nx)

- Concurrently Subscribed Contract Offers. The Customer (B) must concurrently subscribe to, and purchase service under, each of the following Contract Offers:
 - •BellSouth F.C.C. Tariff No 1, Contract Offer No. 79;
 - •Ameritech Tariff F.C.C. No. 2, Contract Offer No. 214;
 - ●PBTC Tariff F.C.C. No. 1, Contract Offer 163;
 - •SWBT Tariff F.C.C. No. 73, Contract Offer No. 184; and
 - •SNET Tariff F.C.C. No. 39, Contract Offer No. 57.

(Nx)

(C) The Customer must be purchasing, as of the Subscription (N) Date (as defined in Section 25.82.5(A)), no fewer than three hundred (300) and no more than four hundred (400) DS1 interstate special access circuits, and no fewer than thirty (30) and no more than (60) DS3 interstate special access circuits from the Telephone Company. (N)

x - Issued under authority of Special Permission No. 13-001 of the F.C.C.

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.82 Contract Offer No. 79 - Special Access Service Offer (Cont'd)

25.82.4 Eligibility Criteria (Cont'd)

- (D) During the month prior to the Customer's subscription to this Contract Offer, no less than fifty-five percent (55%) of the monthly recurring charges billed by the Qualified Companies to the Customer, in the aggregate, must have been for Ethernet-based services.¹
- As of Subscription Date, neither the Customer, nor any (E) of its affiliates, may order, or may be purchasing (including the continuing purchase of services previously ordered), any special access service from any of the Qualified Companies pursuant to any other pricing flexibility contract offer, broadband service agreement or other individually negotiated arrangement that includes a revenue or volume commitment, including, without limitation, any minimum annual revenue commitment ("MARC"), quarterly revenue objective ("QRO") or similar commitment), unless the other tariff, contract or other arrangement refers specifically to the Concurrently Subscribed Contract Offers, provided, however, that this provision shall not preclude the Customer from subscribing to, and purchasing pursuant to, an individual case basis (ICB) contract containing a commitment requiring the Customer to purchase a stated minimum number of services or rate elements.

(N)

¹ Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with detariffed services are available at www.att.com/guidebook.

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.82 Contract Offer No. 79 - Special Access Service Offer (Cont'd)

25.82.5 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 79:

- (A) Term Period. The term of this Contract Offer No. 79 (Term Period) shall be thirty-six (36) months, beginning on the date the Letter of Subscription (LOS) is received from the Customer by the Telephone Company (the Subscription Date). Each twelve (12) month period of the Term Period, beginning with the date of the Customer's subscription, shall be referred to as a Term Year. This Contract Offer, including, without limitation, the accrual of credits pursuant to this Contract Offer, shall cease upon the expiration of the Term Period.
- (B) To subscribe to this Contract Offer, the Customer must submit a signed Letter of Subscription (LOS) to the Telephone Company. The Customer must provide, at the time of subscription, all the Access Customer Name Abbreviations (ACNAs) to be included in this Contract Offer (Eligible ACNAs), which shall include the Customer and any and all of its affiliates or subsidiaries in existence as of the Subscription Date. Services ordered or purchased under other ACNAs may not be transferred to, or converted for, inclusion under this Contract Offer.

(N)

ISSUED: FEBRUARY 11, 2013 EFFECTIVE: FEBRUARY 12, 2013

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.82 Contract Offer No. 79 - Special Access Service Offer (Cont'd)

25.82.5 <u>Terms and Conditions</u> (Cont'd)

(C) Service Term. Each Subject Service shall be purchased pursuant to a thirty-six (36) month Channel Service Payment Plan ("CSPP"). The Service Term for each New Subject Service shall begin on the date the Subject Service is placed in service (Service Term). Upon expiration of the Term Period or termination of this Contract Offer by Customer, or as a result of Customer's breach, each Subject Service shall be provided for the remainder of the applicable Service Term according to the rates, terms and conditions applicable to a thirty-six (36) month CSPP as described in BellSouth Tariff F.C.C. No. 1, Sections 23.5.2.9, as applicable. Any Existing Subject Service converted to this Contract Offer shall be subject to a new thirtysix (36) month CSPP, which will be effective as of the Subscription Date.

Upon completion of the applicable Service Terms, Subject Services will be provided at the prevailing applicable month-to-month/monthly extension rates described in Sections 23.5.2.9 for DS1 and DS3 Subject Services, unless the Customer selects another applicable Term Pricing Plan or other applicable rate, or disconnects the service.

- (D) All services that constitute Subject Services, as defined in this Contract Offer that are being purchased by the Customer, or any of its affiliates, as of the Subscription Date, must be purchased under this Contract Offer.
- (E) Subject Services purchased under this Contract Offer shall not be included in any other pricing flexibility contract offer, promotional offering, discount plan or other arrangement unless expressly permitted by such other pricing flexibility contract offer, promotional offering, discount plan or other arrangement.

(N)

ACCESS SERVICE
25. CONTRACT TARIFFS (Cont'd)

25.82 Contract Offer No. 79 - Special Access Service Offer (Cont'd)

25.82.5 Terms and Conditions (Cont'd)

- (F) All terms and conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein. Subject Services are subject to certain rates, charges and general terms and conditions in other sections of BellSouth Tariff F.C.C. No. 1 (Sections 2 General Conditions, Section 5, 7 Ordering Options and 13 Labor & Testing Services), and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. However, such tariff modifications will not change the Terms and Conditions described in Contract Offer No. 79.
- (G) Commingling is defined in BellSouth Tariff F.C.C. No. 1, Section 2.6. Commingling of Subject Services provided pursuant to this Contract Offer No. 79 is prohibited.
- (H) Termination Liability Waiver. The Telephone Company will waive, or issue offsetting credits for, otherwise applicable termination liability charges for moves and/or disconnection of Subject Services, not to exceed three hundred fifty (350) DS1 and/or DS3 Subject Services, subject to the conditions listed below. In the event that termination liability charges for any moves and/or disconnections eligible for waiver or credits under this provision are billed by the Telephone Company, the Telephone Company will issue credits for such charges on a quarterly basis. To receive credits for termination liability charges for such moves and/or disconnects of New and Existing Subject Services, the following conditions must be satisfied:
 - (1) The Customer must be in compliance with all terms and conditions of this Contract Offer.
 - (2) Subject Service must have been in service for a minimum of twenty-four (24) months from its installation date to its disconnection date.

(N)

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.82 Contract Offer No. 79 - Special Access Service Offer (Cont'd)

(N)

25.82.5 <u>Terms and Conditions</u> (Cont'd)

- (H) Termination Liability Waiver. (Cont'd)
 - (3) The Customer must include the Contract Number associated with this Contract Offer on all disconnect orders for Subject Services.
- (I) Termination Liability Waiver for Ethernet Upgrade. In addition to the provisions of Section 25.82.5(H), above, the Telephone Company will waive, or issue offsetting credits for, termination liability charges resulting from the replacement of DS1 Subject Services by Ethernet-based¹ service provided to the Customer by The Telephone Company. In the event that termination liability charges are billed by the Telephone Company in the event of such Ethernet¹ replacement, the Telephone Company will issue credits for such charges on a quarterly basis. To receive credits for termination liability charges for such moves and/or disconnects for New and Existing Subject Services, the following conditions must be satisfied:
 - (1) No lapse in billing may have occurred between the termination of the DS1 Subject Service and the installation of the Ethernet-based replacement service.
 - (2) The Ethernet-based¹ replacement service must be at the same Customer location as the terminated Subject Service.
 - (3) The Ethernet-based¹ replacement service must have a minimum bandwidth of 5 Mbps at each relevant Customer location.
 - (4) DS1 Subject Service must have been in service for a minimum of twelve (12) months from its installation date.
 - (5) The Customer must include the Contract Number associated with this Contract Offer on all disconnect orders for Subject Services.

Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with detariffed services are available at www.att.com/quidebook

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.82 Contract Offer No. 79 - Special Access Service Offer (Cont'd)

(N)

25.82.6 Minimum Annual Revenue Commitment (MARC)

- (A) The Customer shall be subject to a Minimum Annual Revenue Commitment (MARC). The MARC shall include recurring revenue from all Contributory Services (MARC Revenue). MARC Revenue shall also include any Termination Liability Charges paid, but not credited quarterly, pursuant to Section 25.82.5(H), above, for Subject Services. MARC Revenue shall specifically exclude non-recurring charges, usage-based charges and temporary service charges. The Customer's MARC obligation shall be a continuing obligation during the entire Term Period, which shall survive any breach or termination of this Contract Offer by the Customer.
- (B) The Customer's MARC shall be equal to the Customer's MARC Revenue during the three (3) months immediately prior to the Subscription Date, multiplied by four (4), then multiplied by eighty-two percent (82%), and rounded up to the nearest thousand dollars.

Annual True-up: Following the end of each Term Year, the Qualified Companies will compare the Customer's MARC Revenue to the MARC. If the Customer's MARC Revenue for the Term Year is less than the MARC, the Qualified Companies will bill, and the Customer must pay, the difference between the Customer's MARC Revenue and the MARC (True-up Amount). The Qualified Companies will bill the True-up Amount as a single debit entry for, in the aggregate, this Contract Offer and all of the other Concurrently Subscribed Contract Offers, which amount shall be billed the same BAN designated by the Customer.

25.82.7 Monthly Recurring Charges (MRCs) - New Subject Services

(A) MRCs - Application of Credits for New Subject Services.

The Telephone Company will initially bill the Customer according to the applicable thirty-six (36) month Channel Services Payment Plan Monthly Recurring Charges (CSPP MRCs) in Section 23.5.2.9. The Customer shall then be credited in an amount equal to the difference between the CSPP MRCs and the rates Tables D, below. Credits will be applied monthly, in arrears. Taxes, if applicable, will be charged on the CSPP MRC rates, but will not be included in the credits applied to the Customer's bill.

The MRCs in Table D, below, will apply to New Subject Services.

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.82 Contract Offer No. 79 - Special Access Service Offer (Cont'd)

(N)

25.82.7 <u>Monthly Recurring Charges (MRCs) - New Subject Services</u> (Cont'd)

(A) MRCs - Application of Credits for New Subject Services. (Cont'd)

| (A) MRCs - Application of Credits for New Subject Services. (Cont'd) | | | |
|---|------------------------|------------|--|
| | All States - All Zones | | |
| TABLE D DS1 | | | |
| Description | USOC | Rate | |
| Local Channel — Per Local Channel DS1 Service (a.k.a. BellSouth SPA DS1) — 1.544 Mbps | TMECS | \$119.70 | |
| Interoffice Channel -Fixed | 1L5XX | \$71.25 | |
| Interoffice Channel- Per Mile | 1L5XX | \$6.84 | |
| Channelization DS1 Basic Channelization System (DS1 to DS0) — per System | MQ1 | \$162.45 | |
| DS3 | All States- All Zones | | |
| Description | USOC | Rate | |
| Local Channel (per Local Channel) LightGate Service (a.k.a. BellSouth SPA Point-to-Point | HFSC6 | \$1,656.00 | |
| Network) Local Channel Systems (includes first one-half air mile) LightGate 1 Service (a.k.a BellSouth SPA Point-to-Point Network DS3 Capacity) System, per System | | | |
| LightGate 1 Service(a.k.a BellSouth SPA Point-to- Point Network DS3 Capacity Interoffice Channel System Mileage Band 0 - 8 Fixed, per System | 1LPS8 | \$703.80 | |
| LightGate 1 Service(a.k.a BellSouth SPA Point-to- Point Network DS3 Capacity Interoffice Channel System Mileage Band 0 - 8 Fixed, per Mile | 1LPE8 | \$46.75 | |
| LightGate 1 Service(a.k.a BellSouth SPA Point-to- Point Network DS3 Capacity Interoffice Channel System Mileage Band 9 - 25 Fixed, per System | 1LPS9 | \$956.25 | |
| LightGate 1 Service(a.k.a BellSouth SPA Point-to- Point Network DS3 Capacity Interoffice Channel System Mileage Band 9 - 25 Fixed, per Mile | 1LPE9 | \$46.75 | |
| LightGate 1 Service(a.k.a BellSouth SPA Point-to- Point Network DS3 Capacity Interoffice Channel System Mileage Band 26+ Fixed, per System | 1LPS6 | \$1,113.50 | |
| LightGate 1 Service(a.k.a BellSouth SPA Point-to-Point Network DS3 Capacity Interoffice Channel System Mileage Band 26+ Fixed, per Mile | 1LPE6 | \$46.75 | |
| Central Office Channel Interfaces — Per 28 DS1 Channel System | MQ3C0 | \$465.50 | |

ACCESS SERVICE

(N)

25. CONTRACT TARIFFS (Cont'd)

25.82 Contract Offer No. 79 - Special Access Service Offer (Cont'd)

(N)

- 25.82.7 Monthly Recurring Charges (MRCs) New Subject Services (Cont'd)
 - (B) Non Recurring Charges (NRCs)
 - (1) Non-recurring charges (NRCs) will apply to Existing Subject Services, as provided in Sections 23.5.2.9.
 - (2) NRCs will apply to New Subject Services, as provided in Sections 23.5.2.9, except as provided in Table E, below.

Table E

| Rate element - DS1 New | | |
|------------------------------|--------|------------|
| Subject Services ONLY | USOC | NRC Charge |
| Per Customer Request for DS1 | PR11M | \$50.00 |
| Reconfiguration | LIXIII | \$30.00 |
| Rearrangement Charge per DS1 | NBRD1 | \$50.00 |

(C) <u>Monthly Credit</u>

For each month of the Term Period, the Customer may be eligible for a monthly credit under this Contract Offer and the other Concurrently Subscribed Contract Offers ("Monthly Credit" or "MC").

The Telephone Company will review the number of Existing Subject Services then in service during each month of the Term Period, and will issue an MC to the Customer in the amount of one hundred three dollars (\$103) for each DS1 Existing Subject Service and two hundred twelve dollars (\$212) for each DS3 Existing Subject Service in service as of the end of the month being reviewed, provided, however, that the total amount of the MC shall not exceed fifty-nine thousand three hundred fifty-two dollars (\$59,352) per month, in total, for all of the Concurrently Subscribed Contract Offers. Beginning no later than sixty (60) days after the Subscription Date, the Telephone Company will begin to issue an MC. Subject to the foregoing sentence, the Telephone Company will apply the MC to the Customer's bill no later than thirty (30) days after the end of the month during which the Customer qualified for the MC.

If the Customer is in material breach of this Contract Offer or any other terms and conditions applicable to the Subject Services, including, without limitation, the Customer's obligation to pay all undisputed amounts due for Subject Services, the MC shall not be issued unless such breach is cured within ninety (90) days after the MC would otherwise have been issued.

ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.82 Contract Offer No. 79 - Special Access Service Offer (Cont'd)

25.82.8 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
 - (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.82.8 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

(N)

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ACCESS SERVICE
25. CONTRACT TARIFFS (Cont'd)

25.82 Contract Offer No. 79 - Special Access Service Offer (Cont'd)

(N)

25.82.9 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.82.10 Termination

Termination liability, as described below, applies in lieu of termination liability as described in BellSouth F.C.C. Tariff 1. Termination liability charges shall become due as of the effective date of the termination of service.

If the Customer terminates any Subject Service before the completion of the Term Period, or if the Telephone Company terminates any Subject Service as a result of the Customer's breach of this Contract Offer, the Customer's termination liability charge shall be equal to fifty percent (50%) of the applicable monthly charges for the remainder of the Term Period.

The termination liability charge will be calculated as follows:

(MRCs) multiplied by (months remaining in term), multiplied by (termination liability percentage of 50%).

Example: The Customer terminates service on a DS3 with a \$1,202.50 monthly charge after thirty (30) months of service, and has six (6) months remaining in the thirty-six (36) month term. The termination liability would be calculated as:

 $1,202.50 \times 6 \times .50 = 3,607.50$ termination liability charge.

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

(T)

Material previously appearing on this page now appears on Original Page 28-19.

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-551 CANCELS ORIGINAL PAGE 25-551

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-552 CANCELS ORIGINAL PAGE 25-552

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-553 CANCELS ORIGINAL PAGE 25-553

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-554 CANCELS ORIGINAL PAGE 25-554

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-555 CANCELS ORIGINAL PAGE 25-555

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-557 CANCELS ORIGINAL PAGE 25-557

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-558 CANCELS ORIGINAL PAGE 25-558

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-560 CANCELS ORIGINAL PAGE 25-560

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-561 CANCELS ORIGINAL PAGE 25-561

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-562 CANCELS ORIGINAL PAGE 25-562

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-563 CANCELS ORIGINAL PAGE 25-563

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-564 CANCELS ORIGINAL PAGE 25-564

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

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ACCESS SERVICE 25. CONTRACT TARIFFS (Cont'd)

25.83 Reserved for Future Use (Cont'd)

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings

(N)

25.84 <u>Contract Offer No. 81 - Special Access Wireless DS1 Service Offer</u>

25.84.1 <u>General Description</u>

This Special Access Service Offer (Contract Offer No. 81) is an access discount pricing plan. This Contract Offer permits Customers who meet the Eligibility Criteria in Section 25.84.3, and the Terms and Conditions in Section 25.84.4, to purchase the Subject Services listed in Section 25.84.2 and to receive rates and charges as provided in Section 25.84.5. Subject Services are available under this Contract Offer in the Metropolitan Statistical Areas (MSAs) listed in Section 25.84.2(B).

This Contract Offer is available for subscription from June 1, 2013 through July 1, 2013. This Contract Offer is not renewable.

25.84.2 Subject Services

- (A) This Contract Offer applies to pricing flexibility qualified services (Subject Services) contained in the following tariff section: BellSouth Telecommunications, LLC (BellSouth) Tariff F.C.C. No. 1, Sections 7 and 23 DS1 High Capacity Service.
- (B) Subject Services must be located in the MSAs for which the Telephone Company has been granted pricing flexibility relief, as listed in BellSouth Tariff F.C.C. No. 1, Section 23, and those listed in Table A, below. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 23 or Table A, the Customer may, at its option, include Subject Services in those additional MSAs under this Contract Offer No. 81.

ISSUED: MAY 31, 2013 EFFECTIVE: JUNE 1, 2013

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)

25.84.2 <u>Subject Services</u> (Cont'd) Table A

| MSA | |
|---------------------|----|
| Macon-Warner Robins | GA |
| Pascagoula | MS |
| Non-MSA | NC |
| Non-MSA | MS |
| Non-MSA | КҮ |

- (C) Subject Services must originate or terminate on a wireless carrier's network.
- (D) Subject Services must terminate at a cell site which satisfies all of the following criteria: (i) is a site at which the Customer is purchasing Ethernet-based service from the Telephone Company, having a Committed Information Rate of at least twenty (20) megabits per second (Mbps), and a term commitment of at least eighty-four (84) months, (ii) is in operation as of the Effective Date, and (iii) is not subject to any other contract offer dependent upon the purchase of Ethernet-based services from the Telephone Company. Cell sites that meet these criteria are referred to in this Contract Offer as "Qualified Cell Sites."
- (E) Subject Services may not be subject to any other contract offer as of the Effective Date of this Contract Offer. The Customer may not purchase Subject Services under this Contract Offer at any cell sites to which subject services (as defined under another Contract Offer) are provided under such other Contract Offer.

(N)

Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook

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ISSUED: MAY 31, 2013 EFFECTIVE: JUNE 1, 2013

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)

25.84.3 Eligibility Criteria

The Customer must meet the following Eligibility Criteria as of the date that this Contract Offer becomes effective (Effective Date):

- (A) The Customer must have purchased interstate special access DS1 and DS3 services with total billed monthly recurring charges, net of discounts and credits, during the twelve (12) months prior to the Effective Date of this Contract Offer, of at least one hundred fifty million dollars (\$150,000,000) from, collectively, the Telephone Company, Ameritech Operating Companies, Pacific Bell Telephone Company, Southwestern Bell Telephone Company and Nevada Bell Telephone Company.
- (B) The Customer must be operating, as of the Effective Date of this Contract Offer, no fewer than the minimum number and no more than the maximum number of Qualified Cell Sites within the Telephone Company's incumbent local exchange area in each of the MSAs listed in Table B, below.

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ACCESS SERVICE

25. <u>Pricing Flexibility Contract Offerings</u> (Cont'd) 25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)

Fligibility Criteria (Cont'd)

| 25.84.3 <u>Eligibility Criteria</u> (Cont'd) | | | | |
|--|--|--|--|--|
| TABLE B - MSA | Minimum Number of Cell Sites in MSA | Maximum Number of Cell Sites in MSA | | |
| Albany, GA | 22 | 43 | | |
| Alexandria, LA | 5 | 10 | | |
| Anderson, SC | 18 | 36 | | |
| Asheville, NC | 2 | 4 | | |
| Athens, GA | 2 | 4 | | |
| Atlanta, GA | 102 | 204 | | |
| Augusta, GA | 12 | 24 | | |
| Baton Rouge, LA | 6 | 12 | | |
| Biloxi-Gulfport, MS | 5 | 9 | | |
| Birmingham, AL | 34 | 68 | | |
| Burlington, NC | 14 | 28 | | |
| Charleston-North Charleston, SC | 10 | 20 | | |
| Charlotte-Gastonia, NC | 8 | 16 | | |
| Chattanooga, TN | 20 | 40 | | |
| Clarksville-Hopkinsville, TN/KY | 3 | 6 | | |
| Columbia, SC | 18 | 36 | | |
| Columbus, GA | 4 | 8 | | |
| Daytona Beach, FL | | 22 | | |
| Florence, SC | 7 | 14 | | |
| Gainesville, FL | 4 | 8 | | |
| Greensboro-Winston-Salem-High Point, NC | 6 | 12 | | |
| Greenville-Spartanburg, SC | 8 | 16 | | |
| Huntsville, AL | 19 | 38 | | |
| Jackson, MS | 46 | 92 | | |
| Jacksonville, FL | 51 | 102 | | |
| Knoxville, TN | 24 | 48 | | |
| Lafayette, LA | 5 | 10 | | |
| Lake Charles, LA | 17 | 34 | | |
| Macon-Warner Robins, GA | 8 | 16 | | |
| Melbourne-Titusville-Palm Bay, FL | 8 | 16 | | |
| Memphis, TN | 6 | 12 | | |
| Miami-Fort Lauderdale-Hollywood, FL | 59 | 118 | | |
| | 25 | 50 | | |
| Mobile, AL Monroe, LA | 3 | 6 | | |
| | 11 | 22 | | |
| Montgomery, AL | | | | |
| Nashville-Davidson, TN | 43 12 | 86 24 | | |
| New Orleans, LA | | | | |
| Non-MSA, MS | 60 17 | 120 | | |
| Non-MSA, NC | • | 34 | | |
| Orlando, FL | 15 | 30 | | |
| Panama City, FL | 9 | 18 | | |
| Pascagoula, MS | 2 | 4 | | |
| Pensacola, FL | 3 | 6 | | |
| Raleigh-Durham, NC | 20 | 40 | | |
| Savannah, GA | 15 | 30 | | |
| Shreveport, LA | 21 | 42 | | |
| West Palm Beach-Boca Raton, FL | 37 | 74 | | |
| Wilmington, NC | 20 | 40 | | |

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd) 25.84.3 <u>Eligibility Criteria</u> (Cont'd)

(C) The Customer must be purchasing, as of the Effective Date of this Contract Offer, no fewer than the minimum number and no more than the maximum number of DS1 special access circuits from the Telephone Company within each of the MSAs listed in Table C, below, each of which terminate at Qualified Cell Sites.

| • | terminate at Qualified (Minimum Number of | Maximum Number of |
|---|--|-----------------------------|
| TABLE C - MSA | DS1 special access | DS1 special access circuits |
| | circuits in MSA | in MSA |
| Albany, GA | 9 | 54 |
| Alexandria, LA | 2 | 9 |
| Anderson, SC | 18 | 108 |
| Asheville, NC | 2 | 68 |
| Athens, GA | 2 | 85 |
| Atlanta, GA | 102 | 612 |
| Augusta, GA | 12 | 118 |
| Baton Rouge, LA | 6 | 36 |
| Biloxi-Gulfport, MS | 2 | 9 |
| Birmingham, AL | 34 | 204 |
| Burlington, NC | 14 | 84 |
| Charleston-North Charleston, SC | 10 | 60 |
| Charlotte-Gastonia, NC | 8 | 84 |
| Chattanooga, TN | 20 | 120 |
| Columbia, SC | 18 | 140 |
| Columbus, GA | 4 | 40 |
| Daytona Beach, FL | 11 | 66 |
| Florence, SC | 7 | 58 |
| Gainesville, FL | 4 | 24 |
| Greensboro-Winston-Salem-High Point, NC | 6 | 80 |
| Greenville-Spartanburg, SC | 8 | 112 |
| Huntsville, AL | 19 | 114 |
| Jackson, MS | 46 | 276 |
| Jacksonville, FL | 51 | 306 |
| Knoxville, TN | 24 | 171 |
| Lafayette, LA | 5 | 30 |
| Lake Charles, LA | 6 | 34 |
| Macon-Warner Robins, GA | 8 | 81 |
| Melbourne-Titusville-Palm Bay, FL | 8 | 48 |
| Memphis, TN | 6 | 60 |
| Miami-Fort Lauderdale-Hollywood, FL | 59 | 354 |
| Mobile, AL | 5 | 27 |
| Monroe, LA | 3 | 18 |
| Montgomery, AL | 11 | 78 |
| Nashville-Davidson, TN | 43 | 258 |
| New Orleans, LA | 12 | 72 |
| Non-MSA, MS | 60 | 360 |
| Non-MSA, NC | 17 | 102 |
| Orlando, FL | 15 | 90 |
| Panama City, FL | 9 | 54 |
| Pascagoula, MS | 2 | 12 |
| Pensacola, FL | 3 | 18 |
| Raleigh-Durham, NC | 20 | 128 |
| Savannah, GA | 15 | 268 |
| Shreveport, LA | 21 | 126 |
| West Palm Beach-Boca Raton, FL | 37 | 222 |
| Wilmington, NC | 7 | 40 |

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)

25.84.3 <u>Eligibility Criteria</u> (Cont'd)

- (D) The Customer must be purchasing, as of the Effective Date, Ethernet Services at no fewer than ten thousand (10,000) Qualified Cell Sites from, collectively, the Telephone Company, Ameritech Operating Companies, Pacific Bell Telephone Company, Southwestern Bell Telephone Company, The Southern New England Telephone Company and Nevada Bell Telephone Company.
- (E) During the twelve (12) months prior to the Subscription Date, the Customer must have purchased long distance voice services from an affiliate of the Telephone Company, including, but not limited to, ABN/OneNet, representing aggregate recurring billed revenues of no less than one hundred and fourteen million dollars (\$114,000,000) during those twelve (12) months, after applicable discounts, credits and adjustments.

(N)

Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/quidebook

ABN/OneNet services are provided on a contractual basis outside of the tariff, including all terms and conditions. Rates, terms and conditions associated with ABN/OneNet services are available at http://new.serviceguide.att.com/

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)

25.84.4 <u>Terms and Conditions</u>

- (A) Term Period
 The term of this Contract Offer (Term Period)
 commences on the date the Telephone Company
 receives the signed Letter of Subscription (LOS)
 from the Customer (Subscription Date), and ends on
 December 1, 2020. Upon expiration or termination of
 the Term Period, all Subject Services shall be
 provided according to the prevailing monthly rates
 in BellSouth Tariff F.C.C. No. 1, Section 23.5.2
 and 7.5.9, unless:
 - (i) The Customer selects an applicable Term Pricing Plan/Optional Payment Plan; or(ii) Either Party disconnects the Subject Services
 - in a manner consistent with BellSouth Tariff F.C.C. No. 1, Section 23.5.2.
- (B) Grandfathering or Sunsetting of Subject Services Notwithstanding anything to the contrary in this Contract Offer, this Contract Offer shall not prevent the Telephone Company from limiting or precluding new purchases or reconfigurations of Subject Services, or from terminating the provision of Subject Services entirely, prior to the end of the Term Period to the extent permitted by applicable law. Any such changes will be implemented by amending the applicable tariff sections.

(C) General Terms and Conditions

(1) Subject Services are subject to certain rates, charges and general terms and conditions described in BellSouth Tariff F.C.C. No. 1, Sections 2, 5, 7, 13 and 23, as applicable. Such terms and conditions may be modified through filing tariff changes at any time during the Term Period; however, such tariff modifications will not change the terms and conditions of this Contract Offer. If any provision of this Contract Offer conflicts with any otherwise applicable provisions of BellSouth Tariff F.C.C. No. 1, Sections 2, 5, 7, 13 or 23, this Contract Offer shall govern over the conflicting provision.

(N)

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

- 25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)
 - 25.84.4 <u>Terms and Conditions</u> (Cont'd)
 - (B) General Terms and Conditions (Cont'd)
 - (2) All terms and conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
 - (3) During the Term Period, the Customer (including any of its affiliates) may not order or purchase any Subject Service (including the continuing purchase of any service previously ordered) which is subject to any other: (i) contract offer, (ii) pricing flexibility contract offer containing a revenue commitment or revenue objective (e.g., Minimum Annual Revenue Commitment (MARC), Quarterly Revenue Objective (QRO)), or volume commitment in which Subject Service revenue from this Contract Offer is eligible to be included, unless such other contract offer specifically refers to this Contract Offer, (iii) promotional offering, or (iv) any other discount plan or agreement, except as expressly provided in the above.

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)

25.84.4 <u>Terms and Conditions</u> (Cont'd)

- (B) <u>General Terms and Conditions</u> (Cont'd)
 - (4) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company, which must include a list of eligible Access Customer Name Abbreviations (ACNAs) under which the Customer may purchase Subject Services pursuant to this Contract Offer. The LOS will also include a list of all Qualified Cell Sites at which the Customer may purchase Subject Services. The Contract Offer will not apply to services purchased under, or transferred from, other ACNAs, or services purchased for other cell sites.
 - (5) All Subject Services must be ordered under a Channel Service Payment Plan (CSPP) Plan B, as described in Section 23 of BellSouth Tariff F.C.C. No. 1, under the longest term commitment available at the time of the Customer's order, or at month-to-month rates if no CSPP rate is available at the time of the Customer's order. This ordering requirement is for administrative purposes only, to assure the proper provisioning and billing of Subject Services. Subject Services will not be subject to any term commitment or termination liability charges as provided in Section 23, or to any other ordering obligations inconsistent with this Contract Offer. Rates and charges for Subject Services shall include credits provided under Section 25.84.5 of this Contract Offer.
 - (6) Termination Liability charges shall not apply to the conversion to this Contract Offer of any Subject Service previously provided pursuant to BellSouth Tariff F.C.C. No. 1.

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)

25.84.4 <u>Terms and Conditions</u> (Cont'd)

- (B) General Terms and Conditions (Cont'd)
 - The Customer may disconnect any Subject Service without termination liability charges unless Customer has an uncured material breach of this Contract Offer or of any other applicable tariff provision with respect to such Subject Services. The Telephone Company will initially bill such termination liability charges. Following receipt of any invoice containing termination liability charges subject to this Contract Offer, the Customer will identify those termination liability charges associated with Subject Services under this Contract Offer. The Telephone Company will then review the termination liability charges identified by the Customer and will issue credits to offset those termination liability charges eligible subject to this provision. If the Telephone Company terminates any Subject Service as a result of the Customer's uncured material breach of this Contract Offer or of any other applicable tariff provision, termination liability charges shall apply in the amount of (i) fifty percent (50%) of the discounted Monthly Recurring Charges ("MRCs") applicable to the terminated Subject Services, net of all credits provided for in this Contract Offer, multiplied by (ii) the number of calendar months, or fractions thereof, remaining in the Term Period following the effective date of the termination.

(N)

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)

25.84.5 Rates and Charges

(A) The Customer may purchase Subject Services at those Qualified Cell Sites at which Customer has purchased Ethernet-based services from the Telephone Company at a fixed MRC of one hundred eight (\$108) dollars per month for each Subject Service that is multiplexed and connects to a Telephone Company special access interoffice transport service purchased by the Customer. Telephone Company will initially bill the Customer according to the otherwise applicable 49 through 72-month CSPP or month-to-month MRCs. The Customer will then be credited in an amount equal to the difference between the CSPP or month-to-month MRCs and the rates in Table D, below. Credits will be applied monthly in arrears. Taxes, if applicable, will be charged on the CSPP or month-to-month MRCs, but will not be included in the credits applied to the Customer's bill.

Table D

| Rate Element | USOC | MRC |
|-------------------------------|-------|-----------------|
| Local Channel | TMECS | \$108 |
| Interoffice Channel, Fixed | 1L5XX | (Net Bundled |
| Interoffice Channel, per mile | 1L5XX | Rate) |

Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. FCC 07-180, released October 12, 2007, such services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with specifically de-tariffed services are available at www.att.com/guidebook

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)

25.84.5 <u>Rates and Charges</u> (Cont'd)

- (A) For any billing period in which a Subject Service is not so multiplexed and connected as required by Section 25.84.5 (A), the Telephone Company will debit the Customer's invoice for an additional seventeen dollars (\$17) for each such Subject Service.
- (B) The fixed monthly charge includes average Variable Mileage, per Subject Service, for all Subject Services purchased under this Contract Offer, not to exceed thirteen (13) miles. The Telephone Company will review the Variable Mileage associated with Subject Services no more frequently than twice during each period of twelve (12) consecutive months of the Term Period, beginning with the Subscription Date. If, upon such review, the Telephone Company determines that Variable Mileage for Subject Services exceeds an average of thirteen (13) miles per Subject Service, the Telephone Company will bill the Customer for all Variable Mileage in excess of thirteen (13) miles per Subject Service by applying the charges in Tariff Section 23, as applicable to Plan B under a 49 through 72-month term commitment plan.

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)

25.84.5 <u>Rates and Charges</u> (Cont'd)

- (D) If the Telephone Company is unable to bill for Subject Services at the discounted rate as described in Section 25.84.5 (A), the Telephone Company will bill the Customer on a monthly basis the otherwise applicable tariff rates applicable to the CSPP or month-to-month MRCs. Each calendar quarter, beginning with the first full calendar month (including and pro-rated credits from the Effective date to the first full calendar month) after the Effective Date, the Telephone Company will calculate and issue to the Customer a credit equal to the difference between the rates set forth in Section 25.84.5 and the rates initially billed.
- (E) All non-recurring charges (excluding Expedite charges listed below) will be waived for Subject Services added to this Contract Offer. The waiver is not applicable to Special Construction charges, or to the Expedite Charges that may be applicable.

| Charge Type | Description | USOC | Rate | Rate Regulation |
|----------------|---|-------|----------|-----------------|
| Expedite | Service Date Advancement -SPA DSO and DS1 Services, per circuit, per day | SDASP | \$225.00 | 5.1.1(H)(6)(c) |
| Expedite | Service Date Advancement -Missed Appointment, SPA DSO and DS1 services, per circuit, per occurrence | SDAMA | \$300.00 | 5.1.1(H)(6)(d) |

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)

25.84.5 <u>Rates and Charges</u> (Cont'd)

(F) Taxes and Surcharges. Rates and charges set forth in this Contract Offer are exclusive of, and the Customer will pay, all current and future taxes and fees (but excluding taxes or fees imposed on gross receipts of general commercial businesses, net income, corporate franchise, property/ad valorem, payroll/employment, capital stock or net worth tax and the right to do business, i.e., license taxes or fees) relating to the sale, transfer of ownership, installation, license, use or provision of the Subject Services, and other applicable governmentally-established surcharges and similar charges, which the Telephone Company is permitted by applicable law to pass through to the Customer, including, without limitation, Universal Service Fund surcharges (and any associated interest and penalties resulting from the Customer's failure to timely pay such taxes or similar charges), except to the extent the Customer submits and maintains a reasonably acceptable to the Telephone Company exemption certificate covering all of the Subject Services and/or provides satisfactory proof of a valid tax exemption for the Subject Services.

ISSUED: MAY 31, 2013 EFFECTIVE: JUNE 1, 2013

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)

25.84.6 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

- (A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.
- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or(2) "high risk" in a Paydex score as published by Dun and Bradstreet.

(N)

ISSUED: MAY 31, 2013 EFFECTIVE: JUNE 1, 2013

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

e Offer

(N)

25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)

25.84.6 <u>Assignment/Transfer</u> (Cont'd)

(C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.84.6 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

25.84.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, and Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

BELLSOUTH TELECOMMUNICATIONS Four AT&T Plaza, Dallas, Texas 75202 TARIFF F.C.C. NO. 1 ORIGINAL PAGE 25-583

ISSUED: MAY 31, 2013 EFFECTIVE: JUNE 1, 2013

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.84 <u>Contract Offer No. 81-Special Access Wireless DS1 Service Offer</u> (Cont'd)

25.84.8 De-Tariffing of Subject Services

If, at any time during the Term Period, the Subject Services available under this Contract Offer are voluntarily or involuntarily de-tariffed by the Telephone Company, in whole or in part, pursuant to a statutory change, order or requirement of a governmental or judicial authority of competent jurisdiction, the rates, and Terms and Conditions for Subject Services provided under this Contract Offer will remain in full force and effect for the remainder of the unexpired Term Period.

ISSUED: MAY 31, 2013 EFFECTIVE: JUNE 1, 2013

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings

(N)

25.85 Contract Offer No. 82 - Special Access DS1 and DS3 Service Offer

25.85.1 <u>General Description</u>

This DS1/DS3 Service Offer (Contract Offer No. 82) is an access services plan that permits Customers that meet the Eligibility Criteria in Section 25.85.3 and the Terms and Conditions in Section 25.85.4 to receive discounts on certain Non-Recurring charges for new DS3 LightGate and DS1 Subject Services as described in Section 25.85.2, if related to a SmartGate disconnect order. This Contract Offer is available for subscription from June 1, 2013 through July 1, 2013. This Contract Offer is not renewable.

25.85.2 <u>Subject Services</u>

- (A) Contract Offer No. 82 applies to the following pricing flexibility qualified access services (contained in the following tariff sections (Subject Services):
 - (1) BellSouth Tariff F.C.C. No. 1, Sections 7 and 23 - DS3 LightGate (a/k/a BellSouth SPA Point to Point Network and DS1 (a/k/a BellSouth SPA DS1);
- (B) Subject Services must be located in the MSAs or non-MSA areas for which the Telephone Company has been granted pricing flexibility relief, as listed in BellSouth Tariff F.C.C. No. 1, Section 23 and those listed in Table A. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs or non-MSA areas not listed in Section 23 or Table A, the Customer may, at its option, include Subject Services in those additional MSAs or non-MSA areas in this Contract Offer No. 82.

ISSUED: MAY 31, 2013 EFFECTIVE: JUNE 1, 2013

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.85 <u>Contract Offer No. 82 - Special Access DS1 and DS3 Service Offer</u> (Cont'd)

25.85.2 <u>Subject Services</u> (Cont'd)

(B) (Cont'd) Table A

| MSA | |
|---------------------|----|
| Macon-Warner Robins | GA |
| Pascagoula | MS |
| Non-MSA | NC |
| Non-MSA | MS |
| Non-MSA | KY |

(C) All terms and conditions for Subject Services are governed by their respective tariff sections, except as provided in this Contract Offer.

25.85.3 Terms and Conditions

- (A) Term Period. The term of this Contract Offer (Term Period) shall be sixteen months (16) months, beginning on the date a signed Letter of Subscription (LOS) is received from the Customer by the Telephone Company (the Subscription Date).
- (B) To subscribe to this Contract Offer, the Customer must submit a signed LOS to the Telephone Company. (

ISSUED: MAY 31, 2013 EFFECTIVE: JUNE 1, 2013

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

Offer

(N)

25.85 <u>Contract Offer No. 82 — Special Access DS1 and DS3 Service Offer</u> (Cont'd)

25.85.4 Rates and Charges

- (A) The Telephone Company shall waive certain non-recurring charges for the initial installation of new Subject Services, as provided in Table B, below, if the requirements set forth in Section 25.85.4(B) are met. This waiver does not apply to non-recurring charges other than initial installation charge, nor does it apply to orders associated with existing services.
- (B) (1) The New Subject Services must replace DS1 or DS3 SmartGate Services (a/k/a BellSouth SPA Managed Shared Ring Network) that are being disconnected. The new Subject Services must be provided at the same location as the disconnected DS1 or DS3 SmartGate services.
 - (2) The orders to install the new service and to disconnect the old service must be submitted at the same time and must be related to each other by including the purchase order numbers (PONs) of the new service orders and disconnect orders in the appropriate fields in the Access Service Request (ASR). There must be no lapse in service between request for the new service and the disconnection of the existing service.

Table B

| | Non-Recurring Charge | |
|-------------------|-------------------------|--------|
| Service | USOC | NRC |
| DS1 Service | TMECS | \$0.00 |
| DS1 Service | 1L5XX | \$0.00 |
| LightGate Service | 1LPS6 | \$0.00 |
| LightGate Service | 1LPS8 | \$0.00 |
| LightGate Service | 1LPS9 | \$0.00 |

ISSUED: MAY 31, 2013 EFFECTIVE: JUNE 1, 2013

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.85 <u>Contract Offer No. 82 - Special Access DS1 and DS3 Service Offer</u> (Cont'd)

25.85.5 <u>Assignment/Transfer</u>

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C) below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50%) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.

ISSUED: MAY 31, 2013 EFFECTIVE: JUNE 1, 2013

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.85 <u>Contract Offer No. 82 - Special Access DS1 and DS3 Service Offer</u> (Cont'd)

25.85.5 <u>Assignment/Transfer</u>

(C) If the information required to review the assignee's or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 25.85.5 is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

25.85.6 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Telephone Company, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates. Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

ISSUED: OCTOBER 17, 2014 EFFECTIVE: OCTOBER 18, 2014

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings

(N)

25.86 Contract Offer No. 83 - DS1 and DS3 Service Offer

(N)

25.86.1 General Description

(N)

The Special Access Service Offer (Contract Offer No. 83, or (Nx) Contract Offer) is a Service Level Agreement offer for which concurrent subscription is required to this Contract Offer and the following Access Tariffs: Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 188; Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 32; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 168; and Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 1, Contract Offer No. 218 (collectively, with this Contract Offer No. 83, the "Concurrently Subscribed Contract Offers"). Ameritech, NBTC, PBTC and SWBT and the Telephone Company may be identified as the "Qualified Companies."

(Nx)

(N)

This Contract Offer permits Customers that meet the Eligibility Criteria in Section 25.86.3 and otherwise comply with the terms and conditions of this Contract Offer to receive credits as provided in Section 25.86.5, below. Subject Services are available under this Contract Offer in the Metropolitan Statistical Areas (MSA) listed in Section 25.86.2(B).

This Contract Offer is available for subscription from October 18, 2014 through November 18, 2014. This Contract Offer is not renewable.

25.86.2 <u>Subject Services</u>

- (A) This Contract Offer applies to pricing flexibility qualified services contained in the following tariff section: BellSouth Telecommunications, LLC (BellSouth) Tariff F.C.C. No. 1, Sections 7 and 23 - DS1 High Capacity Service and DS3 High Capacity Service (Subject Services).
- x Issued under the Authority of Special Permission No. 14-013 of the F.C.C.

ISSUED: OCTOBER 17, 2014 EFFECTIVE: OCTOBER 18, 2014

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.86 Contract Offer No. 83 - DS1 and DS3 Service Offer (Cont'd)

25.86.2 Subject Services (Cont'd)

(B) Subject Services must be located in the Pricing Flexibility MSAs for which the Telephone Company has been granted pricing flexibility relief, as listed in BellSouth Tariff F.C.C. No. 1, Section 23 and in the Pricing Flexibility Phase I MSAs listed in Table A, below. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 23 at the time of subscription, the Customer may, at its option, include Subject Services eligible for the discounts under this Contract Offer No. 83. Pricing Flexibility Phase I MSAs are listed below:

<u>Table A</u>

| State | City |
|-------|---------------------|
| GA | Macon-Warner Robins |
| KY | Non-MSA |
| MS | Non-MSA |
| MS | Pascagoula |
| NC | Non-MSA |

25.86.3 <u>Eligibility Criteria</u>

To subscribe to Contract Offer No. 83, the Customer must meet the following eligibility criteria:

- (A) During the twelve (12) months prior to the Customer's subscription to this Contract Offer, the Customer must have purchased Subject Services and other services from the Qualified Companies and any of their affiliates, in the aggregate, for which recurring charges exceeded \$400,000,000.
- (B) During the month prior to the Customer's subscription to this Contract Offer, the Customer must have the following Subject Services in service:

ISSUED: OCTOBER 17, 2014 EFFECTIVE: OCTOBER 18, 2014

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.86 Contract Offer No. 83 - DS1 and DS3 Service Offer (Cont'd)

25.86.3 <u>Eligibility Criteria</u> (Cont'd)

- (B) (Cont'd)
 - (1) No fewer than twenty eight hundred (2,800) and no more than thirty two hundred (3,200) DS3 interstate special access circuits from the Qualified Companies.
 - (2) No fewer than forty four thousand hundred (44,000) and no more than forty eight thousand (48,000) DS1 special access circuits from the Qualified Companies.

25.86.4 Terms and Conditions

(A) Term Period

The term of this Contract Offer (Term Period) shall begin on the date the Customer submits a signed Letter of Subscription (LOS) to the Telephone Company (Subscription Date) and expire on June 20, 2016. Each period of twelve (12) months, beginning from the Subscription Date, is referred to as a "Term Year." As clarification, but not to modify the foregoing sentence, the period from the second anniversary of the Subscription Date through June 20, 2016, shall not be considered a Term Year.

ISSUED: OCTOBER 17, 2014 EFFECTIVE: OCTOBER 18, 2014

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.86 <u>Contract Offer No. 83 - DS1 and DS3 Service Offer</u> (Cont'd)

25.86.4 Terms and Conditions (Cont'd)

(B) General Terms and Conditions

- (1) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of BellSouth Tariff F.C.C. No. 1, Sections 2, 5, 7, 13 and 23, as applicable, (Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services), and such terms and conditions may be modified through the filing of tariff changes at any time during the Term Period. However, such tariff modifications will not change the Terms and Conditions described in Contract Offer No.83.
- (2) All terms and conditions for the Subject Services provided under this Contract Offer are governed by the otherwise applicable tariff sections, except as provided herein.
- (3) To subscribe to this Contract Offer, the Customer must provide a signed Letter of Subscription (LOS) to the Telephone Company, which must include a list of eligible Access Customer Name Abbreviations (ACNAs). All Subject Services under this Contract Offer must be purchased under such ACNAs. Subject Services ordered or purchased under other ACNAs may not be transferred to or converted for inclusion under this Contract Offer.
- (4) Commingling (as defined in BellSouth Tariff F.C.C. No. 1, Sections 2.6) of Subject Services provided pursuant to this Contract Offer No. 83 is prohibited.

ISSUED: OCTOBER 17, 2014 EFFECTIVE: OCTOBER 18, 2014

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.86 Contract Offer No. 83 - DS1 and DS3 Service Offer (Cont'd)

25.86.5 Service Level Assurance

- (A) Service Level Assurance (SLA). The Customer may be eligible for credits if certain Service Level Assurance (SLA) benchmarks are not achieved by the Qualified Companies, as provided below. SLA benchmark measurements will be calculated in the aggregate, for all DS1, DS3 and SONET¹ interstate special access services provided by the Qualified Companies during each Term Year (SLA Included Services). SLA benchmark measurements will be calculated according to the Qualified Companies generally applicable business rules and criteria associated with each of the SLA benchmark measurements. The SLA benchmarks will apply to SLA Included Services on a combined basis. SLAs will apply to the following service performance measurements:
 - (1) Mean Time to Repair (MTTR). "Mean Time to Repair" means the sum of the "Receipt to Restore Durations" of "Total Trouble Reports" divided by the number of Total Trouble Reports. "Total Trouble Reports" means all closed Customer trouble reports. "Receipt to Restore Duration" means the number of minutes (converted to hours) from the date and time each such trouble report is received by the Qualified Companies to the date and time each such trouble report is closed.
 - (2) On Time Delivery. "On Time Delivery" means the percentage of "A" (add) orders for which the Firm Order Confirmation (FOC) Committed Due Date (CDD) was met. This measurement excludes any orders for which a due date was not met due to Customer Not Ready (CNR) or other delays not caused by the Telephone Company.

¹ AT&T Interstate Access Guidebook Part 11 — Special Access Services Southeast Section 23.3. Optical Carrier Network (OCN) Point-to-Point, Dedicated SONET Ring Service (DSRS), GigaMAN®, DecaMAN®, WaveMAN[™], OPT-E-MAN Service and AT&T Switched Ethernet Services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with detariffed services are available at www.att.com/quidebook.

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.86 <u>Contract Offer No. 83 - DS1 and DS3 Service Offer</u> (Cont'd)

25.86.5 <u>Service Level Assurance</u> (Cont'd)

- (A) (Cont'd)
 - (3) New Circuit Failure Rate. "New Circuit Failure Rate" means the percentage of total new circuits that are subject to trouble reports within thirty (30) calendar days after the date of installation.
 - (4) Repeat Reports within 30 Days. "Repeat Reports within 30 Days" means the percentage of closed trouble reports for any circuit that are received within thirty (30) calendar days after the restoral date of a prior closed trouble report for the same circuit.
- (A) SLA Measurements and Benchmarks. If the Qualified Companies fail to achieve the benchmarks set forth in Table B, below, the Customer will be eligible for SLA Credits as provided in Section 25.86.5(C), below. These SLA Credits are subject to the same limitations and exclusions that apply to credit allowances for service interruptions, as provided in Section 2.4.4(C) of this tariff F.C.C. No. 1.

Table B SLA Measurements and Benchmarks

| <u>Measurement</u> | <u>Benchmark</u> |
|-------------------------------|------------------|
| MTTR | \leq 4.5 hours |
| On Time Delivery | 95% |
| New Circuit Failure Rate | 4.5% |
| Repeat Reports within 30 Days | 14.5% |

ISSUED: OCTOBER 17, 2014 EFFECTIVE: OCTOBER 18, 2014

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.86 <u>Contract Offer No. 83 - DS1 and DS3 Service Offer</u> (Cont'd)

25.86.5 <u>Service Level Assurance</u> (Cont'd)

(C) SLA Credits. Within ninety (90) days after the end of each Term Year, the Qualified Companies will provide the Customer with a report of performance for the SLA benchmarks set forth in this Contract Offer. If the Qualified Companies fail to achieve the benchmarks, the Qualified Companies will issue SLA Credits to the Customer as set forth in Table C, below (SLA Credits). A single SLA Credit will apply per SLA benchmark, per Term Year, for the Qualified Companies in the aggregate. Any SLA Credits will be issued to the Customer within ninety (90) days after the end of each Term Year.

Table C-SLA Performance Credits

| <u>Measurement</u> | <u>Credit if Benchmark Not</u> <u>Achieved Met</u> |
|--------------------------|---|
| MTTR | \$50,000 |
| On Time Delivery | \$50,000 |
| New Circuit Failure Rate | \$50,000 |
| Repeat Reports within 30 | \$50,000 |
| Davs | |

For each SLA benchmark the Qualified Companies fail to achieve, the Qualified Companies will issue an SLA Credit of \$50,000. A maximum of \$200,000 in SLA Credits may apply for any Term Year.

ISSUED: OCTOBER 17, 2014 EFFECTIVE: OCTOBER 18, 2014

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.86 <u>Contract Offer No. 83 - DS1 and DS3 Service Offer</u> (Cont'd)

25.86.6 Assignment/Transfer

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth Tariff F.C.C. No. 1, Section 2.1.2, the Qualified Companies will acknowledge such transfer or assignment if the criteria in BellSouth Tariff F.C.C. No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty (50) percent of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade,

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.

ISSUED: OCTOBER 17, 2014 EFFECTIVE: OCTOBER 18, 2014

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.86 <u>Contract Offer No. 83 - DS1 and DS3 Service Offer</u> (Cont'd)

25.86.6 <u>Assignment/Transfer</u> (Cont'd)

(C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsections (A) or (B) of this Section 25.86.6 is not available, the Qualified Companies shall exercise their reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

25.86.7 Mergers and Acquisitions

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Qualified Companies, the Subject Services, as provided for in this Contract Offer, will continue to be maintained at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

25.86.8 Divestiture of a Qualified Company

If all or substantially all of the stock or assets of any Qualified Company are transferred, directly or indirectly, to any entity that does not control, is not controlled by, or is not under common control with AT&T Inc. (any of which may be generally referred to as a sale), then effective upon the "Divestiture Date" of the transaction (as defined in this paragraph), Section 5 of each of the Concurrently Subscribed Contract Offers shall no longer apply to any Qualified Company subject to such a sale, and services provided by any Qualified Company subject to such a sale shall no longer be included in the determination of SLA measurements and benchmarks. Section 5 of each of the Concurrently Subscribed Contract Offers shall otherwise continue to apply according to its terms and conditions. "Divestiture Date" means the date that the relevant transaction is complete.

ISSUED: OCTOBER 28, 2014 EFFECTIVE: OCTOBER 29, 2014

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings

(N)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u>

(N)

25.87.1 General Description

(Nx)

(N)

The Special Access Service Offer (Contract Offer No. 84) is a Minimum Annual Revenue Commitment attainment plan for which concurrent subscription is required to this Contract Offer and the following Access Tariffs: Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 169, Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 189; Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 219; and Nevada Bell Telephone Company (NBTC) Tariff F.C.C No. 1, Contract Offer No. 33 (collectively, with this Contract Offer No. 84, referred to as the "Concurrently Subscribed Contract Offers". Ameritech, NBTC, PBTC, and SWBT, together with the Telephone Company, shall be identified herein as the "Qualified Companies."

(Nx)

(N)

The Concurrently Subscribed Contract Offers allow the Customer to qualify for certain credits based on its attainment of a "Minimum Annual Revenue Commitment" or "MARC," as described in Section 25.87.5, below. The MARC consists of certain recurring revenue from "Contributory Services," as defined in Section 25.87.2, below, that the Customer purchases from the Qualified Companies.

Contract Offer No. 84 will be available for subscription only from October 29, 2014 through November 29, 2014. This Contract Offer is not renewable.

25.87.2 <u>Subject and Non-Subject Services</u>

"MARC-Eligible Services" under the Concurrently Subscribed Contract Offers are Subject Services, listed in Table A, below, and Non-Subject Services, listed in Table B, below, provided by the Telephone Company and located within the operating territories of the Qualified Companies, as well as "Subject Services" and "Non-Subject Services" as defined in the other Concurrently Subscribed Contract Offers.

x - Issued under the Authority of Special Permission No. 14-021 of the F.C.C.

ISSUED: OCTOBER 28, 2014 EFFECTIVE: OCTOBER 29, 2014

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.2 <u>Subject and Non-Subject Services</u> (Cont'd)

(A) <u>Subject Services</u>

(1) Subject Services are pricing flexibilityqualified access services and associated rate elements, as identified in Table A, below.

Table A - Subject Services

| Category | Services Included |
|--|--|
| Interstate Special Access Located in Pricing Flexibility Metropolitan Statistical Areas (MSAs) | DS3, except for any rate elements not subject to pricing flexibility |

(2) Subject Services must be located in the Pricing Flexibility MSAs where the Telephone Company has been granted Phase II pricing flexibility, as listed in BellSouth Tariff F.C.C. No. 1, Section 23, and those additional MSAs listed below. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs, the Customer may, at its option, include Subject Services in those additional MSAs as eligible for the discounts under this Contract Offer.

Additional MSAs: Birmingham AL, Huntsville AL, Mobile AL, Panama City FL, Augusta GA, Columbus GA, Lexington-Fayette KY, Alexandria LA, New Orleans LA, Asheville NC, Greenville SC, Clarksville-Hopkinsville TN

(3) Subject Services ordered and purchased by the Customer prior to its subscription to this Contract Offer will be referred to as "Existing Subject Services."

Subject Services that were not being purchased from the Telephone Company prior to its subscription to this Contract Offer will be referred to as "New Subject Services."

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.2 <u>Subject and Non-Subject Services</u> (Cont'd)

(B) <u>Non-Subject Services</u>
Non-Subject Services are listed in Table B, below.

<u>TABLE B- Non-Subject Services</u> will be included in calculations related to the "Minimum Annual Revenue Commitment," as defined in Section 25.87.1, but are not otherwise subject to this Contract Offer.

| Category | Service |
|------------------------|--|
| Interstate Special | BellSouth Metro Ethernet Service, |
| Access Services | AT&T Switched Ethernet sM Service |
| Intrastate Special | DS1, DS3, Optical Ethernet Metropolitan |
| Access and/or | Area Network (OPT-E-MAN®), AT&T Switched |
| Equivalent Non- | Ethernet Service |
| Switched Exchange | |
| Services (Excluding | |
| Private Line Services) | |
| AT&T Corp. | AT&T OPT-E-WAN® Virtual Private LAN Service (VPLS) |

- (C) All terms and conditions for those Subject Services and Non-Subject Services that are tariffed are governed by their respective tariff sections, except as noted in this Contract Offer with respect to Subject Services. All terms and conditions for those Non-Subject Services that are not tariffed are governed by the applicable guidebooks, service guides or contracts.
- (D) Subject Services and Non-Subject Services shall also include any similar or successor services which are provided by the Qualified Companies and which were not available as of the effective date of this Contract Offer.

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.3 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer:

- (A) The Customer must have a minimum of 6,773 interstate special access DS1 circuit and 914 interstate special access DS3 circuits in service with the Qualified Companies, as of the effective date of this Contract Offer.
- (B) The Customer must have purchased interstate special access DS1 and DS3 services from the Qualified Companies for which aggregate monthly recurring charges were not less than \$1,748,890 (net of any applicable discounts and credits) for the month immediately prior to the effective date of this Contract Offer.
- (C) The Customer must have been purchasing a minimum of seventy-five percent (75%) of its DS3 interstate special access circuits under either 5-year or 7-year term commitments, in aggregate, including purchases from all of the Qualified Companies, during the last six months prior to the Subscription Date of this Contract Offer (as defined in Section 25.87.4(B), below).

Example: If the Customer purchased more than seventy-five percent (75%) of its DS3 interstate special access circuits subject to 5-year term commitments, in the aggregate from all of the Qualified Companies, the Customer would be eligible to order and purchase DS3 Subject Services under this Contract Offer at five-year rates.

Example: If the Customer purchased more than seventy-five percent (75%) of its DS3 interstate special access circuits subject to 7-year term commitments, in the aggregate from all of the Qualified Companies, the Customer would be eligible to order and purchase DS3 Subject Services under this Contract Offer at seven-year rates.

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

(N)

25.87.3 Eligibility Criteria (Cont'd)

(N)

- (A) The Customer must concurrently subscribe to the following Contract Offers:
- (Nx)
- (2) BellSouth Tariff F.C.C. No. 1, Contract Offer No. 84;

Ameritech Tariff F.C.C No. 2, Contract Offer No. 219;

- (3) NBTC Tariff F.C.C. No. 1, Contract Offer No. 33;
- (3) NDIC TATTIT F.C.C. NO. 1, CONTRACT OTTER NO. 33;
- (4) PBTC Tariff F.C.C. No. 1, Contract Offer No. 169; and
- (5) SWBT Tariff F.C.C. No. 73, Contract Offer No. 189;

(Nx) (N)

(B) If the Customer purchases DS1 Interstate Special Access Services from the Telephone Company under an Area Commitment Plan (ACP), the Customer must extend all of its current ACP commitments to 72 months, subject to termination as provided in Section 25.87.4(G) of this Contract Offer. The Customer's Commitment Level (CL) for each such ACP commitment shall be equal to the number of rate elements in service at the time of the Customer's subscription to this Contract Offer.

25.87.4 General Terms and Conditions

The following General Terms and Conditions apply to this Contract Offer No. 84:

(A) Subscription

To subscribe to Contract Offer, the Customer must submit Letters of Subscription (LOS) to the Qualified Companies. The Customer must provide, at the time of subscription, all Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in the Concurrently Subscribed Contract Offers for itself and any of its "Affiliates" that may purchase service pursuant to the Concurrently Subscribed Contract Offers (hereafter referred to as "Eligible ACNAs").

Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, the Concurrently Subscribed Contract Offers, unless otherwise agreed in writing by the parties.

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.4 General Terms and Conditions (Cont'd)

(A) Term Period

The term of this Contract Offer (Term Period) will begin on the first day of the first calendar month following the date the Qualified Companies receive signed Letters of Subscription (LOS) from the Customer (that date to be referred to as the "Subscription Date"), and will continue for sixty (60) months. Each period of twelve (12) consecutive months during the Term Period, beginning from the Subscription Date, shall be referred to as a Term Year. Each period of three (3) consecutive months during the Term Period, beginning from the Subscription Date, shall be referred to as a Quarter. Upon expiration of the Term Period, Subject Services will be provided at the prevailing month-to-month rates as provided in BellSouth Tariff F.C.C. No. 1, Sections 7 or 23, or if there are no month-to-month rates, then at the rates applicable to the shortest available term, unless the Customer disconnects the services or chooses another applicable rate. Notwithstanding anything to the contrary in this Section 25.87.(B), all Service Terms are subject to termination pursuant to Sections 25.87.4(F) and 25.87.4(G), below.

(C) Service Term

Subject Services must be ordered and purchased subject to the Term Period applicable to DS3 service under this Contract Offer, as provided in Section 25.87.3(C) (Service Term). Customer shall order any New Subject Services under this Contract Offer by submitting an ASR, including the PNUM of this Contract Offer, to the Telephone Company. Customer may convert any Existing Subject Services to this Contract Offer either: (1) by submitting one or more ASRs, including the PNUM of this Contract Offer, to the Telephone Company, or (2) by requesting a bulk conversion project, to be coordinated by the Telephone Company. In either case, Existing Subject Services must begin a new service term upon conversion to this Contract Offer. Termination liability charges will not apply as a result of such conversion.

(N)

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.4 General Terms and Conditions (Cont'd)

(C) Service Term (Cont'd)

Upon expiration of the Service Term or upon termination of the Term Plan as described in Section 25.87.4(G), below. Subject Services will be provided at the prevailing month-to-month rates as provided in BellSouth Tariff F.C.C. No. 1, Sections 7 or 23, or if there are no month-to-month rates, then at the rates applicable to the shortest available term, unless the Customer disconnects the services or chooses another applicable rate. Notwithstanding anything to the contrary in this Section 25.87.4(C), all Service Terms are subject to termination pursuant to Section 25.87.4(G), below.

- (D) Commingling of Subject Services is defined in BellSouth Tariff F.C.C. No. 1, Section 2.6 During the Term Period, the Customer may not at any time be obtaining from the Qualified Companies a greater number of Subject Services that are commingled with one or more unbundled network elements than the number of such Subject Services in place as of the Subscription Date.
- (E) The Customer may not be a party to any agreement for de-tariffed interstate access services provided by any of the Qualified Companies ("Broadband Agreement") or any other pricing flexibility contract tariff, if the Broadband Agreement or pricing flexibility contract tariff contains any revenue or volume commitment or attainment level, as of the effective date of the Contract Offer (Commitment Agreement), unless the Commitment Agreement expressly allows the Customer to participate in both the Commitment Agreement and the Concurrently Subscribed Contract Offers.

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.4 General Terms and Conditions (Cont'd)

- (F) Grandfathering or Sunsetting of Subject Services
 - Nothing in this Contract Offer shall prevent the Qualified Companies from terminating the provision of Subject Services entirely, prior to the end of the Term Period, to the extent permitted by applicable law.
- (G) Subject to paragraph G(1) or G(2), if either becomes applicable, during the Term Period, upon no less than three (3) months' notice to the Customer, the Telephone Company may stop accepting orders for, or otherwise placing Subject Services under, five (5) year and seven (7) year service terms, including new, renewed, converted, or other Subject Services. The date on which the Telephone Company may stop accepting orders for, or otherwise placing service under, five (5) year and seven (7) year service terms will not be sooner than January 1, 2018, and may be implemented on a geographically or otherwise limited basis (e.g., by wire center). For any in-service circuit subject to a service term that extends beyond January 1, 2018, the Customer may keep the circuit in place subject to that service term; provided, however, that such service terms will be subject to termination by the Telephone Company until the earlier of: (i) the time at which the Telephone Company or any of its affiliates can provide a replacement service to the location served by such circuit, or (ii) January 1, 2019.
 - (1) If a Telephone Company tariff filing to withdraw or limit the availability of five (5) or seven (7) year service terms (a Grandfathering Tariff) has not become effective as of January 1, 2018, then upon written notice from the Customer to the Telephone Company, the Customer may continue to purchase or retain Subject Services under five (5) and seven (7) year service terms to the extent such service terms remain available under the terms and conditions of the applicable tariff provisions, subject to any subsequent changes in such terms and conditions, but all other terms and conditions of this Contract Offer will continue to apply.

(N)

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.4 General Terms and Conditions (Cont'd)

- (G) (Cont'd)
 - (2) If a Grandfathering Tariff becomes effective by January 1, 2018, then upon written notice from the Customer to the Telephone Company, the Customer may purchase or retain Subject Services under five (5) and seven (7) year service terms, according to the same rates, terms and conditions as provided under the Grandfathering Tariff, including, without limitation, any terms and conditions governing termination liability charges and completion of service terms, but all other terms and conditions of this Contract Offer will continue to apply.
- If, during the Term Period, any of the Qualified Companies or any portion of any such Qualified Company is no longer under the ownership and control of AT&T Inc. (a "Divested Entity"), then as of the closing date(s) of the relevant transaction(s), any Concurrently Subscribed Contract Offer applicable to a Divested Entity shall be administered and enforced, and any rights or obligations of either party to such Contract Offer shall apply, separately to: (i) the Qualified Companies (and any portions of Qualified Companies) remaining under the ownership and control of AT&T Inc. and (ii) the Divested Entity or Entities. In particular, but without limitation, the MARC (as provided in Section 25.87.5) and the amount of MARC-Eligible Charges required to qualify for Plan Shortfall Charges (as provided in Section 25.87.6(C)) shall be pro-rated between the Qualified Companies (and any portions of Qualified Companies) remaining under the ownership and control of AT&T Inc. and the Divested Entity or Entities in proportion to the amount of MARC-Eligible Charges billed by the Qualified Companies (and any portions of Qualified Companies) remaining under the ownership and control of AT&T Inc. and the Divested Entity or Entities, for the three months immediately prior to the closing date(s) of the relevant transaction(s).

Notwithstanding the foregoing paragraph, nothing in this Section 25.87.4(H) shall prevent the lawful modification or termination of any of the Concurrently Subscribed Contract Offers, as applicable to any Qualified Company or Divested Entity.

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.5 Minimum Annual Revenue Commitment

The Customer must satisfy a Minimum Annual Revenue Commitment (MARC) for each Term Year of this Contract Offer. The MARC shall be satisfied by gross billed recurring revenue, after application of any discounts or credits applicable to those recurring revenues (except those issued under the Concurrently Subscribed Contract Offers), as well as adjustments for overbilling, underbilling and billing dispute settlements issued during that Term Year for Subject Services and Non-Subject Services purchased by and billed to Customer under the Eligible ACNAs (collectively, "MARC-Eligible Charges"). The Customer's MARC-Eligible Charges shall specifically exclude non-recurring charges, usage-based charges and temporary service charges. Credits under this Contract Offer are conditioned on the Customer's satisfaction of the MARC in each Term Year. Satisfaction of the MARC shall be determined according to MARC-Eligible Revenue.

The MARC for the first Term Year of the Term Period will be equal to ninety-five percent (95%) of the Customer's MARC-Eligible Revenue for the three (3) months prior to the Subscription Date, times four (4). The MARC for the each subsequent Term Year of the Term Period will be equal to ninety-five percent (95%) of the Customer's MARC-Eligible Revenue for the last three (3) months of the prior Term Year, times four (4).

25.87.6 Billing & Credits

- (A) Subject Service Non-Recurring Charges.
 - (1) Tables C, below, contain the effective rates for Subject Services under this Contract Offer No. 84. Any rate elements not listed in Table C will be provided at the applicable rates in BellSouth Tariff F.C.C No 1, Section 7. Each circuit element (Channel Termination and Mileage) must be located entirely in the MSAs listed in Section 25.87.2(A) to be eligible for these rates.

(N)

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.6 Billing & Credits (Cont'd)

- (A) Subject Service Non-Recurring Charges (Cont'd)
 - (2) The Telephone Company will initially bill the Customer according to the otherwise applicable twelve (12) month Optional Payment Plan Monthly Recurring Charges ("OPP MRCs"). The Customer will then be credited in an amount equal to the difference between the otherwise applicable OPP MRCs and the MRCs for the rate elements listed in Table C, below. Credits will be applied monthly in arrears. Taxes, if applicable, will be charged on the OPP MRC rates, but will not be included in the credits applied to the Customer's bill.

Table C:

| | | Plan C |
|---|-------|------------|
| | | 61 to 96 |
| Lightgate Rate Elements | USOC | Months |
| LightGate 1 service - Per System - AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | HFSC7 | \$1,290.00 |
| LightGate 1 service - Local Channel - Each additional system one-half mile - AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | 1LPEA | \$150.00 |
| LightGate 1 service - Mileage Band 0 to 8 Fixed - Per System - AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | 1LPS8 | \$625.00 |
| LightGate 1 service - Mileage Band 0 to 8 Fixed - Per Mile - AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | 1LPE8 | \$50.00 |
| LightGate 1 service - Mileage Band 9 to 25 Fixed - Per System - AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | 1LPS9 | \$775.00 |
| LightGate 1 service - Mileage Band 9 to 25 Fixed - Per Mile - AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | 1LPE9 | \$50.00 |
| LightGate 1 service - Mileage Band 26+ Fixed - Per System - AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | 1LPS6 | \$925.00 |
| LightGate 1 service - Mileage Band 26+ Fixed - Per Mile - AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | 1LPE6 | \$50.00 |
| Central Office Channel Interfaces | MQ3C0 | \$450.00 |

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.6 Billing & Credits (Cont'd)

(B) Service Portability Credits.

The Qualified Companies will issue credits in the amount of any termination liability charges that would otherwise apply as a result of the disconnection of Subject Services during the Term Period, provided that the conditions set forth below have been met. Such charges initially will be billed, and must be paid, as provided in the relevant sections of BellSouth F.C.C. Tariff No. 1, not including this Contract Offer. The Telephone Company will calculate and issue credits for each Quarter, which will be issued no later than sixty (60) days after the end of each Quarter.

- (1) Any disconnected Subject Service(s) must have been in service for a minimum of twelve (12) months.
- (2) The Customer must continue to purchase no less than the number of DS3 Subject Services (to be determined separately) that were in service as of the Subscription Date of this Contract Offer.

(C) <u>Credits for Plan Shortfall Charges.</u>

The Qualified Companies will issue credits in the amount of any termination liability charges or any charges for failure to satisfy a minimum Commitment Level pursuant to a High Capacity Service Portability Commitment, when such charges would otherwise apply as a result of the disconnection of Subject Services during the Term Period, provided that the conditions set forth below have been met. Such charges initially will be billed, and must be paid, as provided in the relevant sections of BellSouth F.C.C. Tariff No. 1, not including this Contract Offer. The Telephone Company will calculate and issue credits for each Term Year, which will be issued no later than sixty (60) days after the end of each Term Year.

- (1) Any disconnected Subject Service(s) must have been in service for a minimum of twelve (12) months.
- (2) MARC-Eligible Charges for the Term Year must have been no less than forty-three million one hundred sixty-seven thousand one hundred eighty-eight dollars (\$43,167,188).

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.7 Access Service Ratio

The Customer (including any of its Affiliates included in this Contract Offer) must maintain an Access Service Ratio as further provided in this Section 25.87.7. The Access Service Ratio shall be calculated quarterly, based on data for the most recent single month for which information is available at the time of the calculation. The Qualified Companies will calculate the Customer's Access Service Ratio as of the Subscription Date and for each Quarter thereafter, as follows:

Access Service Ratio = Access Revenue / (Access Revenue + Wholesale Revenue)

During the Term Period, the Access Service Ratio may not decline by more than 3%, as compared to the Access Service Ratio on the Subscription Date, as determined by each quarterly calculation of the Access Service Ratio.

Example: Assume that the Customer's Access Service Ratio, as calculated for the Subscription Date, is 95%. For each subsequent quarterly calculation of the Access Service Ratio, the Customer would be required to achieve an Access Service Ratio of at least 92%.

If during the Term Period, any of the Qualified Companies offers additional ILEC access services or UNEs, such additional ILEC access services or UNEs shall also be included in the calculation of the Access Service Ratio. Recurring revenue, for purposes of calculating the Access Service Ratio, will be measured according to gross billed recurring revenue, after application of any discounts or credits applicable to that recurring revenue, plus any adjustments for overbilling, under-billing and billing dispute settlements. If, upon the initial review or any quarterly review of the Customer's compliance with the Access Service Ratio, the Qualified Companies determines that the Customer has not complied with the Access Service Ratio, the Qualified Companies will so notify the Customer in writing. The Customer will have sixty (60) days after such notice to cure its noncompliance with the Access Service Ratio.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.7 <u>Access Service Ratio</u> (Cont'd)

"Access Revenue" means the Qualified Companies' interstate recurring revenue from the Customer and its "Affiliates" associated with the services defined in Tables D and E, below. An "Affiliate" of a party to this Contract Offer means any entity that controls, is controlled by, or is under common control with, such party.

Table D:

| Service Type | Service ¹ |
|----------------|---|
| Interstate | OCN (Optical Carrier Network) PTP |
| Special Access | Dedicated SONET Ring Service (DSRS) |
| | SONET Ring and Access Service (SRAS) |
| | GigaMAN (Gigabit Ethernet Metropolitan Area Network) |
| | Multi-Service Optical Network (MON)Ring Service |
| | OpteMAN (Optical Ethernet Metropolitan Area Network) |
| | DecaMAN (10 Gigabit Ethernet Metropolitan Area Network) |
| | AT&T Switched Ethernet Service (ASE) |
| | WaveMAN (Wavelength Metropolitan Area Network) |
| | Serial Component Video Service (SCVS) |
| | High Definition Video Transport (HDVT) |
| | AVS 270 Video Service |
| | Voice Grade |
| | DSO |
| | DS1 |
| | DS3 |
| | Switched Access Transport |

Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(Ŋ)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.7 <u>Access Service Ratio</u> (Cont'd)

"Wholesale Revenue" means the Qualified Companies' recurring revenue from the Customer and its Affiliates for unbundled network elements and associated rate elements, as defined in Table E, below.

Table E

| Service Type Unbundled | Service or Network Element ¹ |
|---|--|
| Service Type Unbundled | Service or Network Element |
| Network Elements and Associated Services or Rate Elements | |
| Services or Rate Elements | |
| | |
| | |
| DS1 | 4-wire digital loop |
| | DS1 Entrance Facilities |
| | DS1 Interoffice Transport |
| | DS1 Cross Connects |
| | DS1 Multiplexing |
| | All DS1 non-tariffed Committed Information |
| | Rate Broadband Services |
| DS3 | DS3 Loop |
| | DS3 Entrance Facilities |
| | DS3 Interoffice Transport |
| | DS3 Cross Connects |
| | DS1/DS3 Multiplexing |
| | All DS3 non-tariffed Committed Information |
| | Rate Broadband Services |
| 0Cn | OC-3 Entrance Facilities |
| | OC-3 Interoffice Transport |
| | OC-3 Cross Connects |
| | OC-3 Multiplexing |
| | OC-12 Entrance Facility |
| | OC-12 Interoffice Transport |
| | OC-12 Cross Connects |
| | OC-12 Multiplexing |
| | OC-48 Entrance Facilities |
| | OC-48 Interoffice Transport |
| | OC-48 Cross Connects |
| | OC-48 Multiplexing |
| | All OCN equivalent non-tariffed Committed |
| | Information Rate |
| | Broadband Service |
| Other | Dark Fiber - Interoffice |
| | Dark Fiber - Loop |
| | Dark Fiber - Subloop |
| | Dark Fiber Cross Connects |
| | Unbundled Dedicated Transport |

Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.8 Assignment/Transfer/Successors

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth F.C.C. Tariff No. 1, Section 2.1.2, the Qualified Companies will acknowledge such transfer or assignment if the criteria in BellSouth F.C.C. Tariff No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade,

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsections (A) or (B) of this Section 25.87.8 is not available, the Qualified Companies shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.87 <u>Contract Offer No. 84 - Access Service Offer</u> (Cont'd)

25.87.8 <u>Assignment/Transfer/Successors</u> (Cont'd)

(D) Notwithstanding anything to the contrary in this Section 25.87.8, the Customer may, upon written notice to the Qualified Companies, assign in whole or relevant part its rights and obligations under this Agreement to an Affiliate of the Customer, but the Customer will remain financially responsible for the performance of such obligations.

25.87.9 <u>Mergers, Acquisitions, Sales or Divestitures Involving</u> Customer

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Qualified Companies, the Subject Services, as provided for in this Contract Offer, will continue to be provided at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

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25. Pricing Flexibility Contract Offerings

(Dx)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-616 CANCELS ORIGINAL PAGE 25-616

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(Dx)

(Dx)

x -Issued under the authority of Special Permission No. 15-018 of the F.C.C. in order to withdraw material previously filed under Transmittal No. 108.

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-617 CANCELS ORIGINAL PAGE 25-617

ISSUED: NOVEMBER 10, 2015 EFFECTIVE: NOVEMBER 11, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(Dx)

(Dx)

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-618 CANCELS ORIGINAL PAGE 25-618

ISSUED: NOVEMBER 10, 2015 EFFECTIVE: NOVEMBER 11, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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x -Issued under the authority of Special Permission No. 15-018 of the F.C.C. in order to withdraw material previously filed under Transmittal No. 108.

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-619 CANCELS ORIGINAL PAGE 25-619

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-620 CANCELS ORIGINAL PAGE 25-620

ISSUED: NOVEMBER 10, 2015 EFFECTIVE: NOVEMBER 11, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(Dx)

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-621 CANCELS ORIGINAL PAGE 25-621

ISSUED: NOVEMBER 10, 2015 EFFECTIVE: NOVEMBER 11, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-622 CANCELS ORIGINAL PAGE 25-622

ISSUED: NOVEMBER 10, 2015 EFFECTIVE: NOVEMBER 11, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(Dx)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-623 CANCELS ORIGINAL PAGE 25-623

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-624 CANCELS ORIGINAL PAGE 25-624

ISSUED: NOVEMBER 10, 2015 EFFECTIVE: NOVEMBER 11, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-625 CANCELS ORIGINAL PAGE 25-625

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-626 CANCELS ORIGINAL PAGE 25-626

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-627 CANCELS ORIGINAL PAGE 25-627

ISSUED: NOVEMBER 10, 2015 EFFECTIVE: NOVEMBER 11, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(Dx)

(Dx)

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-628 CANCELS ORIGINAL PAGE 25-628

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-629 CANCELS ORIGINAL PAGE 25-629

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-630 CANCELS ORIGINAL PAGE 25-630

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ACCESS SERVICE

25. <u>Pricing Flexibility Contract Offerings</u> (Cont'd)

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(Dx)

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-631 CANCELS ORIGINAL PAGE 25-631

ISSUED: NOVEMBER 10, 2015 EFFECTIVE: NOVEMBER 11, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-632 CANCELS ORIGINAL PAGE 25-632

ISSUED: NOVEMBER 10, 2015 EFFECTIVE: NOVEMBER 11, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-633 CANCELS ORIGINAL PAGE 25-633

ISSUED: NOVEMBER 10, 2015 EFFECTIVE: NOVEMBER 11, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(Dx)

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TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-634 CANCELS ORIGINAL PAGE 25-634

ISSUED: NOVEMBER 10, 2015 EFFECTIVE: NOVEMBER 11, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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(Dx)

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-635 CANCELS ORIGINAL PAGE 25-635

ISSUED: NOVEMBER 10, 2015 EFFECTIVE: NOVEMBER 11, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(Dx)

(Dx)

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-636 CANCELS ORIGINAL PAGE 25-636

ISSUED: NOVEMBER 10, 2015 EFFECTIVE: NOVEMBER 11, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(Dx)

(Dx)

TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-637 CANCELS ORIGINAL PAGE 25-637

ISSUED: NOVEMBER 10, 2015 EFFECTIVE: NOVEMBER 11, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(Dx)

(Dx)

x -Issued under the authority of Special Permission No. 15-018 of the F.C.C. in order to withdraw material previously filed under Transmittal No. 108.

TARIFF F.C.C. NO. 1 ORIGINAL PAGE 25-638

ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings

(N)

25.89 <u>Contract Offer No. 86 – Access Service Offer</u>

25.89.1 General Description

This Special Access Service Offer (Contract Offer No. 86) is a Spend Plan with BellSouth Telecommunications LLC ("BellSouth" or the "Telephone Company").

Subject to the Terms and Conditions set forth elsewhere in this Contract Offer No. 86, Contract Offer No. 86 allows eligible Customers to earn credits based upon its level of Spend-Eligible Charges ("Spend"), as defined in this Contract Offer. The Spend calculation reflects certain recurring revenue from, in the aggregate, all Spend-Eligible Services purchased from the Telephone Company, as defined and provided in this Contract Offer No. 86.

Contract Offer No. 86 will be available for subscription only from November 26, 2015 through December 26, 2015. This offer is not renewable.

25.89.2 <u>Subject and Non-Subject Services</u>

"Spend-Eligible Services" under this Contract Offer No. 86 consist of both Subject Services, listed in Table A, below, and Non-Subject Services, listed in Table B, below, provided by the Telephone Company and located within the operating territory of the Telephone Company, as described in BellSouth Tariff F.C.C. No. 1, Section 15 (Operating Territory), except that in no event shall any services connecting to cell sites, mobile telecommunications switching offices (MTSOs), or mobile switching centers (MSCs) be considered Spend-Eligible Services. Spend-Eligible Charges include charges for Spend-Eligible Services that were in service as of the Subscription Date, as well as those placed in service during the Term Period.

(A) <u>Subject Services</u>
Subject Services are pricing flexibility qualified access services or rate elements listed in Table A, below. Subject Services are subject to all rates, terms and conditions of this Contract Offer.

Table A-Subject Services, as referenced in 25.89.4(A)

| Category | Services Included |
|---|---|
| Interstate Special Access located in Pricing Flexibility Metropolitan Statistical Areas (MSAs) | All Voice Grade (VG), DSO, DS1 and DS3 special access services or rate elements that are eligible for pricing flexibility |

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ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 - Access Service Offer</u>(Cont'd)

25.89.2 <u>Subject and Non-Subject Services</u> (Cont'd)

(B) Non-Subject Services
Non-Subject Services are listed in Table B, below.
Non-Subject Services are included in Spend
calculations, but are not otherwise subject to the
rates, terms or conditions of this Contract Offer.

Table B - Non-Subject Services

| <u>Table B</u> - <u>Non-Subject Services</u> | | |
|--|--|--|
| Category | Services Included | |
| Interstate Special Access Services provided by the Telephone Company but not located in Pricing Flexibility Metropolitan Statistical Areas (MSAs) and any rate elements located in Pricing Flexibility MSAs but not subject to pricing flexibility relief. | Any VG, DSO, DS1, and DS3 special access services and rate elements not listed in Table A | |
| Intrastate Special Access | Intrastate services equivalent to the interstate services listed above as either Subject Services or Non-Subject Services | |

- (C) All terms and conditions for those Spend-Eligible Services that are tariffed are governed by their respective tariff sections, except as otherwise provided in this Contract Offer No. 86. All terms and conditions for those Spend-Eligible Services that are not tariffed are governed by the applicable guidebooks, service guides or contracts.
- (D) No service purchased by Customer, or any of its Qualifying Affiliates, for the provision of Wireless Telecommunications Services, shall constitute a Subject Service or Non-Subject Service under this Contract Offer No. 86.
- (E) Subject Services and Non-Subject Services shall also include any additional similar or successor services which are subsequently provided by the Telephone Company and were not available as of the effective date of this Contract Offer No. 86.

ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 - Access Service Offer</u>(Cont'd)

25.89.3 <u>Definitions</u>

As used in this Contract Offer No. 86,

- (A) "Affiliate" means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term "own" means to own an equity interest (or the equivalent thereof) of more than 10 percent.
- (B) A "Circuit" means special access circuit that meets all of the following criteria:
 - (1) has at least one of the following, as applicable:
 - (a) for DS1 special access services or DS3 special access services, has a channel termination component, a local channel component, or a mileage component; or
 - (b) for AT&T Switched Ethernet Services, has a port connection; and
 - (2) has a circuit identification number (ID).

Standalone multiplexers are expressly excluded from this definition.

- (C) "Commingling" as defined in BellSouth Tariff F.C.C. No. 1, Section 2.6.
- (D) An "ILEC Affiliate" means an Affiliate of the Telephone Company that is an incumbent local exchange carrier.
- (E) A "Permitted Successor" is a successor-in-interest to the Customer or a Qualifying Affiliate that is itself an Affiliate of Customer.

¹ Ethernet Services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been detariffed by the Telephone Company. Rates, terms and conditions associated with detariffed services are available at the Interstate Access link at www.att.com/guidebook

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 - Access Service Offer</u>(Cont'd)

25.89.3 <u>Definitions</u> (Cont'd)

- (F) A "Qualifying Affiliate" means any Customer Affiliate (as Customer Affiliates exist on the Subscription Date) that meets any of the following:
 - (1) is a telecommunications carrier under applicable federal or state law; or
 - (2) has an assigned ACNA; or
 - is purchasing for resale or using an input into another service being offered or otherwise provided to non-Affiliates (a) any of the services in Table A or Table B, above, or (b) any interstate broadband services provided by the Telephone Company or any of its ILEC Affiliates; or
 - (4) is a customer of record with the Telephone Company or any of its ILEC Affiliates for (a) any of the services in Table A or Table B, above, or (b) any interstate broadband services provided by the Telephone Company or any of its ILEC Affiliates.
- (G) "Quarter" means a calendar quarter, with the first Quarter beginning on January 1, 2016.
- (H) A "Selling Affiliate" means any Customer Affiliate (as Customer Affiliates exist on the Subscription Date) from which the Telephone Company or any of its Affiliates is purchasing, directly or indirectly, on the Subscription Date, services substantially similar to those comprising the Subject Services and Non-Subject Services under this Contract Offer.
- (I) "Term Month" means a full calendar month during the Term Period.
- (J) "Wireless Telecommunications Services" means wireless radio services, whether fixed or mobile, and are subject to regulation on a common carrier basis under federal law.

LightGate OCN Point-to-Point, SMARTRing, BellSouth Metro Ethernet Service, WaveLength Channel Service, AT&T Switched Ethernet Service and other interstate broadband services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with detariffed services are available at the Interstate Access link at www.att.com/guidebook.

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 - Access Service Offer</u>(Cont'd)

25.89.4 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 86:

(A) Contract Offer No. 86 is available for qualified special access services located in the Pricing Flexibility MSAs where the Telephone Company has been granted Phase II pricing flexibility, as listed in BellSouth Tariff F.C.C. No. 1, Section 23 and those additional MSAs listed below. During the Term Period of this Contract Offer No. 86, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 23 at the time of subscription, the Customer may, at its option, include Subject Services in those additional MSAs as eligible for the discounts under this Contract Offer No. 86.

Phase I - All Rate Elements (Including Channel Terminations):

| Birmingham, AL | Huntsville, AL | Mobile, AL | Panama City, FL |
|----------------------------------|----------------|----------------------------|--------------------------------|
| Augusta, GA | Columbus, GA | Lexington-Fayette, KY | Alexandria, LA |
| New Orleans, LA | Asheville, NC | Charlotte- Gastonia, NC | Greenville- Spartanburg, SC |
| Clarksville- Hopkinsville, TN | | | |

Phase I - Rate Elements other than Channel Terminations

| Macon-Warner | Non-MSA, KY | Non-MSA, MS | Pascagoula, MS |
|--------------|-------------|-------------|----------------|
| Robins, GA | | | |
| Non-MSA, NC | | | |

- (B) During the last full calendar month prior to the Subscription Date, the monthly recurring charges, after application of any discounts or credits applicable to those recurring charges, as well as adjustments for overbilling, underbilling and billing dispute settlements, billed by the Telephone Company and its ILEC Affiliates to Customer and its Qualifying Affiliates for Spend-Eligible Services, the Spend Eligible Charges must have been in an aggregate amount of not less than \$16 million and not greater than \$20 million.
- (C) At the end of the last full calendar month prior to the Subscription Date, the Customer and its Qualifying Affiliates must have had in-service with the Telephone Company and its ILEC Affiliates all of the following:
 - (1) no fewer than 66,000 interstate DS1 Circuits but no more than 70,000 interstate DS1 Circuits, that would qualify as Spend-Eligible Services, and
 - no fewer than 4,700 interstate DS3 Circuits but no more than 5,700 interstate DS3 Circuits that would qualify as Spend-Eligible Services.

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ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 - Access Service Offer</u>(Cont'd)

25.89.4 Eligibility Criteria (Cont'd)

- (D) Neither Customer nor its Qualifying Affiliates can be a provider of Wireless Telecommunication Services.
- (E) As of the Subscription Date, neither the Customer nor its Qualifying Affiliates may be purchasing from the Telephone Company interstate or intrastate special access services from the Telephone Company pursuant to any pricing flexibility contract offer, intrastate "ICB" contract or other individually negotiated arrangement that includes any minimum volume or revenue commitment, other than any contract offer that will be terminated upon the Customer's subscription to this Contract Offer No. 86.
- (F) During the last full calendar month prior to the Subscription Date, the aggregate monthly recurring charges, after application of any discounts or credits applicable to those recurring charges, as well as adjustments for overbilling, underbilling and billing dispute settlements, billed by Customer and its Selling Affiliates to the Telephone Company and its Affiliates for DS1 and DS3 special access services substantially similar to those comprising the Subject Services and Non-Subject Services under this Contract Offer, and Ethernet services¹ substantially similar to those offered by the Telephone Company ("Customer Subject Services"), shall be, in the aggregate, not less than \$75 million and not more than \$85 million.
- (G) At the end of the last full calendar month prior to the Subscription Date, the Telephone Company and its Affiliates must have had in-service with the Customer and its Selling Affiliates both:
 - (1) no fewer than 110,000 interstate DS1 special access services but no more than 120,000 interstate DS1 special access services, that qualify as Customer Subject Services, and
 - (2) no fewer than 10,000 interstate DS3 special access services but no more than 15,000 interstate DS3 special access services, that qualify as Customer Subject Services.

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 - Access Service Offer</u>(Cont'd)

25.89.4 <u>Eligibility Criteria</u> (Cont'd)

(H) The number of special access services channel termination components and local channel components purchased by the Customer and its Qualifying Affiliates from the Telephone Company and its ILEC Affiliates must have increased from the period from November 2014 through April 2015, inclusive (Period 1), to the period from May 2015, through October 2015 (Period 2), inclusive. The foregoing will be determined by aggregating the number of in-service components at the end of each calendar month for Period 1 and comparing that number to the aggregate number of in-service components at the end of each calendar month for Period 2.

25.89.5 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 86:

(A) Subscription.

To subscribe to Contract Offer No. 86, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The LOS must encompass Customer and all of its Qualifying Affiliates, and Customer must include, in the LOS, all Access Customer Name Abbreviations (ACNAs) used by Customer and its Qualifying Affiliates (hereafter referred to as "Eligible ACNAs"). Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, this Contract Offer No. 86.

(B) <u>Term Period</u>

The term of this Contract Offer No. 86 ("Term Period") shall begin on the date that Customer submits a valid and executed Letter of Subscription (LOS) to the Telephone Company ("Subscription Date"), and shall end on March 31, 2018, subject to extensions as provided in this Section 25.89.5(B).

The Term Period will be automatically extended by up to four (4) consecutive one-year extension periods unless the Telephone Company receives Customer's written notice of intent not to extend this Contract Offer No. 86 for such an extension period, by no later than the March 1st immediately prior to the then-applicable expiration date of Term Period (as may have been previously extended pursuant to this Section). If the Telephone Company receives such notice by such March 1st, the Term Period will end on the following March 31st.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 - Access Service Offer</u>(Cont'd)

25.89.5 <u>Terms and Conditions</u> (Cont'd)

- (C) The Customer and its Qualifying Affiliates (as each exists on the Subscription Date), in the aggregate, must meet each of the following criteria for each Quarter.
 - (1) the monthly recurring charges, after application of any discounts or credits applicable to those charges (including the credits issued under the Contract Tariffs), as well as adjustments for overbilling, underbilling and billing dispute settlements, for interstate DS1 and DS3 special access provided and billed by AT&T to Customer and its Qualifying Affiliates, are not more than \$25,000,000 times the number of Term Months in such Quarter; and
 - (2) the Circuit Volume for such Quarter that is equal to or greater than the Required Volume times the number of Term Months in such Quarter. The "Circuit Volume" means the aggregate number of the following AT&T services inservice at the end of each such Term Month: (i) interstate DS1 Circuits, (ii) interstate DS3 Circuits, and (iii) all AT&T switched Ethernet Circuits. For avoidance of doubt, such a number of such inservice Circuits will be determined at the end of such Term Month, and added together to determine the Circuit Volume.
 - a) The Required Volume is as follows:

| Application Period | Required Volume |
|---|---|
| January 1, 2016 until March 31, 2018 | 53,500 Circuits |
| Each extension period (Years 4, 5, 6 or 7) | 53,500 Circuits or 2/3 of the average monthly Circuit Volume during January, February and March 2018 (or last Quarter of the prior extension period, as applicable), whichever is less. |

¹ Ethernet Services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been detariffed by the Telephone Company. Rates, terms and conditions associated with detariffed services are available at the Interstate Access link at www.att.com/guidebook

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 - Access Service Offer</u>(Cont'd)

25.89.5 <u>Terms and Conditions</u> (Cont'd)

(C) (Cont'd)

For any Quarter in which Customer and its Qualifying Affiliates do not fulfill both criteria, the Customer shall repay to the Telephone Company the total amount of the credits and waivers attributable to such Quarter that were or are issued to Customer under this Contract Offer No. 86 (and the Telephone Company shall have no obligation to issue any such credits or waivers that have not been issued), and the Telephone Company shall reverse any debit issued under Section 25.89.6(E) attributable to such Quarter that were or are issued to Customer under this Contract Offer No. 86.

- (D) Credits earned under this Contract Offer No. 86 shall be applied as described in Section 25.89.6, below.
- (E) Except as provided in Section 25.89.5(F), credits earned under this Contract Offer No. 86 are in addition to, and do not alter, any existing service discounts/term plans available in the Telephone Company's generally applicable tariffs or other Telephone Company contract offers.
- (F) Spend-Eligible Services under this Contract Offer No. 86 may not be purchased pursuant to any pricing flexibility contract offer, intrastate "ICB" contract or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment, (any such precluded tariffs or agreements hereafter referred to as an "Other Commitment Agreement"), unless the Other Commitment Agreement expressly refers to this Contract Offer No. 86 and expressly permits the Customer to purchase such services subject to this Contract Offer No. 86 and such Other Commitment Agreement. The word "purchase," as used in the foregoing sentence, refers to the Customer or any of its Affiliates obtaining or using any service in exchange for compensation, regardless of when the service was ordered or installed.
- (G) Credits to be provided under this Contract Offer No. 86 will not be issued unless and until the Customer has paid all billed charges for Spend-Eligible Services due and owing as of the date the credits are issued (excluding amounts disputed and withheld in accordance with the Telephone Company's dispute process), and is otherwise in material compliance with this Contract Offer No. 86.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 – Access Service Offer</u>(Cont'd)

25.89.5 <u>Terms and Conditions</u> (Cont'd)

- (H) During the Term Period, any interstate DS1 special access services and any interstate DS3 special access services purchased from the Telephone Company by Customer and/or any of its Affiliates shall be purchased subject to an ACP or Covered TPP, as defined in Section 25.89.6(E), below. Failure to do so would be a material breach of this Contract Offer No. 86, which would allow the Telephone Company to terminate this Contract Offer No. 86; if, however, Customer inadvertently fails to do so, Customer shall be permitted to cure such failure.
- (I) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of BellSouth Tariff F.C.C. No. 1 (Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services), and such terms and conditions may be modified through the filing of tariff changes at any time during the Contract Term. However, such tariff modifications will not change the Terms and Conditions described in this Contract Offer No. 86.
- (J) During the Term Period, the Customer may not at any time be obtaining from the Telephone Company a greater number of Subject Services and Non-Subject Services that are Commingled with one or more unbundled network elements than the number of such Subject Services and Non-Subject Services in place as of the Subscription Date that are Commingled.

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25. <u>Pricing Flexibility Contract Offerings</u> (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 – Access Service Offer</u>(Cont'd)

25.89.6 Credits and Waivers

(A) Spend Credits

"Spend-Eligible Charges" means the billed recurring revenue, after application of any discounts or credits applicable to those recurring revenues (except those issued under this Contract Offer No. 86), as well as adjustments for overbilling, underbilling and billing dispute settlements for, in the aggregate, the Spend-Eligible Services, which are purchased by and billed to Customer and its Qualifying Affiliates (as each exists as of the Subscription Date) (or their Permitted Successors) under the Eligible ACNAs. The Customer's Spend-Eligible Charges shall specifically exclude the following:

- (1) non-recurring charges;
- (2) usage-based charges;
- (3) temporary service charges;
- (4) special construction charges;
- (5) fractional and partial recurring charges;
- (6) customer premise equipment charges:
- (7) charges for services provided by a non-Affiliate third party service provider;
- (8) taxes, surcharges, or government-related charges;
- (9) Expanded Interconnection Terminations, Interconnection Tie Pairs or Cross-Connect charges under any Affiliate's Interconnection Agreement;
- (10) shortfall and termination charges;
- (11) charges for ACNAs for which Customer ceases to become responsible during the term of this Contract Offer No. 86, but only with respect to those charges incurred after Customer ceases to be responsible for such ACNAs; and
- (12) charges invoiced outside of Carrier Access Billing System (CABS).

TARIFF F.C.C. NO. 1 ORIGINAL PAGE 25-649

ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 – Access Service Offer</u>(Cont'd)

25.89.6 <u>Credits and Waivers</u> (Cont'd)

(A) Spend Credits (Cont'd)

For each Term Month, subject to Section 25.89.5, the Customer is eligible for a single Spend credit under this Contract Offer. The single Spend credit would be in an amount equal to four percent (4%) times the Customer's actual Spend for such Term Month under this Contract Offer No. 86 ("Spend Credit").

The Spend Credit would be issued during the second calendar month after the Term Month to which it is attributable.

The Spend Credit shall not be posted if the Customer is in material breach of this Contract Offer No. 86, or Customer or any of its Qualifying Affiliates is in material breach of any other terms and conditions governing the Subject Services, including, without limitation, failure to pay any undisputed amount due for Subject Services, until such breach is cured or payment for undisputed amounts is made by Customer or such Qualifying Affiliate.

(B) Conditions to Certain Other Credits

To be eligible to earn any of the credits under Section 25.89.6(C) or DS1 Plan Credits under Section 25.89.6(D) with respect to any Term Month during the Term Period, Customer and its Qualifying Affiliates must subscribe to the Area Commitment Plan ("ACP"), except to the extent that the Telephone Company eliminates the ACP or and the Customer is not allowed to re-subscribe. The Customer's commitment level (as that term is used in connection with the ACP) will be set at the level of Customer's purchase of each ACP rate element (Local Channel, Multiplexer and Channel Mileage) as of the date the Customer subscribes to this Contract Offer; provided however, that if the Customer is subscribing to the ACP as of the effective date of this Contract Offer, then the Customer's commitment level will remain the same as it was on that date. The ACP is described in Section 2.4.8 and 7.4.15 of BellSouth FCC Tariff No. 1.

TARIFF F.C.C. NO. 1 ORIGINAL PAGE 25-650

ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 – Access Service Offer</u>(Cont'd)

25.89.6 <u>Credits and Waivers</u> (Cont'd)

(C) <u>Termination Liability Credit</u>

The Telephone Company will bill, and the Customer and its Qualifying Affiliates shall pay, termination liability charges in accordance with the Telephone Company's Tariff F.C.C. No. 1. The Telephone Company will issue a credit in the amount equal to such termination liability charges due from the Customer and its Qualifying Affiliates for moves and/or disconnections of interstate DS1 and/or DS3 Subject Services located in pricing flexibility MSAs that are billed in a Term Month if, in addition to Customer and its Qualifying Affiliates meeting the conditions in Section 25.89.6(B) for such Term Month, such DS1 or DS3 Subject Service meets all of the following conditions:

- (1) Such Subject Service was not disconnected by the Telephone Company as a result of a breach of the applicable Tariffs.
- (2) Any such DS1 or DS3 Subject Service must not have received a termination liability credit under another revenue-based or volume-based offer, or otherwise received a waiver of such termination liability charge or other credit in an amount equal to such termination liability charge.

Any credit due under this Section 25.89.6(C) will be issued during the second calendar month after the Term Month in which such related termination liability charge was billed.

This Section shall not result in any credit for a termination liability charge such that Customer and/or its Qualifying Affiliate receives more than the amount paid to satisfy the termination liability charge.

ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 – Access Service Offer</u>(Cont'd)

25.89.6 <u>Credits and Waivers</u> (Cont'd)

(D) DS1 Plan Credit

The Telephone Company will provide credits in an amount equal to any shortfall charges that apply as a result of Customer failing to meet its commitment level (except for any such charges attributable to circuits disconnected by the Telephone Company as a result of a breach of the applicable Tariffs). Any such credits shall be applied to invoices for Subject Services.

(E) Rate Change Adjustments

(1) DS1

The Telephone Company will provide adjustments as described in this Section only with respect to the rates applicable to the Plan A or Plan B Area Commitment Plan ("ACP"), for purposes of determining ACP credits but not for purposes of determining the ACP Shortfall Charges.

(2) DS3.

The Telephone Company will provide adjustments, as described in this 25.89.6(E), only with respect to any any interstate DS3 special access Subject Services located in pricing flexibility MSAs purchased by Customer and its Qualifying Affiliates from the Telephone Company to which Customer or a Qualifying Affiliate either:

- (a) subscribed to a 60-month term or greater payment plan, or
- (b) only if the Telephone Company does not offer a 60-month or greater term payment plan (TPP), subscribed to the term payment plan with the greatest duration offered by the Telephone Company.
- ((a) and (b) are referred to as, collectively, the "Covered TPPs," and individually, a "Covered TPP").

ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 – Access Service Offer</u>(Cont'd)

25.89.6 <u>Credits and Waivers</u> (Cont'd)

- (E) (Con't)
 - (2) DS3. (Cont'd)

During the Term Period, the Telephone Company shall invoice Customer and its Qualifying Affiliates adjustments in the event the monthly recurring charges ("MRCs") for Channel Terminations and Transport (interoffice) Channels for interstate DS1 and/or DS3 Subject Services located in pricing flexibility MSAs ("Covered Rate Elements") subscribed to a Covered TPP differ from the MRCs applicable under 60-month term or greater payment plans as set forth in the generally available and applicable Telephone Company tariffs as of the Subscription Date.

Except as provided in this Section, to the extent the MRCs applicable for the Covered Rate Elements that are subscribed to a Covered TPP by Customer and its Qualifying Affiliates are subject to any MRC increases or decreases for the Covered TPPs during the Term Period, based upon the MRCs applicable to the Covered Rate Elements under the 60-month term or greater payment plan as applicable on the Subscription Date, such increases or decreases will be offset by credits or debits issued against Subject Services.

ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 – Access Service Offer</u>(Cont'd)

25.89.6 <u>Credits and Waivers</u> (Cont'd)

(E) (Con't)

(1) If the MRCs for the Covered Rate Elements increase or decrease during the Term Period, the Telephone Company and Customer shall, within sixty (60) days after any such rate change, determine the average monthly effect of such rate change ("Average MRC Effect"), which shall be the (i) estimated aggregate incremental monthly effect of that MRC rate change on Customer's bills of monthly recurring charges for the Covered Rate Elements using actual data of Customer's of the Covered Rate Elements in-service units of the Covered Rate Elements at the end of the last calendar month prior to the effective date of that MRC rate increase or decrease, and assuming all units are in-service for a full month (no pro-rating), divided by (ii) that number of in-service units of the Covered Rate Elements. Beginning after the sixth full calendar month after the MRC rate change, and for each full six-calendar-month period during the Term Period, the Telephone Company shall bill an "MRC Change Adjustment" in an amount equal to (A) the Average MRC Effect, multiplied by (B) the number of units in-service at the end of each of the months included in such six-month period, multiplied by (C) 1.509. The number used in Section 25.89.6(E)(C) may be changed by mutual agreement of the Telephone Company and the Customer no more than once for any consecutive 12-month period.

ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 – Access Service Offer</u>(Cont'd)

25.89.6 <u>Credits and Waivers</u> (Cont'd)

- (E) (Con't)
 - (4) Notwithstanding any other provision in this Contract Offer No. 86,
 - (a) no MRC Change Adjustment shall be made with respect to, or attributable to, any period after the expiration or termination of this Contract Offer No. 86, and
 - (b) this Section does not apply to any increases arising from any government requirement or other obligation, whether existing as of the Subscription Date or subsequently, including, without limitation those imposed by any federal, state or local legislation, any order, rule, or regulation of the Federal Communications Commission, state regulatory commission, or other governmental agency, or any order or judgment of any court of competent jurisdiction.

This Section 25.89.6(E)(4)(b) does not apply to any MRC increases that apply only to the Telephone Company and any of its Affiliates that were initiated or requested by the Telephone Company and/or any of its Affiliates.

(5) This Section does not apply to MRCs in other price flex contract offers, Tariff promotional offerings being made on the Subscription Date, or any Tariff offering that has a stated expiration, limited time availability or withdrawal date.

The Telephone Company shall issue any MRC Change Adjustment(s) against Customer's charges for Subject Services. Taxes, surcharges, recovery fees, duties, levies, and other similar charges will not be included in any calculations under this Section.

ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 - Access Service Offer</u>(Cont'd)

25.89.6 <u>Credits and Waivers</u> (Cont'd)

(F) Customer shall be issued a one-time credit in the amount of \$792,140.00 which will be issued within two (2) months of the Subscription Date.

25.89.7 <u>Assignment/Transfer/Successors</u>

(A) Neither party shall assign or otherwise transfer this Contract Offer No. 86, or its rights or obligations hereunder, to any person or entity without the prior written consent of the other party, which shall not be unreasonably withheld or delayed, provided, however, that Customer shall have the right, without the consent of but with notice to the Telephone Company, to assign or otherwise transfer the entirety of this Contract Offer No. 86 to any Qualifying Affiliate, so long as such Qualifying Affiliate otherwise qualifies under this Contract Offer No. 86.

Any assignment or other transfer shall be subject to the other party's rights under this Contract Offer No. 86, any assignee or transferee shall continue to perform the assigning or transferring party's obligations under this Contract Offer No. 86, and any assignment or transfer by the Customer shall be subject to the provisions of Section 25.89.7(B), below. Any assignment or other transfer of this Contract Offer No. 86, or the rights or obligations hereunder, or any attempt to do either, in violation of this provision shall be void.

ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 – Access Service Offer</u>(Cont'd)

25.89.7 <u>Assignment/Transfer/Successors</u> (Cont'd)

- (B) Any proposed assignee or transferee must satisfy the following conditions: (i) the proposed assignee or transferee must demonstrate credit worthiness under both (1) and (2), below (and if (1) and (2) are not applicable to Customer, then (3) shall apply); (ii) neither the proposed assignee or transferee nor its parent may have commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it) at any time during the Term Period, and (iii) the proposed assignee or transferee meets the Eligibility Criteria set forth in Section 25.89.4, above.
 - (1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or if any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.
 - (2) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (a) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (b) "high risk" in a Paydex score as published by Dun and Bradstreet.
 - (3) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (1) or (2) of this Section is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 – Access Service Offer</u>(Cont'd)

25.89.8 Mergers/Acquisitions and Sales/Divestitures

Except as provided in Section 25.89.8(B), all provisions of this Contract Offer No. 86 shall continue in full force and in effect notwithstanding any merger or acquisition affecting a party. A merger or acquisition within the meaning of this provision, shall include, without limitation, any transaction in which the party, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of a merger or acquisition, if the entity other than the Customer involved in the merger or acquisition purchases any service from any Telephone Company entity, such service shall not be included in this Contract Offer No. 86 for any purpose. The "Transaction Close Date" shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased. Purchases by the other entity shall not be part of any calculation hereunder, including, without limitation, as a Spend-Eligible Service, as generating Spend-Eligible Charges, in determining achievement of the requirements of Section 25.89.5(C), or be eligible for any credits under this Contract Offer No. 86.

ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 – Access Service Offer</u>(Cont'd)

25.89.8 Mergers/Acquisitions and Sales/Divestitures (Cont'd)

If, during the Term Period, the Telephone Company and/or its ILEC Affiliates (or any portion of any of them) is no longer under the control of AT&T Inc. (a "Divested Entity"), then as of the closing date(s) of the relevant transaction(s), this Contract Offer No. 86 shall be administered and enforced, and any rights or obligations of either party to this Contract Offer No. 86 shall apply separately to: (i) the Telephone Company (or any portion of Telephone Company (if any)) remaining under the control of AT&T Inc., and (ii) the Divested Entity or Entities, after taking into account such relevant transaction(s). In particular, but without limitation, the conditions (as provided in Section 25.89.5(C)) required to qualify for credits under this Contract Offer No. 86 will be pro-rated between any portion of the Telephone Company and/or its ILEC Affiliates (or any portion of any of them) remaining under the control of AT&T Inc. (the "Remaining AT&T ILECs"), and the Divested Entity or Entities in proportion to (1) for Section 25.89.5(C)(1), the amount of the monthly recurring charges, after application of any discounts or credits applicable to those charges (including the credits issued under this Contract Offer No. 86), as well as adjustments for overbilling, underbilling and billing dispute settlements for interstate DS1 and DS3 special settlements for interstate DS1 and DS3 special access services provided and billed by the Remaining AT&T ILECs and by the Divested Entity or Entities, for the three full calendar months immediately prior to the Transaction Close Date of the relevant transaction(s), and (2) for Section 25.89.5(C)(2), based upon the Circuit Volumes billed by the Remaining AT&T ILECs and by the Divested Entity or Entities at the end of the three full calendar months immediately prior to the full calendar months immediately prior to the Transaction Close Date of the relevant transaction(s).

Notwithstanding the foregoing paragraph, nothing in this Section shall prevent the lawful modification or termination of this Contract Offer No. 86, as applicable to the Telephone Company, any portion of Telephone Company (if any) remaining under the control of AT&T Inc., or any Divested Entity or Entities.

ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 – Access Service Offer</u>(Cont'd)

25.89.9 <u>Effect of Contract Offer No. 86 on Any Grandfathering or Sunsetting of Subject Services or Non-Subject Services</u>

Nothing in this Contract Offer No. 86 shall prevent the Telephone Company or any of its ILEC Affiliates from terminating the provision of Subject Services or Non-Subject Services, in part, or in their entirely, prior to the end of the Term Period, to the extent permitted by applicable law.

25.89.10 Termination

(A) Termination Liability Charge

If, prior to the completion of the Term Period, the Customer terminates this Contract Offer No. 86 for any reason other than material breach by the Telephone Company, or if the Telephone Company terminates this Contract Offer No. 86 as a result of a material breach by the Customer or any of its Qualifying Affiliates, then this Contract Offer No. 86 shall be terminated (if not already terminated) and the Customer shall forego (or repay, if applicable), as a termination liability charge, one hundred percent (100%) of the credits and waivers issued or due under this Contract Offer No. 86 attributable to:

- (1) the month in which the breaching party receives the pertinent breach notice and any subsequent month(s) through the effective date of termination, or
- (2) if termination is not due to an uncured breach, the month in which the effective date of termination occurs.

Customer will pay any termination liability charge due to the Telephone Company within 30 days of the Telephone Company invoice date for such charge, provided, however, that the Customer shall not repay any amount attributable to any such credits or waivers that have not been, or are not, issued by the Telephone Company (and the Telephone Company will not be obligated to issue any such credits which were due but not issued prior to such termination).

ISSUED: NOVEMBER 25, 2015 EFFECTIVE: NOVEMBER 26, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.89 <u>Contract Offer No. 86 – Access Service Offer</u>(Cont'd)

25.89.10 <u>Termination</u> (Cont'd)

- (B) If any portion of this Contract Offer No. 86 is found to be invalid, unenforceable, or otherwise contrary to applicable law, the Telephone Company or the Customer may, in its respective sole discretion, terminate this Contract Offer No. 86 upon (10) days written notice to the other.
- (C) The Telephone Company may terminate this Contract Offer No. 86, upon not less than fifteen (15) business days written notice, if Customer is obligated under Section 25.89.5(C) to repay the credits and waivers under this Contract Offer No. 86 for two (2) consecutive Quarters. In the event of a termination under this Section 25.89.10(C), the Customer shall forego (repay if applicable) to the Telephone Company the total amount of any such credits and waivers attributed to any Term Month after the second of the consecutive Quarters that were or are issued to Customer (and the Telephone Company shall have no obligation to issue any such credits or waivers that have not been issued).
- (D) After a transaction to which Section 25.89.8(B) applies, (i) the termination of this Contract Offer No. 86 solely applicable to any portion of the Telephone Company remaining under the control of AT&T Inc. will not terminate this Contract Offer No. 86 as it applies to any Divested Entity or Entities, and (ii) the termination of this Contract Offer No. 86 solely applicable to any Divested Entity or Entities will not terminate this Contract Offer No. 86 as it applies to any portion of the Telephone Company remaining under the control of AT&T Inc.

ISSUED: DECEMBER 15, 2015 EFFECTIVE: DECEMBER 30, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings

(N)

25.90 <u>Contract Offer No. 87 – Access Service Offer</u>

(N)

25.90.1 <u>General Description</u>

(N) (Nx)

The Special Access Service Offer (Contract Offer No. 87) consists of TDM credit and waiver plans and a Minimum Annual Revenue Commitment plan, for which concurrent subscription is required to this Contract Offer and the following Access Tariffs: Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 36; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 172; Ameritech Operating Companies, Tariff F.C.C. No. 2, Contract Offer No. 222; and Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 192 (collectively, with this Contract Offer No. 87, "Concurrently Subscribed Contract Offers"). NBTC, PBTC, Ameritech and Southwestern Bell Telephone Company), with BellSouth Telecommunications, LLC ("BellSouth" or the "Telephone Company") shall be identified herein as the "Qualified Companies."

(Nx)

(N)

Subject to the Terms and Conditions set forth elsewhere in this Contract Offer No. 87 and the other Concurrently Subscribed Contract Offers, Contract Offer No. 87 provides eligible customers with quarterly credits, and also requires eligible customers to make and satisfy a Minimum Annual Revenue Commitment (MARC), as defined in Section 25.90.5. The MARC is fulfilled by certain recurring revenues from, in the aggregate, certain services purchased from the Telephone Company, as set forth in this Contract Offer No. 87, and certain services purchased from the other Qualified Companies, as set forth in the other Concurrently Subscribed Contract Offers.

The certain services provided by the Telephone Company are described in Section 25.90.2, with the Subject Services set forth in Section 25.90.2(A), and Non-Subject Services set forth in Section 25.90.2(B) and (C).

Contract Offer No. 87 will be available for subscription only from December 30, 2015 through January 29, 2016. This offer is not renewable.

(N)

x - Filed under the authority of Special Permission No. 15-022 of the F.C.C.

ISSUED: DECEMBER 15, 2015 EFFECTIVE: DECEMBER 30, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.2 <u>Subject and Non-Subject Services</u>

The Subject Services, listed in Table A, below, the Legacy Non-Subject Services, listed in Table B, below, and the Ethernet Non-Subject Services, listed in Table C, below, are limited to those provided by the Telephone Company and located within the "Operating Territory" of the Telephone Company, as described in BellSouth Tariff F.C.C. No. 1, Section 15 (Operating Territory) except that in no event shall any services connecting to the Customer's or any of its Affiliate's cell sites, mobile telecommunications switching offices (MTSOs), or mobile switching centers (MSCs) be considered MARC-Eligible Services, as defined in Section 25.90.4(C), below.

(A) Subject Services

Subject Services are pricing flexibility qualified access services or rate elements listed in Table A, below.

<u>Table A</u> - <u>Subject Services</u>

| Category | Services Included |
|--|--|
| Interstate Special Access located in Pricing Flexibility Metropolitan Statistical Areas (MSAs) | DS1 and DS3, except for any rate elements not subject to pricing flexibility |

ΛN

ISSUED: DECEMBER 15, 2015 EFFECTIVE: DECEMBER 30, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.2 <u>Subject and Non-Subject Services</u> (Cont'd)

(B) Non-Subject Services

Legacy Non-Subject Services and Ethernet Non-Subject Services are listed in Tables B and C, respectively, below (collectively, the "Non-Subject Services"). Non-Subject Services are included in determinations made under this Contract Offer No. 87 (including with respect to the Eligibility, MARC achievement, and Quarterly Credit calculations and issuances), but are not otherwise subject to the rates, terms or conditions of this Contract Offer No. 87.

Table B - Legacy Non-Subject Services

| Category | Services Included ¹ |
|--|--|
| category | Services included |
| Interstate Special Access Services provided by the Telephone Company but not located in Pricing Flexibility Metropolitan Statistical Areas (MSAs) and any rate elements located in Pricing Flexibility MSAs but not subject to pricing flexibility relief. | DS1 and DS3 |
| Broadband Interstate Special Access ¹ | SMARTRing® Services Lightgate® Services — OCN Optical Carrier Network (OCN) Point to Point Dedicated SONET Ring Service (DSRS) |
| Intrastate Special Access | Intrastate services equivalent to the interstate services listed above as either Subject Services or other Legacy Non-Subject Services |

Interstate OCN PTP, DSRS, GigaMAN, DecaMAN, OPT-E-MAN, BellSouth Metro Ethernet Service, AT&T Switched Ethernet, WaveMAN, BellSouth Wavelength Service, BellSouth Wavelength Dedicated Ring Service, BellSouth Wavelength Channel Service, and AT&T Dedicated Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook and http://cpr.att.com/pdf/commonEthServGuide.html.

ISSUED: DECEMBER 15, 2015 EFFECTIVE: DECEMBER 30, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 – Access Service Offer</u> (Cont'd)

25.90.2 <u>Subject and Non-Subject Services</u> (Cont'd)

(B) Non-Subject Services (Cont'd)

Table C - Ethernet Non-Subject Services

| Category | Services Included ¹ |
|---|---|
| | GigaMAN® (Gigabit Ethernet Metropolitan Area Network) |
| | OPT-E-MAN® (Optical Ethernet Metropolitan Area Network) |
| | DecaMAN® (10 Gigabit Ethernet Metropolitan Area Network) |
| Broadband | BellSouth Metro Ethernet Service |
| Interstate Special Access ¹ | AT&T Switched Ethernet Services (ASE) |
| Special Access | Wavelength Metropolitan Area Network (WaveMAN) |
| | BellSouth Wavelength Service |
| | BellSouth Wavelength Dedicated Ring Service |
| | BellSouth Wavelength Channel Service |
| | AT&T Dedicated Ethernet (ADE) |
| Intrastate Special Access | Intrastate services equivalent to the interstate services listed above as Ethernet Non-Subject Services |

Interstate OCN PTP, DSRS, GigaMAN, DecaMAN, OPT-E-MAN, BellSouth Metro Ethernet Service, AT&T Switched Ethernet, WaveMAN, BellSouth Wavelength Service, BellSouth Wavelength Dedicated Ring Service, BellSouth Wavelength Channel Service, and AT&T Dedicated Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook and http://cpr.att.com/pdf/commonEthServGuide.html.

ISSUED: DECEMBER 15, 2015 EFFECTIVE: DECEMBER 30, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 – Access Service Offer</u> (Cont'd)

25.90.2 <u>Subject and Non-Subject Services</u> (Cont'd)

(C) All terms and conditions for those MARC-Eligible Services that are tariffed are governed by their respective tariff sections, except as noted in this Contract Offer No. 87. All terms and conditions for those MARC-Eligible Services that are not tariffed are governed by the applicable guidebooks, service guides or contracts. No service purchased by or on behalf of any Affiliate of Customer that is not a "Permitted Affiliate," as defined herein, and no service purchased by Customer, or any of its Permitted Affiliates, for its provision of Wireless Telecommunications Services or for connecting to the Customer's or any of its Affiliate's cell sites, MTSOs, or MSCs, shall constitute a Subject Service or Non-Subject Service under this Contract Offer No. 87. A "Permitted Affiliate," as that phrase is used in this Contract Offer No. 87, is an Affiliate of Customer that (directly or indirectly) controls, is controlled by, or is under common control with, Customer and that, as of July 1, 2015 is purchasing any Subject Service from the Telephone Company using an Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in this Contract Offer No. 87 with its written notice of subscription to this Contract Offer No. 87. "Affiliate" is defined herein as set forth in the Communications Act of 1934, as amended. "Wireless Telecommunications Services" is defined as set forth in 47 CFR § 1.907.

(N) (Nx)

(Nx)

(N)

(N)

(D) Subject Services and Non-Subject Services shall also include any additional similar or successor services which are provided by the Qualified Companies and were not available as of the effective date of this Contract Offer No. 87.

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ISSUED: DECEMBER 15, 2015 EFFECTIVE: DECEMBER 30, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.3 <u>Eligibility Criteria</u>

The following Eligibility Criteria apply to this Contract Offer No. 87:

(A) Contract Offer No. 87 is available for qualified special access services located in the Pricing Flexibility MSAs where the Telephone Company has been granted Phase II pricing flexibility, as listed in BellSouth Tariff F.C.C. No. 1, Section 23 and those additional MSAs listed below. During the Term Period of this Contract Offer No. 87, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 23 at the time of subscription, the Customer may, at its option, include Subject Services in those additional MSAs under this Contract Offer No. 87.

Phase I — All Rate Elements (Including Channel Terminations)

| Birmingham, | Huntsville, | Mobile, AL | Panama City, |
|---------------|-------------|--------------|--------------------|
| AL | AL | | FL |
| Augusta, GA | Columbus, | Lexington- | Alexandria, |
| | GA | Fayette, KY | LA |
| New Orleans, | Asheville, | Charlotte- | Greenville- |
| LA | NC | Gastonia, NC | Spartanburg, SC |
| Clarksville- | | | |
| Hopkinsville, | | | |
| TN | | | |

| Phase I — Rate | Elements | other | than Channel | Terminations |
|----------------|----------|-------|--------------|--------------|
| Macon-Warner | Non-MSA, | KY | Non-MSA, | Pascagoula, |
| Robins, GA | | | MS | MS |
| Non-MSA, NC | | | | |

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.3 Eligibility Criteria (Cont'd)

(B) During the twelve (12) months prior to the Subscription Date (as defined in Section 25.90.4(B)), the Customer and its Permitted Affiliates must have purchased from the Qualified Companies services included among the Subject Services and Non-Subject Services under this Contract Offer No. 87 and the Concurrently Subscribed Contract Offers, which services must have resulted in charges equivalent to those included in MARC-Eligible Charges (as defined in Section 25.90.4(C), below) during those twelve (12) months equal to no less than \$730 million.

(N)

(C) <u>Concurrently Subscribed Contract Offers</u>

(Nx)

The Customer must concurrently subscribe to the following Contract Offers:

- NBTC Tariff F.C.C. No. 1, Contract Offer No. 36;
- PBTC Tariff F.C.C. No. 1, Contract Offer No. 172;
- SWBT Tariff F.C.C. No. 73, Contract Offer No. 192; and
- Ameritech Tariff F.C.C. No. 2, Contract Offer No. 22.222.

(Nx)

x - Filed under the authority of Special Permission No. 15-022 of the F.C.C.

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.3 Eligibility Criteria (Cont'd)

- (D) As of the time of the Customer's subscription to this Contract Offer No. 87, neither the Customer nor any Permitted Affiliate may be purchasing interstate or intrastate special access services from the Telephone Company or any other Qualified Company pursuant to
 - (1) any pricing flexibility contract offer, other than the Concurrently Subscribed Contract Offers, or
 - (2) any broadband services agreement or intrastate "ICB" contract or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment, other than the Concurrently Subscribed Contract Offers.

Upon filing this Contract Offer No. 87, Telephone Company will be deemed to have irrevocably waived any claim that the Customer with which Telephone Company negotiated this Contract Offer No. 87, and its Permitted Affiliates, did not meet the requirements set forth in this Section 25.90.3(D).

25.90.4 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 87:

(A) <u>Subscription</u>

To subscribe to Contract Offer No. 87, the Customer must provide written notice to the Telephone Company that Customer is subscribing, which may be done by submission of a Letter of Subscription ("LOS") to the Telephone Company. The Customer must provide, at the time of subscription, all applicable and qualifying Access Customer Name Abbreviations ("ACNAs") that the Customer designates for inclusion in this Contract Offer No. 87 for itself and its Permitted Affiliates ("Eligible ACNAs"). For the Customer's subscription to this Contract Offer No. 87 to be valid, the Eligible ACNAs must be identical to the ACNAs submitted in each written notice of such subscription submitted for each of the other Concurrently Subscribed Contract Offers. Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, this Contract Offer No. 87.

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.4 <u>Terms and Conditions</u> (Cont'd)

(B) Term Period

The term of this Contract Offer No. 87 ("Term Period") shall begin on the date the Telephone Company receives Customer's subscription (which for an LOS would be the date that a valid LOS signed by the Customer is received by the Telephone Company) ("Subscription Date"), and shall end on December 31, 2019. Term Year 1 shall begin on January 1, 2016 and end on December 31, 2016. Each subsequent Term Year shall consist of a period of twelve (12) consecutive calendar months, beginning January 1st after the end of the previous Term Year. A "Quarter" means a calendar quarter within a Term Year.

This Contract Offer No. 87 and the other Concurrently Subscribed Contract Offers may be extended for up to two additional one-year periods with the written consent of Customer and the Qualified Companies. During each one-year extension, the MARC, the Quarterly Maximum Credits and Quarterly Credits will be administered at the same level as it was during Term Year 4. For clarity, agreement to the first additional one-year extension does not obligate Customer and the Qualified Companies to agree to the second additional one-year extension.

- (C) The Customer must satisfy a MARC, as described in 25.90.5(A), for each Term Year of this Contract Offer No. 87. The MARC shall be satisfied by gross billed monthly recurring charges for, in the aggregate, the MARC-Eligible Services that are purchased by and billed to the Customer and its Permitted Affiliates (as each exists as of July 1, 2015, or their permitted successors) under the Eligible ACNAs, after application of
 - (i) any discounts or credits applicable to those recurring charges (including Area Commitment Plan credits under the BellSouth Tariff F.C.C. No. 1, Section 2.4.8) and
 - (ii) adjustments for overbilling, underbilling and billing dispute settlements applicable to those recurring charges, and
 - (iii)Quarterly Credit(s) attributable to the Quarter and/or Term Year for which MARC satisfaction is being calculated (collectively, "MARC-Eligible Charges").

(N)

25.90

TARIFF F.C.C. NO. 1 ORIGINAL PAGE 25-670

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

Contract Offer No. 87 - Access Service Offer (Cont'd)

25.90.4 <u>Terms and Conditions</u> (Cont'd)

(C) (Cont'd)

By way of example only for Section 25.90.4(C)(iii), the Quarterly Credit due for the last Quarter within a Term Year will be included in the MARC calculation for such Term Year even though such Quarterly Credit is issued after the end of such Term Year, and will not be included in a MARC calculation for any following Term Year.

The MARC-Eligible Services are the Subject Services, the Legacy Non-Subject Services, and the Ethernet Non-Subject Services, as set forth in Section 25.90.2 of this Contract Offer No. 87, and the "Subject Services," the "Legacy Non-Subject Services," and the "Ethernet Non-Subject Services," as similarly set forth in the other Concurrently Subscribed Contract Offers (collectively referred as the "MARC-Eligible Services").

The MARC-Eligible Charges shall specifically exclude (among other possible items, the following list being illustrative only) the following:

- (1) Any non-recurring charges, usage-based charges, temporary service charges, surcharges, fractional debit/credit amounts, minimum period charges, termination liabilities, or any other billings other than billed amounts that are, in the normal course of business, applicable on a recurring monthly basis for the applicable Quarter or Term Year;
- (2) taxes or other charges imposed by a federal, state, local, or other governmental entity (e.g., Federal Universal Service Fund);
- (3) service or administrative fees or charges imposed by any Qualified Company (e.g., interest charge, late payment charge);
- (4) for only the Annual True-Up Process for a Term Year, any MARC-Eligible Charges billed in such Term Year that are disputed by Customer or a Permitted Affiliate, for which payment is being withheld by Customer or a Permitted Affiliate at the end of the forty-fifth (45th) day after such Term Year;

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 – Access Service Offer</u> (Cont'd)

25.90.4 Terms and Conditions (Cont'd)

- (C) (Cont'd)
 - (5) shortfall or overage charges associated with term plan true-ups (e.g., for failure to satisfy commitment levels);
 - (6) any amount billed for special construction and any other one-time charges for building or installing facilities or equipment; and
 - (7) billed amounts associated with any service (or any portion of a service) that is not a MARC-Eligible Service.

Notwithstanding any other provisions of this Contract Offer No. 87, both credits and debits issued to effectuate the re-terming of MARC-Eligible Services after the expiration of their previous term commitments, whether as a result of a mechanized order generator or otherwise, and credits and debits issued for overbilling, underbilling and billing dispute settlements, shall be applicable to the Quarter based upon the invoice dates of the invoices in which such credits or debits appear.

A "permitted successor" is a successor-in-interest to the Customer or a Permitted Affiliate that is itself a Customer Affiliate that (directly or indirectly) controls, is controlled by, or is under common control with, Customer.

- (D) Credits earned by the Customer under this Contract Offer No. 87 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 25.90.6, below, and in the analogous sections of the other Concurrently Subscribed Contract Offers.
- (E) Except as provided in Section 25.90.4(F), credits under this Contract Offer No. 87 are in addition to, and do not alter, any existing service discounts/term plans available in the Telephone Company's generally applicable tariffs.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.4 Terms and Conditions (Cont'd)

- (F) MARC-Eligible Services under this Contract Offer No. 87 may not be purchased pursuant to any pricing flexibility contract offer, broadband services agreement, intrastate "ICB" contract or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment, other than the Concurrently Subscribed Contract Offers (any such precluded tariffs or agreements hereafter referred to as an "Other Commitment Agreement"), unless the Other Commitment Agreement expressly refers to this Contract Offer No. 87 and expressly permits the Customer or a Permitted Affiliate to purchase such services subject to both this Contract Offer No. 87 and the Other Commitment Agreement. The word "purchase," as used in the foregoing sentence refers to the Customer or Permitted Affiliate obtaining or using any service in exchange for compensation, regardless of when the service was ordered or installed.
- (G) Credits and waivers to be provided under this Contract Offer No. 87 will not be issued unless and until the Customer and the Permitted Affiliates have paid the billed charges for MARC-Eligible Services for the Subject Services and the Non-Subject Services due and owing as of the date the credits and waivers are issued (excluding amounts properly disputed), and is otherwise in material compliance with this Contract Offer No. 87; provided, however, a de minimis amount of past due billed charges, as compared to the total of such credits and waivers to be provided, shall not result in their non-issuance.

/k i\

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.4 Terms and Conditions (Cont'd)

- (H) Conditions to Certain Other Credits.
 Any of the credits under Section 25.90.6(C) or DS1
 Plan Credits under Section 25.90.6(D) shall only
 apply with respect to a Quarter to:
 - (i) any Area Commitment Plan ("ACP") for SPA DS1 High Capacity Service, for Local Channel and Channel Mileage rate elements under Plan A only, and any ACP for SPA DS1 High Capacity Services, with Multiplexer rate elements under Plan A or B only, subscribed to by Customer and/or its Permitted Affiliates, which ACP includes only Eligible ACNAs and Permitted ACNAs.
 - (ii) any Federal Government Transport Plan ("FGTP"), Plan A or Plan B only, subscribed to by Customer and/or its Permitted Affiliates, which FGTP includes only Eligible ACNAs and Permitted ACNAs.

A "Permitted ACNA" is an ACNA that is not an Eligible ACNA and that meets all of the following criteria:

- (1) assigned to Customer or a Permitted Affiliate as of the Subscription Date,
- (2) such Permitted Affiliate (if applicable) is a Permitted Affiliate of Customer on the Subscription Date, and
- (3) the primary business of Customer or such Permitted Affiliate (if applicable) is not the provision of Wireless Telecommunications Services. By way of example only, a Customer or Permitted Affiliate that owns or operates any cell site, any MTSO, or any MSC shall be deemed to have the primary business of the provision of Wireless Telecommunications Services, and
- (4) such ACNA is not primarily used in the provision of Wireless Telecommunications Services.

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.4 <u>Terms and Conditions</u> (Cont'd)

(H) (Cont'd)

Eligible ACNAs not included under such an ACP or FGTP subject to credits under Section 25.90.6(D) or DS1 Plan Credits under Section 25.90.6(E) (but not Permitted ACNAs) will be added to such ACP or FGTP by Telephone Company, and any rate elements eligible to be included in such an ACP or FGTP that are purchased under an Eligible ACNA prior to such addition, will be deemed to be under such ACP or FGTP, as the case may be. Any such ACP and/or FGTP may be modified, as permitted by BellSouth FCC Tariff No. 1. Upon the expiration of an ACP or FGTP receiving such credits during the Term Period, the Customer and its
Permitted Affiliates must re-subscribe. The ACP is described in Sections 2.4.8 and 7.4.15 of BellSouth FCC Tariff No. 1; the FGTP is described in Section 10.6 of BellSouth FCC Tariff No. 1. To be eligible to earn any of the credits under Section 25.90.6(D) or DS1 Plan Credits under Section 25.90.6(E) with respect to any Quarter, Customer and/or its Permitted Affiliates may not use any Eligible ACNA or any Permitted ACNA under an ACP subject to such credits to subscribe to any of the following: the Channel Services Payment Plan (CSPP); to an ACP for SPA DS1 High Capacity Service for Local Channel and/or Mileage rate elements, Plan B; or to an FGTP, Pl'an C. ACNAs that are neither Eligible ACNAs nor Permitted ACNAs may not be used to subscribe to any of the following by or on behalf of Customer or any Permitted Affiliate: the Channel Services Payment Plan (CSPP); to an ACP for SPA DS1 High Capacity Service for SPA DS1 High Capacity Service for Local Channel and/or Mileage rate elements, Plan B; or to an FGTP, Plan C. Services purchased by or on behalf of any Customer Affiliate that is not a Permitted Affiliate, or purchased under an ACNA that is not an Eligible ACNA or a Permitted ACNA, may not be included in the ACP for Customer and its Permitted Affiliates. This Section does not preclude Customer and/or its Affiliates from subscribing and/or placing ACNAs that are neither Eligible ACNAs nor Permitted ACNAs under one or more other, separate ACP for SPA DS1 High Capacity Service for Local Channel and/or Mileage rate elements, Plan A only; for SPA DS1 High Capacity Service for Multiplexer rate elements, Plan A or B; or for FGTP, Plan A or Plan B only.

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.4 Terms and Conditions (Cont'd)

- (I) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of BellSouth Tariff F.C.C. Tariff No. 1 (Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services), and such terms and conditions may be modified through the filing of tariff changes at any time during the Contract Term. However, such tariff modifications will not change the Terms and Conditions described in this Contract Offer No. 87.
 - (J) No credits or waivers shall be due if the Customer or any Permitted Affiliate has been notified in writing by any of the Qualifying Companies that it is in material breach of this Contract Offer No. 87 or another Concurrently Subscribed Contract Offer, or in material breach of any other terms and conditions governing the Subject Services or Non-Subject Services, including, without limitation, material breach of any amount due for Subject Services or Non-Subject Services, until such breach is cured or payment of past due amounts is made by the Customer or the Permitted Affiliates, as the case may be.

25.90

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Contract Offer No. 87 - Access Service Offer (Cont'd)

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90.5 Minimum Annual Revenue Commitment (MARC)

(A) MARC Establishment

A MARC for each Term Year, as set forth in Table D, below, must be satisfied by MARC-Eligible Charges.

Table D

| Term Year | Minimum Annual Revenue Commitment |
|-----------|-----------------------------------|
| Year 1 | \$545,500,000 |
| Year 2 | \$545,500,000 |
| Year 3 | \$545,500,000 |
| Year 4 | \$545,500,000 |

(B) MARC Calculations

Satisfaction of the MARC shall be determined according to MARC-Eligible Charges (defined in Section 25.90.4(C)). MARC-Eligible Charges include charges for MARC-Eligible Services that were in service as of the Subscription Date, as well as those placed in service during the Term Period.

(C) Failure to Satisfy the MARC

If the Customer and its Permitted Affiliates fail to satisfy the MARC or a Year-to-Date MARC (as defined in Section 25.90.6(B)(1)), as the case may be, as determined in the Quarterly True-Up Process or the Annual True-Up Process, the Qualified Companies shall bill and the Customer shall pay the amount of the Quarterly Shortfall or Annual Shortfall (collectively, "Shortfalls"), as applicable, as provided in Sections 25.90.6(B) and (C), below. Any Shortfalls shall be divided among this Contract Offer No. 87 and the other Concurrently Subscribed Contract Offers in proportion to the MARC-Eligible Charges under the Concurrently Subscribed Contract Offers included in the applicable Shortfall calculation.

The Customer and the Qualified Companies shall complete the processes contemplated in the Quarterly True-Up and Annual True-Up, including making any payments or applying any credits resulting therefrom, within one hundred twenty (120) days from the end of the respective Quarter or Term Year.

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.6 <u>Discounts and Other Credits</u>

(A) Quarterly Credits

For each Quarter of a Term Year, the Customer is eligible for a single Quarterly credit under, collectively, this Contract Offer No. 87 and the other Concurrently Subscribed Contract Offers (each, a "Quarterly Credit").
The Qualified Companies will issue a single Quarterly Credit to the Customer for each Quarter during a Term Year. Each Quarterly Credit would be in an amount equal to ten percent (10%) times the actual MARC-Eligible Charges for Subject Services and Legacy Non-Subject Services for such Quarter in a Term Year under this Contract Offer No. 87 and the other Concurrently Subscribed Contract Offers, not to exceed the applicable Quarterly Maximum Credit set forth in Table E, below, applicable to such Term Year. Each Quarterly Credit shall be divided among this Contract Offer No. 87 and the other Concurrently Subscribed Contract Offers in proportion to the MARC-Eligible Charges for Subject Services and Legacy Non-Subject Services during the relevant Quarter under the Concurrently Subscribed Contract Offers. The Telephone Company will apply the portion of the Quarterly Credit associated with this Contract Offer No. 87 to the Customer's bill no later than sixty (60) days from the end of the Quarter to which the Quarterly Credit relates. Table E

| Term Year | Quarterly Maximum Credit |
|--------------|-----------------------------|
| Year 1 | \$14,600,000 |
| Year 2 | \$13,100,000 |
| Year 3 | \$11,850,000 |
| Year 4 | \$8,350,000 |

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.6 <u>Discounts and Other Credits</u> (Cont'd)

(B) Quarterly True-Up Process

- (1) The Qualified Companies shall perform a MARC true-up calculation following each of the first three Quarters of each Term Year of this Contract Offer No. 87 and the other Concurrently Subscribed Contract Offers ("Quarterly True-Up Process"). To perform such calculations, the Qualified Companies shall determine the aggregate MARC-Eligible Charges for the MARC-Eligible Services, for the completed Quarters of the Term Year, plus any Quarterly Shortfall(s) (defined in Section 25.90.6(B)(2) and analogous provisions of the other Concurrently Subscribed Contract Offers) previously paid by the Customer under this Contract Offer No. 87 and any of the other Concurrently Subscribed Contract Offers for the completed Quarters of that Term Year (collectively, "Year-to-Date Revenue"), and shall compare that amount to the Year-to-Date MARC. The Year-to-Date MARC shall be defined as the product of one-fourth of the MARC times the number of Quarters included in each Quarterly True-Up Process.
- (2) If, based on the Quarterly True-Up Process, the Year-to-Date Revenue is less than the Year-to-Date MARC, the Qualified Companies will bill and the Customer will pay the amount equal to the difference between the Year-to-Date MARC and the Year-to-Date Revenue ("Quarterly Shortfall"). Any Quarterly Shortfall will be allocated among the Qualified Companies according to the amounts of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant Quarter.

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.6 <u>Discounts and Other Credits</u> (Cont'd)

(C) <u>Annual True-Up Process</u>

- (1) In calculating the MARC-Eligible Charges for a Term Year ("Current Term Year"), any Eligible Charges excluded from the Annual True-Up Process for a prior Term Year due to Section 25.90.4(C)(4) ("Previously Withheld Charges") will be included to the extent that payment is received during the Current Term Year for any such Previously Withheld Charge which has been finally resolved between the parties during the Current Term Year (a "Dispute Resolution Adjustment"). Payment of a Previously Withheld Charge without such a final resolution between the parties shall not result in a Dispute Resolution Adjustment. Payment by Customer and/or any Permitted Affiliate of a previously disputed and withheld charge shall result in a waiver of any right to re-dispute such charge and/or withhold any amount with respect to such charge, and is an example of the type of final resolution contemplated in the previous sentence. In no event will the aggregate Dispute Resolution Adjustments for any Term Year exceed \$5,000,000 ("DR Cap"), provided, that any excess may be carried forward for use only in the next Term Year (which excess shall be counted against the DR Cap for such next Term Year). There shall be no carry-back of any excess Dispute Resolution Adjustments to any prior Term Year.
- (2) If, at the end of a Term Year, the MARC-Eligible Charges (ignoring any Quarterly Shortfall(s) previously paid by the Customer for that Term Year) are equal to, or greater than, the MARC for that Term Year, the Telephone Company will issue a credit for any Quarterly Shortfall(s) previously paid by the Customer for that Term Year (Reversing Credit).

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.6 <u>Discounts and Other Credits</u> (Cont'd)

- (C) Annual True-Up Process (Cont'd)
 - (3) If, at the end of a Term Year, the amount of the MARC-Eligible Charges plus any Quarterly Shortfall(s) previously paid for that Term Year is less than the MARC for that Term Year, the Qualified Companies shall bill, and the Customer shall pay an amount equal to the difference between (a) the MARC, and (b) the MARC-Eligible Charges plus any Quarterly Shortfall(s) paid for that Term Year ("Annual Shortfall"). Any Annual Shortfall will be allocated among the Qualified Companies according to the amounts of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant Term Year.
 - (4) If at the end of a Term Year, (a) the MARC-Eligible Charges are less than the MARC for that Term Year, but (b) the MARC-Eligible Charges plus any Quarterly Shortfall(s) previously paid by the Customer under this Contract Offer No. 87 and the other Concurrently Subscribed Contract Offers for that Term Year are greater than the MARC for that Term Year, then the Qualified Companies will issue a credit for the difference between (c) the MARC-Eligible Charges plus any Quarterly Shortfall(s) for that Term Year, less (d) the MARC for that Term Year. Any such credits will be allocated among the Qualified Companies according to the amount of MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant Quarter.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.6 <u>Discounts and Other Credits</u> (Cont'd)

- (D) <u>Termination Liability Credit</u>. The Telephone Company will bill, and the Customer and its Permitted Affiliates shall pay, termination liability charges in accordance with applicable tariffs. The Telephone Company will issue credits in an aggregate amount that is equal to such termination liability charges due from the Customer and its Permitted Affiliates for order activity relating to interstate DS1 and/or DS3 Subject Services under Eligible ACNAs that are located in pricing flexibility MSAs that occurs during a Term Year if such DS1 or DS3 Subject Service meets all of the following conditions (each, a Qualifying Termination Charge):
 - Such Subject Service must not have been disconnected by the Telephone Company as a result of a breach of the applicable Tariffs; and
 - (2) Any such DS1 Subject Service must have been inservice not less than thirty (30) days; and
 - (3) Any such DS3 Subject Service must have been inservice not less than one (1) year; and
 - (4) Any such DS1 or DS3 Subject Service must not have received a termination liability credit under another revenue-based or volume-based offer, or otherwise received a waiver of such termination liability charge or other credit in an amount equal to such termination liability charge; and
 - (5) Any such DS1 Subject Service that must have been subject to a Channel Services Payment Plan (CSPP) was either (i) in-service under the CSPP on the Subscription Date, or (ii) ordered under a CSPP as of the Subscription Date.

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25. Pricing Flexibility Contract Offerings (Cont'd)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.6 <u>Discounts and Other Credits</u> (Cont'd)

(D) (Cont'd)

By way of example only, if Customer submitted a disconnect order for an interstate DS1 Subject Service prior to the beginning of Term Year 1 and disconnection occurred during a Term Year, any termination liability charges could not constitute a Qualifying Termination Charge. By way of further example, if Customer submitted a disconnect order for an interstate DS3 Subject Service prior to the expiration of the Term Period and disconnection occurred after such expiration, any termination liability charges would constitute a Qualifying Termination Charge if the conditions in items (1) through (5) were all met. Any credits due under this Section for Qualifying Termination Charges billed in a Quarter will be issued during the second calendar month after such This Section shall not result in any credit for a termination liability charge such that Customer and/or its Permitted Affiliate receives more than the amount paid to satisfy the termination liability charge.

(E) <u>DS1 Plan Credits</u>. The Telephone Company will provide credits in an amount equal to any shortfall charges that apply as a result of Customer and/or its Permitted Affiliates failing to meet their commitment level(s) for ACP and/or FGTP described in Section 25.90.4(H)(i) and (ii)) (except for any such charges attributable to circuits disconnected by the Telephone Company as a result of a breach of the applicable Tariffs). Any such credits shall be applied to invoices for Subject Services, and will be issued during the second calendar month after the end of the Quarter in which such charges are billed. With respect to the application of the prior sentence to the last Quarter in the Term Period, the credit due for charges billed in the last Quarter will be made after expiration of the Term Period. In addition, such charges incurred in the final month of the Term Period which are subsequently billed after expiration of the Term Period, will be credited in the second month after the billing of such charges, notwithstanding the fact that the Term Period has expired.

(N)

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.6 <u>Discounts and Other Credits</u> (Cont'd)

(E) Customer shall be issued a single, one-time credit by the Qualifying Companies in the amount of \$47,470,000, which will be divided among the Qualifying Companies and each portion issued during the second month of Term Year 1.

25.90.7 <u>Assignment/Transfer/Successors</u>

- (A) This Contract Offer No. 87 may not be assigned or otherwise transferred, in whole or in part, by either party, except as provided in this Section or as a result of a divestiture described in Section 25.90.8 (in which case Section 25.90.8 will apply).
- (B) Subject to the other requirements in this Contract Offer No. 87, this Contract Offer No. 87 and the other Concurrently Subscribed Contract Offers may only be assigned or otherwise transferred:
 - (i) together and in their entirety, to any person or entity only with the prior written consent of the other party, which shall not be unreasonably withheld, or
 - (ii) in part, only as part of a transaction described in Section 25.90.8.

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.7 <u>Assignment/Transfer/Successors</u> (Cont'd)

- (C) Notwithstanding Section 25.90.7(B), Customer shall have the right, without the consent of but with prior notice to the Qualifying Companies for determination of credit worthiness, to assign or otherwise transfer all of the Concurrently Subscribed Contract Offers in their entirety at the same time to a single Permitted Affiliate, so long as that Permitted Affiliate otherwise qualifies under the Concurrently Subscribed Contract Offers. Upon any such assignment or other transfer to such a Permitted Affiliate, Customer shall thereafter be considered a Permitted Affiliate.
- (D) Subject to the provisions of Sections 25.90.7(B) and (C),
 - (i) any assignee or other transferee of the Concurrently Subscribed Contract Offers in its entirety (including any Permitted Affiliate) from Customer must demonstrate credit worthiness under both (1) and (2), below (and if (1) and (2) are not applicable, then (3), below shall apply); and
 - (ii) neither the proposed assignee or transferee nor its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it) at any time during the Term Period.
 - (1) Any debt securities of the proposed assignee or transferee or any parent (defined in this Contract Offer No. 87 as any entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or if any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.7 <u>Assignment/Transfer/Successors</u> (Cont'd)

- (D) (ii) (Cont'd)
 - (2) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (a) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (b) "high risk" in a Paydex score as published by Dun and Bradstreet.
 - (3) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (1) or (2) of this Section 25.90.7(D) is not available, the Qualifying Companies shall exercise their reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.
- (E) Any assignment or other transfer shall be subject to the other party's rights under this Contract Offer No. 87. Any assignee or transferee shall continue to perform the assigning or transferring party's obligations under this Contract Offer No. 87. Further, notwithstanding Section 25.90.7(B), the Telephone Company may also, without the Customer's consent, assign its rights and obligations under this Contract Offer No. 87 to an Affiliate with notice to Customer, or subcontract to an Affiliate or a third party work to be performed under this Contract Offer No. 87. For avoidance of doubt, except as provided in Section 25.90.8, any and all credit and MARC calculations under the Concurrently Subscribed Contract Offers shall be performed in same manner and with the same data irrespective of the parties to the Concurrently Subscribed Contract Offers.
- (F) The assignor or transferor will remain financially responsible for the performance of this Contract Offer No. 87 and/or its obligations hereunder.

(N)

ISSUED: DECEMBER 15, 2015 EFFECTIVE: DECEMBER 30, 2015

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.7 <u>Assignment/Transfer/Successors</u> (Cont'd)

(G) Any assignment or other transfer of this Contract Offer No. 87 or the rights or obligations hereunder, or any attempt to do either, in violation of this Section or Section 25.90.8 shall be void.

25.90.8 Mergers/Acquisitions and Sales/Divestitures

(A) Subject to Sections 25.90.8(B), (C) and (D), all provisions of this Contract Offer No. 87 shall continue in full force and in effect notwithstanding any merger or acquisition affecting a party. merger or acquisition within the meaning of this provision, shall include, without limitation, any transaction in which the party, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of a merger of another entity with Customer or any Customer Affiliate, or the acquisition by the Customer and/or any Customer Affiliate of another company or a portion of the business of another company or a portion of the business of another company (including, but not limited to, any ACNA that is not an Eligible ACNA) (the "Acquired Property"), if the Acquired Property purchases any service from the Telephone Company, such service shall not be included in the Concurrently Subscribed Contract Offers for any purpose (including without adding any services or charges attributable to expansion of Customer's and/or any Permitted Affiliate's purchase of any services from the Telephone Company through an services from the Telephone Company through an Acquired Property), nor shall any credits or waivers be due or issued hereunder that are attributable or associated with such service or such Acquired Property. The "Transaction Close Date" shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased. Purchases by the Acquired Property shall not be part of any calculation hereunder, including, without limitation, as a MARC-Eligible Service, as generating MARC-Eligible Charges, to determine achievement of the MARC, in fulfilling the commitment set forth in this Contract Offer No. 87. or be eligible for any credits or waivers under this Contract Offer No. 87.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

- 25.90 <u>Contract Offer No. 87 Access Service Offer</u> (Cont'd)
 - 25.90.8 <u>Mergers/Acquisitions and Sales/Divestitures</u> (Cont'd)
 - (A) (Cont'd)
 - If Customer violates the provisions of this Section 25.90.8(A), then (without limiting any right the Qualifying Companies might otherwise have to terminate this Contract Offer No. 87 and the other Concurrently Subscribed Contract Offers):
 - (i) Customer shall notify the Telephone Company promptly upon the occurrence of such violation, or the Telephone Company, upon discovering the violation on its own, shall issue its own notice to Customer (either notice, a "Violation Notice"). Such a violation will be deemed to occur if (a) Customer or any Permitted Affiliate assigns any Eligible ACNAs to any existing MARC-Eligible Services purchased through an Acquired Property as of the closing of the acquisition of the Acquired Properties, or (b) Customer or any Permitted Affiliate disconnects any MARC-Eligible Services purchased under an ACNA of the Acquired Property and then re-purchases that same MARC-Eligible Service for the same end-user location under an Eligible ACNA; provided, however, that any such activity performed solely to reflect changes in services ordered by Customer's (or its Permitted Affiliate's) end user shall not be deemed a violation of this provision.
 - (ii) Upon a Violation Notice provided by either party, Customer and/or its Permitted Affiliates must promptly, and no later than sixty (60) days after the date of the Violation Notice, complete such activities in cooperation with the Telephone Company to exclude the Acquired Properties from the Concurrently Subscribed Contract Offers and to ensure such exclusion continues prospectively.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.8 Mergers/Acquisitions and Sales/Divestitures (Cont'd)

(A) (Cont'd)

(iii) In the event of a Violation Notice provided by either party, the Telephone Company shall calculate the effect of the violation (such effect may include, but is not limited to, any difference in charges paid by Customer, any Permitted Affiliate, or the Acquired Property as a result of the violation, any avoidance of shortfall or overage charges under the Tariffs as a result of the violation, any credits or waivers of termination liability charges as a result of the violation, and any avoidance of Shortfalls that Customer would have been required to pay had the Acquired Properties been excluded) for the period during which the violation occurred and for such time as the violation continues prospectively until cured ("Unearned Economic Benefit"). Customer, upon being billed by the Telephone Company, shall pay the Telephone Company the amount of such Unearned Economic Benefit plus: (a) in a case where Customer provided the Telephone Company the Violation Notice, interest at one percent (1.0%) per month for any period during which the violation resulted in Customer receiving an Unearned Economic Benefit, and (b) in a case where the Telephone Company provided Customer the Violation Notice, interest at three percent (3.0%) per month for any period during which the violation resulted in Customer and/or any Permitted Affiliate receiving an Unearned Economic Benefit.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.8 Mergers/Acquisitions and Sales/Divestitures (Cont'd)

(B) If, during the Term Period, any entity included in the definition of Qualifying Companies is no longer an Affiliate of the other entities included within such definition (a "Divested Entity or Entities"), then as of the closing date(s) of the relevant transaction(s), the Concurrently Subscribed Contract Offers shall be administered and enforced, and any rights or obligations of any party shall apply, separately to: (i) the Qualifying Companies (if any) that continue to be Affiliates (the "Remaining AT&T ILECs"), and (ii) the Divested Entity or Entities, after taking into account such relevant transaction(s). In particular, but without limitation, the MARCs, the Quarterly Maximum Credits, and the Quarterly Credits will be pro-rated between the Remaining AT&T ILECs, and the Divested Entity or Entities in proportion to the amount of the MARC-Eligible Charges (as defined in the Concurrently Subscribed Contract Offers) billed by the Remaining AT&T ILECs and by the Divested Entity or Entities, for the three full calendar months immediately prior to the Transaction Close Date of the relevant transaction(s).

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.8 Mergers/Acquisitions and Sales/Divestitures (Cont'd)

(C) If, during the Term Period, any transaction results in a portion of any entity included in the definition of Qualifying Companies being sold or otherwise transferred to a Non-Affiliate of such entity ("Acquirer"), then subject to a partial assignment of the Concurrently Subscribed Contract Offer applicable to such entity, as of the closing date(s) of the relevant transaction(s), the Concurrently Subscribed Contract Offers shall be administered and enforced, and any rights or obligations of any party shall apply, separately to:
(i) the Qualifying Companies (including their remaining portions) (if any) that continue to be Affiliates ("Remaining AT&T Properties"), and (ii) the Acquirer, after taking into account such relevant transaction(s). In particular, but without limitation, the MARCs, the Quarterly Maximum Credits, and the Quarterly Credits will be pro-rated between the Remaining AT&T Properties and the Acquirer in proportion to the amount of the MARC-Eligible Charges billed for MARC-Eligible Services (1) remaining with the Remaining AT&T Properties, and (2) that would be provided by the Acquirer, for the three full calendar months immediately prior to the Transaction Close Date of the relevant transaction(s). However, if, despite commercially reasonable efforts, pursued in good faith, the Acquirer refuses to accept partial assignment of the Concurrently Subscribed Contract Offer, then the MARCs, the Quarterly Maximum Credits, and the Quarterly Credits between the Remaining AT&T Properties and Customer under the other Concurrently Subscribed Contract Offers shall be reduced to reflect the proportional reduction in the amount of the MARC-Eligible Charges billed for MARC-Eligible Services that will be provided by the Remaining AT&T Properties immediately following the Transaction Close Date of the relevant transaction(s).

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.8 Mergers/Acquisitions and Sales/Divestitures (Cont'd)

- (D) If, during the Term, Customer and/or any of the Permitted Affiliates (collectively, "Customer Group") (or any portion of any of them, for example, in the event of an asset sale) no longer is an Affiliate of or Affiliated with, or (as in the case of an asset sale) otherwise part of, entities included within the Customer Group, then as of the closing date(s) of the relevant transaction(s), the Concurrently Subscribed Contract Offers shall be administered and enforced, and any rights or obligations of any party shall apply, only to the entities and portions thereof remaining in the Customer Group (the "Remaining Customer Entities"), after taking into account such relevant transaction(s). In particular, but without limitation, the MARCs, the Quarterly Maximum Credits, and the Quarterly Credits, will be reduced to reflect the proportional reduction to the amount of the MARC-Eligible Charges billed for MARC-Eligible Services that will be provided by the Qualified Companies to the Remaining Customer Entities immediately following the Transaction Close Date of the relevant transaction(s).
- (E) This Contract Offer No. 87 shall not apply to any ACNA listed in the Customer's written notice of subscription that is assigned or otherwise transferred. Sections 25.90.7(D) and (F) shall not apply to any partial assignment implemented in connection with a divestiture under this Section, and neither the partial assignor nor transferor shall have any remaining responsibility for the prospective performance of the Concurrently Subscribed Contract Offers and/or its obligations thereunder by the assignee or transferee, except to the extent otherwise expressly set forth in the documentation implementing said partial assignment. Any assignment or other transfer under Section 25.90.8(B), (C) or (D) shall only have prospective effect from the Transaction Close Date of the relevant transaction, including that such assignment or other transfer shall not relieve any of the parties from its obligations or liabilities attributable to the period prior to the Transaction Close Date. A party shall provide written notice to its planned partial assignment or other transfer under Section 25.90.8(B), (C) or (D) not less than thirty (30) days prior to the anticipated Transaction Close Date of the relevant transaction.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.9 Termination

- (A) Termination for Convenience. Customer may terminate all, but not less than all, of the Concurrently Subscribed Contract Offers at any time upon not less than ten (10) days' written notice to the Qualified Companies.
- (B) If any of the Concurrently Subscribed Contract Offers is terminated for any reason other than due to the material breach by a Qualifying Company, all of the other Concurrently Subscribed Contract Offers will also automatically and simultaneously terminate.
- (C) In the event of the termination of the Concurrently Subscribed Contract Offers as described in Section 25.90.9(A) or 25.90.9(B), the MARC for the Term Year, the Quarterly Maximum Credits, and the Quarterly Credit for the Quarter, in which the effective date of termination occurs will be prorated to such effective date, and the Annual True-Up Process will be used to determine fulfillment of such pro-rated MARC, with all calculations made with reference to such termination effective date (including the amount of MARC-Eligible Charges, and any MARC Shortfalls). Any such termination shall not affect any credits or waivers due prior to the effective date of termination.
- (D) If this Contract Offer No. 87 is terminated due to a material breach by the Telephone Company, any credits under Section 25.90.6(D) would be limited to order activity prior to the effective date of termination, and any credit under Section 25.90.6(E) for the month in which such termination occurs would be pro-rated to the effective date of such termination.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.9 <u>Termination</u> (Cont'd)

- (E) If any of the Concurrently Subscribed Contract Offers is terminated due to a material breach by a Qualifying Company, the Quarterly Credit and Quarterly Maximum Credit for the Quarter, and the MARC for the Term Year, in which the effective date of termination occurs will each be reduced, based upon such termination effective date and the proportions of the amount of the MARC-Eligible Charges billed for the period of the three full calendar months immediately prior to such termination by the Qualifying Companies that have effective Concurrently Subscribed Contract Offers, and by such terminated Qualifying Company. The Quarterly Maximum Credits and Quarterly Credits applicable to subsequent Quarters, and the MARCs applicable to subsequent Term Years, will each be reduced, based on the proportions of the amount of the MARC-Eligible Charges billed for the period of the three full calendar months immediately prior to such termination by the Qualifying Companies that have effective Concurrently Subscribed Contract Offers, and by such terminated Qualifying Company.
- (F) (1) If any portion of Section 25.90.3, Section 25.90.4, Section 25.90.5, or Section 25.90.6 of this Contract Offer No. 87 is found to be invalid, unenforceable, or otherwise contrary to applicable law, the Telephone Company or the Customer may, in its respective sole discretion, terminate this Contract Offer No. 87 upon (10) days' written notice to the other.
 - (2) If any portion of this Contract Offer No. 87 not addressed by Section 25.90.9(F)(1) is found to be invalid, unenforceable, or otherwise contrary to applicable law, the remaining provisions of this Contract Offer No. 87 will remain in effect.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.9 <u>Termination</u> (Cont'd)

- (G) After a transaction to which Section 25.90.8(B) or (C) applies,
 - (1) the termination of this Contract Offer No. 87 solely applicable to any portion of the Telephone Company remaining under the control of AT&T Inc. will not terminate this Contract Offer No. 87 as it applies to any Divested Entity or Entities, and
 - (2) the termination of this Contract Offer No. 87 solely applicable to any Divested Entity or Entities will not terminate this Contract Offer No. 87 as it applies to any portion of the Telephone Company remaining under the control of AT&T Inc.
- (H) Termination for Persistent MARC Shortfalls. If, pursuant to the Quarterly Review described in Section 25.90.5(C), above, the Qualified Companies determines that for two (2) consecutive Quarters the MARC-Eligible Charges are less than \$129,556,250, then the Qualified Companies in their sole discretion may, but shall not be required to, terminate the Concurrently Subscribed Contract Offers by providing written notice of termination to Customer within ninety (90) days after the end of the last of such two (2) consecutive Quarters. Such a termination shall not alter Customer's obligation to pay any Shortfall charges due hereunder (including any Quarterly Shortfall), or the Qualified Companies' obligation to issue any credits or waivers due under the Concurrently Subscribed Contract Offers for the period up until the date of termination. For avoidance of doubt, (a) the Quarterly Credit attributable to the last of such two (2) consecutive Quarters shall be due, and the Quarterly Shortfall owed for such Quarter shall be paid, and (b) termination under this Section shall not be considered to be a result of any material breach by Customer or any Permitted Affiliate.

BELLSOUTH TELECOMMUNICATIONS Four AT&T Plaza, Dallas, Texas 75202 TARIFF F.C.C. NO. 1 ORIGINAL PAGE 25-695

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.90 <u>Contract Offer No. 87 - Access Service Offer</u> (Cont'd)

25.90.10 Effect of Contract Offer No. 87 on Any Grandfathering or Sunsetting of Subject Services or Non-Subject Service Nothing in this Contract Offer No. 87 shall prevent the Telephone Company or any other Qualified Company from terminating the provision of Subject Services or Non-Subject Services, in part or in their entirely, prior to the end of the Term Period, to the extent permitted by applicable law provided that if any such action has the effect of materially reducing the Customer's and its Permitted Affiliates' MARC-Eligible Charges, the MARC. Quarterly Maximum Credits, and the Quarterly Credits shall be reduced in proportion to such reduction in the Customer's and its Permitted Affiliates' MARC-Eligible Charges. The Telephone Company and the Customer will meet and confer as necessary to determine the amount of such reduction.

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25. Pricing Flexibility Contract Offerings

(N)

25.91 <u>Contract Offer No. 88 – Access Service Offer</u>

(N)

25.91.1 General Description

a) (...)

This Special Access Service Offer (Contract Offer No. 88) (Nx) is a Spend Plan for which concurrent subscription is required to this Contract Offer and the following Contract Offers: Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 37; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 173; Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 223; and Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 193 (collectively, with this Contract Offer No. 88, Concurrently Subscribed Contract Offers). NBTC, PBTC, Ameritech and SWBT, with BellSouth Telecommunications, LLC (""Telephone Company") shall be identified herein as, collectively, the "Qualified Companies."

(Nx)

Subject to the Terms and Conditions set forth elsewhere in this Contract Offer No. 88 and the other Concurrently Subscribed Contract Offers, the Concurrently Subscribed Contract Offers allows eligible Customers to earn credits based upon its level of Spend-Eligible Charges ("Spend"), as defined in the Concurrently Subscribed Contract Offers. The Spend calculation reflects certain recurring revenue from, in the aggregate, all Spend-Eligible Services purchased from the Telephone Company, as set forth in in this Contract Offer No. 88, and certain services purchased from the other Qualified Companies, as set forth in the other Concurrently Subscribed Contract Offers.

Contract Offer No. 88 will be available for subscription only from January 29, 2016 through February 28, 2016. This offer is not renewable.

(N)

x - Issued under the authority of Special Permission No. 16-001 of the F.C.C.

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25. Pricing Flexibility Contract Offerings

(N)

25.91 Contract Offer No. 88 - Access Service Offer

25.91.2 <u>Subject and Non-Subject Services</u>

"Spend-Eligible Services" consist of both Subject Services, listed in Table A, below, and Non-Subject Services, listed in Table B, below, provided by the Telephone Company and located within the operating territory of the Telephone Company, as described in BellSouth Tariff F.C.C. No. 1, Section 15 (Operating Territory), except that in no event shall any services connecting to cell sites, mobile telecommunications switching offices (MTSOs), or mobile switching centers (MSCs) be considered Spend-Eligible Services. Spend-Eligible Charges include charges for Spend-Eligible Services that were in service as of the Subscription Date, as well as those placed in service during the Term Period.

(A) Subject Services

Subject Services are pricing flexibility qualified access services or rate elements listed in Table A, below. Subject Services are subject to all rates, terms and conditions of this Contract Offer.

Table A - Subject Services as referenced in 25.91.4 (A).

| Category | Services Included |
|--|---|
| Interstate Special Access located in Pricing Flexibility Metropolitan Statistical Areas (MSAs) | All Voice Grade (VG), DSO, DS1 and DS3 special access services or rate elements that are eligible for pricing flexibility |

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25. Pricing Flexibility Contract Offerings

(N)

25.91 Contract Offer No. 88 - Access Service Offer

25.91.2 <u>Subject and Non-Subject Services</u> (Cont'd)

(B) Non-Subject Services
Non-Subject Services are listed in Table B, below.
Non-Subject Services are included in Spend
calculations, but are not otherwise subject to the
rates, terms or conditions of this Contract Offer
No. 88.

<u>Table B</u> - <u>Non-Subject Services</u>

| Category | Services Included |
|--|---|
| Interstate Special Access Services provided by the Telephone Company but not located in Pricing Flexibility Metropolitan Statistical Areas (MSAs) and any rate elements located in Pricing Flexibility MSAs but not subject to pricing flexibility relief. | Any VG, DSO, DS1, and DS3 special access services and rate elements not listed in Table A |
| Intrastate Special Access | Intrastate services equivalent to the interstate services listed above as either Subject Services or Non-Subject Services |

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.2 <u>Subject and Non-Subject Services</u> (Cont'd)

- (C) All terms and conditions for those Spend-Eligible Services that are tariffed are governed by their respective tariff sections, except as otherwise provided in this Contract Offer No. 88. All terms and conditions for those Spend-Eligible Services that are not tariffed are governed by the applicable guidebooks, service guides or contracts.
- (D) No service purchased by Customer, or any of its Qualifying Affiliates, for the provision of Wireless Telecommunications Services, shall constitute a Subject Service or Non-Subject Service under this Contract Offer No. 88.
- (E) Subject Services and Non-Subject Services shall also include any additional similar or successor services which are subsequently provided by the Telephone Company and were not available as of the effective date of this Contract Offer No. 88.

25.91.3 <u>Definitions</u>

As used in this Contract Offer No. 88,

- (A) "Affiliate" means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term "own" means to own an equity interest (or the equivalent thereof) of more than 10 percent.
- (B) A "Permitted Successor" is a successor-in-interest to the Customer or a Qualifying Affiliate that is itself an Affiliate of Customer.
- (C) A "Qualifying Affiliate" means any Customer Affiliate (as Customer Affiliates exist on the Subscription Date) that meets any of the following:
 - (1) is a telecommunications carrier under applicable federal or state law; or
 - (2) has an assigned ACNA; or

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.3 <u>Definitions</u> (Cont'd)

- (C) (Cont'd)
 - is purchasing for resale or using an input into another service being offered or otherwise provided to non-Affiliates (a) any of the services in Table A or Table B, above, or (b) any interstate broadband services provided by any of the Qualified Companies; or
 - (4) is a customer of record with any of the Qualified Companies for (a) any of the services in Table A or Table B, above, or (b) any interstate broadband services provided by any of the Qualified Companies.
- (D) "Term Month" means a full calendar month during the Term Period. However, except the partial month from the Subscription Date until the end of the calendar month in which the Subscription Date occurs, the partial month at the start of a Measuring Period and the partial month at the end of the Measuring Period will each be a Term Month.
- (E) "Wireless Telecommunications Services" means wireless radio services, whether fixed or mobile, and are subject to regulation on a common carrier basis under federal law.

Interstate OCN PTP, DSRS, GigaMAN, DecaMAN, OPT-E-MAN, BellSouth Metro Ethernet Service, AT&T Switched Ethernet, WaveMAN, BellSouth Wavelength Service, BellSouth Wavelength Dedicated Ring Service, BellSouth Wavelength Channel Service, and AT&T Dedicated Ethernet services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been de-tariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook and http://cpr.att.com/pdf/commonEthServGuide.html.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.4 Eligibility Criteria

The following Eligibility Criteria apply to this Contract Offer No. 88:

(A) Contract Offer No. 88 is available for qualified special access services located in the Pricing Flexibility MSAs where the Telephone Company has been granted Phase II pricing flexibility, as listed in BellSouth Tariff F.C.C. No. 1, Section 23 and Phase I pricing flexibility in those additional MSAs listed below. During the Term Period of this Contract Offer No. 88, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 23 at the time of subscription, the Customer may, at its option, include Subject Services in those additional MSAs as eligible for the discounts under this Contract Offer No. 88.

Phase I - All Rate Elements (Including Channel Terminations):

| Thase I All Rate Elements (Theraaling chamier Terminations): | | | |
|--|----------------|----------------------------|-----------------------------------|
| Birmingham, AL | Huntsville, AL | Mobile, AL | Panama City, FL |
| Augusta, GA | Columbus, GA | Lexington- Fayette, KY | Alexandria, LA |
| New Orleans, LA | Asheville, NC | Charlotte- Gastonia, NC | Greenville- Spartanburg, SC |
| Clarksville- Hopkinsville, TN | | | |

Phase I - Rate Elements other than Channel Terminations

| Macon-Warner Robins, GA | Non-MSA, KY | Non-MSA, MS | Pascagoula, MS |
|----------------------------|-------------|-------------|-------------------|
| Non-MSA, NC | | | |

(B) During November 2015, the Customer and its Permitted Affiliates must have purchased from the Qualified Companies services included among the Subject Services and Non-Subject Services under this Contract Offer No. 88 and under the other Concurrently Subscribed Contract Offers, which services must have resulted in charges equivalent to those included in the Spend-Eligible Charges (as defined in the Concurrently Subscribed Contract Offers) in an aggregate amount of not less than \$13,750,000 and not greater than \$15,250,000.

ISSUED: JANUARY 28, 2016 EFFECTIVE: JANUARY 29, 2016

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.4 Eligibility Criteria (Cont'd)

- (C) At the end of November, 2015, the Customer and its Qualifying Affiliates must have had in-service with the Qualified Companies all of the following:
 - (1) no fewer than 47,000 interstate DS1 special access services with a local channel but no more than 52,000 interstate DS1 special access services with a local channel, that would qualify as Spend-Eligible Services, and
 - (2) no fewer than 2,200 interstate DS3 special access services with a local channel or multiplexers used with Interstate DS1 special access services but no more than 2,500 interstate DS3 special access services with a local channel or multiplexers used with Interstate DS1 special access services, that would qualify as Spend-Eligible Services.
- (D) Neither Customer nor its Qualifying Affiliates can be a provider of Wireless Telecommunication Services.
- (E) As of the Subscription Date, neither the Customer nor its Qualifying Affiliates may be purchasing from the Telephone Company interstate or intrastate special access services from the Telephone Company pursuant to any pricing flexibility contract offer intrastate "ICB" contract or other individually negotiated arrangement that includes any minimum volume or revenue commitment, other than any contract offer that will be terminated upon the Customer's subscription to this Contract Offer No. 88.

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.4 Eligibility Criteria (Cont'd)

- (F) The number of special access services channel termination components and local channel components purchased by the Customer and its Qualifying Affiliates from the Qualified Companies must not have decreased from the period from November 2014 through April 2015, inclusive (Period A), to the period from May 2015, through October 2015 (Period B), inclusive, by more than 1.3%. The foregoing will be determined by aggregating the number of inservice components at the end of each calendar month for Period A and comparing that number to the aggregate number of in-service components at the end of each calendar month for Period B.
- (G) Concurrently Subscribed Contract Offers. The Customer must concurrently subscribe to the following Contract Offers ("Concurrently Subscribed Contract Offers"):
 - NBTC Tariff F.C.C. No. 1, Contract Offer No. 37;
 - PBTC Tariff F.C.C. No. 1, Contract Offer No. 173;
 - SWBT Tariff F.C.C. No. 73, Contract Offer No. 193;
 - Ameritech Tariff F.C.C. No. 2, Contract Offer No. 223; and
 - BellSouth Tariff F.C.C. No. 1, Contract Offer No. 88.

(Nx)

(N)

x- Issued under the authority of Special Permission No. 16-001 of the F.C.C.

ISSUED: JANUARY 28, 2016 EFFECTIVE: JANUARY 29, 2016

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.5 Terms and Conditions

The following Terms and Conditions apply to this Contract Offer No. 88:

(A) Subscription.

To subscribe to Contract Offer No. 88, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The LOS must encompass Customer and all of its Qualifying Affiliates, and Customer must include, in the LOS, all Access Customer Name Abbreviations (ACNAs) used by Customer and its Qualifying Affiliates ("Eligible ACNAs"). The Eligible ACNAs must be identical to the ACNAs submitted in each written notice of such subscription submitted for each of the other Concurrently Subscribed Contract Offers. Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, this Contract Offer No. 88.

(B) Term Period

The term of this Contract Offer No. 88 ("Term Period") shall begin on the date that Customer submits a valid and executed Letter of Subscription (LOS) to the Telephone Company ("Subscription Date"), and shall end on June 20, 2017, subject to an extension as provided in this Section.

This Contract Offer No. 88 and the other Concurrently Subscribed Contract Offers may be extended by Customer for up to one (1) consecutive one-year extension periods by providing the Telephone Company and the other Qualified Companies with written notice of such exercise at least ninety (90) days prior to the then-applicable expiration date of the Term Period. If such notice is not received by such date, the Term Period will end on the following June 20th.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.5 <u>Terms and Conditions</u> (Cont'd)

(C) During the Term Period, the Customer and its Qualifying Affiliates (as each exists on the Subscription Date), in the aggregate, must meet each of the following criteria on the last day of each Measuring Period for purchases of Subject and Non-Subject Services from the Qualified Companies. The Term Period of this Contract Offer No. 88 may not be extended unless the term periods of all of the other Concurrently Subscribed Contract Offers are identically extended.

| Measuring Period | DS1 Volume Commitment | DS3 Volume Commitment |
|---|---|---|
| Period 1 Subscription Date - February 29, 2016 | No less than 44,563 in-service interstate and intrastate DS1 channel termination rate elements for local channels being purchased from the Qualified Companies on February 29, 2016. | No less than 2,337 in-service interstate and intrastate DS3 channel termination rate elements for local channels and multiplexers being purchased from the Qualified Companies on February 29, 2016. |
| Period 2 March 1, 2016-June 20, 2016 | No less than ninety percent (90%) of the aggregate number of inservice interstate and intrastate DS1 channel termination rate elements for local channels being purchased from the Qualified Companies on. February 29, 2016, | No less than ninety percent (90%) of the aggregate number of the inservice interstate and intrastate DS3 channel termination rate elements for local channels and multiplexers being purchased from the Qualified Companies on February 29, 2016. |
| Period 3 June 21, 2016-June 20, 2017 | No less than ninety percent (90%) of the aggregate number of inservice interstate and intrastate DS1 channel termination rate elements for local channels being purchased from the Qualified Companies on June 20, 2016. | No less than ninety percent (90%) of the aggregate number of the inservice interstate and intrastate DS3 channel termination rate elements for local channels and multiplexers being purchased from the Qualified Companies on June 20, 2016. |
| Period 4 Optional 1 June 21, 2017-June 20, 2018 | No less than ninety percent (90%) of the aggregate number of inservice interstate and intrastate DS1 channel termination rate elements for local channels being purchased from the Qualified Companies on June 20, 2017. | No less than ninety percent (90%) of the aggregate number of the inservice interstate and intrastate DS3 channel termination rate elements for local channels and multiplexers being purchased from the Qualified Companies on June 20, 2017 |

ISSUED: JANUARY 28, 2016 EFFECTIVE: JANUARY 29, 2016

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.5 <u>Terms and Conditions</u> (Cont'd)

- (C) (Cont'd)
 - (i) If the DS1 Volume Commitment is not met for any Measuring Period, the Telephone Company will bill, and the other Qualified Companies will bill under the Concurrently Subscribed Contract Tariff Offers, and Customer shall pay, a volume shortfall charge equal to (i) the difference between that Measuring Period's DS1 Volume Commitment less the actual in-service interstate and special DS1 access intrastate circuits Shortfall"), times the number of months in the Measuring Period times \$175.00 (the "DS1 Shortfall Charge"). The DS1 Shortfall Charge billed by each Qualified Company will be in proportion to the number of in-service interstate and intrastate DS1 channel termination rate elements for local channels being purchased from the Qualified Company on the last day of the Measuring Period to the aggregate number of such services being purchase from all Qualified Companies in that date.
 - If the DS3 Volume Commitment is not met for any (ii) Measuring Period, the Telephone Company will bill, and the other Qualified Companies will bill under the Concurrently Subscribed Contract Tariff Offers, and Customer shall pay, a volume shortfall charge equal to (i) the difference between that Measuring Period's DS3 Volume Commitment less the actual in-service interstate and intrastate DS3 special access circuits, times the number of months in the Measuring Period times \$650.00 (the "DS3 Shortfall Charge"). The DS3 Shortfall Charge billed by each Qualified Company will be in proportion to the number of in-service interstate and intrastate DS3 channel termination rate elements for local channels and multiplexers being purchased from the Qualified Company on the last day of the Measuring Period to the aggregate number of such services being purchase from all Qualified Companies in that date. (The DS1 Shortfall Charge and the DS3 Shortfall Charge are collectively, the "Volume Shortfalls" and each a "Volume Shortfall".)

25.91

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ISSUED: JANUARY 28, 2016 EFFECTIVE: JANUARY 29, 2016

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

Contract Offer No. 88 - Access Service Offer (Cont'd)

25.91.5 Terms and Conditions (Cont'd)

- (C) (Cont'd)
 - (iii) Failure to pay any Volume Shortfall shall be deemed a material breach of this Contract Offer No. 88.
 - (iv) If at the end of any Measuring Period, the DS1 Volume Commitment and/or DS3 Volume Commitment have not been met, the Telephone Company shall take into account any valid pending orders for installation and/or disconnection interstate and intrastate DS1 or DS3 special access circuits that were submitted and not installed during that Measuring Period in determining any Volume Shortfall.
 - (v) If any orders taken into account pursuant to Section 25.91.5.C(iv) are cancelled and, as a result, the DS1 Volume Commitment or DS3 Volume Commitment has then not been met for the Measuring Period, Customer will be charged the applicable Volume Shortfall for that Measuring Period.
- (D) Credits earned under this Contract Offer No. 88 and the other Concurrently Subscribed Contract Offers shall be applied as described in Section 25.91.6, below, and in the analogous sections of the other Concurrently Subscribed Contract Offers.
- (E) Except as provided in Section 25.91.5(F), credits earned under this Contract Offer No. 88 are in addition to, and do not alter, any existing service discounts/term plans available in the Telephone Company's generally applicable tariffs or other Telephone Company contract offers.

ISSUED: JANUARY 28, 2016 EFFECTIVE: JANUARY 29, 2016

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.5 <u>Terms and Conditions</u> (Cont'd)

- (F) Spend-Eligible Services under this Contract Offer No. 88 may not be purchased pursuant to any pricing flexibility contract offer, intrastate "ICB" contract or other individually negotiated tariff or agreement that includes any minimum volume or revenue commitment, other than the Concurrently Subscribed Contract Offers (any such precluded tariffs or agreements hereafter referred to as an "Other Commitment Agreement"), unless the Other Commitment Agreement expressly refers to this Contract Offer No. 88 and expressly permits the Customer to purchase such services subject to this Contract Offer No. 88 and such Other Commitment Agreement. The word "purchase," as used in the foregoing sentence, refers to the Customer or any of its Affiliates obtaining or using any service in exchange for compensation, regardless of when the service was ordered or installed.
- (G) Credits to be provided under this Contract Offer No. 88 will not be issued unless and until the Customer and/or its Qualifying Affiliates have paid all billed charges for Spend-Eligible Services due and owing to the Qualified Companies as of the date the credits are issued (excluding amounts disputed and withheld in accordance with the applicable Qualified Company's dispute process), and are otherwise in material compliance with the Concurrently Subscribed Contract Offers.
- (H) During the Term Period, Customer and/or any of its Qualifying Affiliates must purchase all interstate DS1 special access services from the Telephone Company subject to an ACP, as defined in Section 25.91.6(B), below. Failure to do so would be a material breach of this Contract Offer No. 88, which would allow the Telephone Company to terminate this Contract Offer No. 88. If, however, Customer inadvertently fails to order Special Access Services subject to a Covered ACP, Customer shall be permitted to cure such failure.

BELLSOUTH TELECOMMUNICATIONS 675 W. Peachtree St. NW, Atlanta, GA 30308 TARIFF F.C.C. NO. 1 1ST REVISED PAGE 25-709 CANCELS ORIGINAL PAGE 25-709

ISSUED: SEPTEMBER 19, 2016 EFFECTIVE: SEPTEMBER 20, 2016

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.5 <u>Terms and Conditions</u> (Cont'd)

(I) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of BellSouth Tariff F.C.C. No. 1 (Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Additional Engineering, Additional Labor & Miscellaneous Services), and such terms and conditions may be modified through the filing of tariff changes at any time during the Contract Term. However, such tariff modifications will not change the Terms and Conditions described in this Contract Offer No. 88.

25.91.6 Credits and Waivers

(A) Spend Credits

"Spend-Eligible Charges" means the billed recurring and non-recurring charges, after application of any discounts or credits applicable to those recurring and non-recurring revenues (except those issued under this Contract Offer No. 88), as well as adjustments for overbilling, underbilling and billing dispute settlements for, in the aggregate, the Spend-Eligible Services, which are purchased by and billed to Customer and its Qualifying Affiliates (as each exists as of the Subscription Date) (or their Permitted Successors under the Eligible ACNAs. Spend-Eligible Charges shall specifically exclude the following:

(N)

(N)

- (1) usage-based charges;
- (2) temporary service charges;
- (3) special construction charges;
- (4) fractional and partial recurring charges;
- (5) customer premise equipment charges;
- (6) charges for services provided by a non-Affiliate third party service provider;
- (7) taxes, surcharges or government-related charges;
- (8) Expanded Interconnection Terminations, Interconnection Tie Pairs or Cross-Connect charges under any Affiliate's Interconnection Agreement;

(This page filed under Transmittal No. 124)

25.91

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ISSUED: JANUARY 28, 2016 EFFECTIVE: JANUARY 29, 2016

ACCESS SERVICE

Contract Offer No. 88 - Access Service Offer (Cont'd)

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91.6 <u>Credits and Waivers</u> (Cont'd)

- (A) Spend Credits (Cont'd)
 - (9) shortfall and termination charges;
 - (10) charges for ACNAs for which Customer or a Qualifying Affiliate ceases to become responsible during the term of this Contract Offer No. 88, but only with respect to those charges incurred after Customer or a Qualifying Affiliate ceases to be responsible for such ACNAs; and
 - (11) charges invoiced outside of the Carrier Access Billing System (CABS).

For each Term Month, subject to Section 25.91.5, the Customer is eligible for a single Spend credit under this Contract Offer No. 88 and the other Concurrently Subscribed Contract Offers. The single Spend credit would be in an amount equal to four percent (4%) times the Spend for such Term Month under this Contract Offer No. 88 and the other Concurrently Subscribed Contract Offers ("Spend Credit").

The Spend Credit will be issued during the third calendar month after the Term Month to which it is attributable and will be divided among the Qualified Companies in proportion to the Spend-Eligible Charges under the Concurrently Subscribed Contract Offers (unless otherwise agreed).

The Spend Credit shall not be posted if the Customer is in material breach of any Concurrently Subscribed Contract Offers No. 88, or Customer or any of its Qualifying Affiliates is in material breach of any other terms and conditions governing the Subject Services, including, without limitation, failure to pay any undisputed amount due for Subject Services, until such breach is cured or payment for undisputed amounts is made by Customer or such Qualifying Affiliate.

ISSUED: JANUARY 28, 2016 EFFECTIVE: JANUARY 29, 2016

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 – Access Service Offer</u> (Cont'd)

25.91.6 <u>Credits and Waivers</u> (Cont'd)

(B) <u>Conditions to Certain Other Credits</u>

To be eligible to earn any of the credits under Section 25.91.6(C) or DS1 Plan Credits under Section 25.91.6(D) with respect to any Term Month during the Term Period, Customer and its Qualifying Affiliates must subscribe to the Area Commitment Plan ("ACP"), except to the extent that the Telephone Company eliminates the ACP or and the Customer is not allowed to re-subscribe. The Customer's commitment level (as that term is used in connection with the ACP) will be set at the level of Customer's purchase of each ACP rate element (Local Channel, Multiplexer and Channel Mileage) as of the date the Customer subscribes to this Contract Offer; provided however, that if the Customer is subscribing to the ACP as of the effective date of this Contract Offer, then the Customer's commitment level will remain the same as it was on that date. The ACP is described in Section 2.4.8 and 7.4.15 of BellSouth Tariff FCC No. 1.

(C) $\underline{\text{Termination Liability, Special Construction and NRC}}$ Credits

Starting with Measuring Period 2, the Telephone Company will bill, and the Customer and its Qualifying Affiliates shall pay, the termination liability charges, special constructions and nonrecurring charges for DS1, DS3 Subject Services in accordance with the Telephone Company's Tariff F.C.C. No. 1 ("Credit Eligible Charges"). The Telephone Company will issue a credit in the amount equal to such Credit Eligible Charges due from the Customer and its Qualifying Affiliates that are billed in a Measuring Period if, in addition to Customer and its Qualifying Affiliates meeting the conditions in Section 25.91.6(B) for such Measuring Period and the other requirements of the Concurrently Subscribed Contract Offers, such DS1 or DS3 Subject Service meets all of the following conditions:

25.91

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ISSUED: JANUARY 28, 2016 EFFECTIVE: JANUARY 29, 2016

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Contract Offer No. 88 - Access Service Offer (Cont'd)

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91.6 <u>Credits and Waivers</u> (Cont'd)

- (C) <u>Termination Liability</u>, <u>Special Construction and NRC Credits</u> (Cont'd)
 - (1) Such DS1 or DS3 Subject Service was not disconnected by the Telephone Company as a result of a breach of the applicable Tariffs;
 - (2) Any such DS1 or DS3 Subject Service must not have received a termination liability credit under another revenue-based or volume-based offer, or otherwise received a waiver of such termination liability charge or other credit in an amount equal to such termination liability charge;
 - (3) Customer must be in compliance with all material provisions of this Contract Tariff Offer No. 88, including, but not limited to, the payment of all non-disputed charges by the due date;
 - (4) Customer must have met both the DS1 Volume Commitment and DS3 Volume Commitment for the Measuring Period or, alternatively, must have paid any Volume Shortfalls due;
 - (5) Such DS1 Subject Service must have been in service for a minimum of thirty (30) days for its early termination charges/liabilities to be eligible for a credit; and
 - (6) Such DS3 Subject Service must have been in service for a minimum of twelve (12) months for its early termination charges/liabilities to be eligible for a credit;

Credit will not be provided under this Section until any Volume Shortfalls as describe in Section 25.91.6.C(4) have been paid, provided that such Volume Shortfalls charges are paid within thirty (30) days after AT&T's notice that the credit is being withheld.

The aggregate amount of the credit for Credit Eligible Charges paid by the Qualified Companies during a Measuring Period will not exceed the following amounts.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.6 <u>Credits and Waivers</u> (Cont'd)

(C) <u>Termination Liability</u>, <u>Special Construction and NRC Credits</u> (Cont'd)

| Measuring Period | Credit |
|---------------------------|-------------|
| Period 2 | \$668,500 |
| Period 3 | \$2,000,000 |
| Period 4 Optional 1 | \$2,000,000 |

Any credit due under this Section 25.91.6(C) will be issued during the third calendar month after the Measuring Period in which such Credit Eligible Charges were billed. The Telephone Company will calculate the credit amount and notify Customer of the BANs on which these credits will be issued.

Any unused amount of such credit shall not be carried forward to any subsequent Measuring Period, or carried backward to any prior Measuring Period.

(D) DS1 Plan Credits

The Telephone Company will provide credits in an amount equal to any shortfall charges that apply as a result of Customer failing to meet its commitment level as referenced in Section 25.91.6(B) (except for any such charges attributable to circuits disconnected by the Telephone Company as a result of a breach of the applicable Tariffs). Any such credits shall be issued within ninety (90) days after the end of the Measuring Period and will applied to invoices for Subject Services.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.6 <u>Credits and Waivers</u> (Cont'd)

(E) Customer shall be issued a one-time credit under this Contract Offer No. 88 in the amount of \$137,750.00 within sixty (60) days of the end of the first Term Month. One-time credits will also be issued under each of the other Concurrently Subscribed Contract Offers.

25.91.7 <u>Assignment/Transfer/Successors</u>

- (A) Neither party shall assign or otherwise transfer this Contract Offer No. 88, or its rights or obligations hereunder, to any person or entity without the prior written consent of the other party, which shall not be unreasonably withheld or delayed, provided, however, that Customer shall have the right, without the consent of but with notice to the Telephone Company, to assign or otherwise transfer the entirety of this Contract Offer No. 88 to any Qualifying Affiliate, so long as:
 - (i) the other Concurrently Subscribed Contract Offers are likewise assigned or otherwise transferred in their entirety to that same Affiliate; and
 - (ii) that Affiliate otherwise qualifies under this Contract Offer No. 88 and the other Currently Subscribed Contract Offers.

Any assignment or other transfer shall be subject to the other party's rights under this Contract Offer No. 88 and the other Concurrently Subscribed Contract Offers, any assignee or transferee shall continue to perform the assigning or transferring party's obligations under this Contract Offer No. 88, and any assignment or transfer by the Customer shall be subject to the provisions of Section 25.91.7(B), below. Any assignment or other transfer of this Contract Offer No. 88, or the rights or obligations hereunder, or any attempt to do either, in violation of this provision shall be void.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.7 <u>Assignment/Transfer/Successors</u> (Cont'd)

- (B) Any proposed assignee or transferee must satisfy the following conditions: (i) the proposed assignee or transferee must demonstrate credit worthiness under both (1) and (2), below (and if (1) and (2) are not applicable to Customer, then (3) shall apply); (ii) neither the proposed assignee or transferee nor its parent may have commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it) at any time during the Term Period, and (iii) the proposed assignee or transferee meets the Eligibility Criteria set forth in Section 25.91.4, above.
 - (1) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission, or if any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade.
 - (2) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g., Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (a) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (b) "high risk" in a Paydex score as published by Dun and Bradstreet.

25.91

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ISSUED: JANUARY 28, 2016 EFFECTIVE: JANUARY 29, 2016

ACCESS SERVICE

Contract Offer No. 88 - Access Service Offer (Cont'd)

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91.7 <u>Assignment/Transfer/Successors</u> (Cont'd)

- (B) (Cont'd)
 - (3) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (1) or (2) of this Section 25.91.7(B) is not available, the Telephone Company shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

25.91.8 <u>Mergers/Acquisitions and Sales/Divestitures</u>

(A) Except as provided in Section 25.91.8(B), all provisions of this Contract Offer No. 88 shall continue in full force and in effect notwithstanding any merger or acquisition affecting a party. A merger or acquisition within the meaning of this provision, shall include, without limitation, any transaction in which the party, in whole or in part, merges with, acquires, is acquired by, or sells all or substantially all its stock or assets to any other entity, or purchases all or substantially all stock or assets of another company. Upon the Transaction Close Date of a merger or acquisition, if the entity other than the Customer involved in the merger or acquisition purchases any service from any Telephone Company entity, such service shall not be included in this Contract Offer No. 88 for any purpose. The "Transaction Close Date" shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased. Purchases by the other entity shall not be part of any calculation hereunder, including, without limitation, as a Spend-Eligible Service, as generating Spend-Eligible Charges, in determining achievement of the requirements of Section 25.91.5(C), or be eligible for any credits under this Contract Offer No. 88.

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.8 <u>Mergers/Acquisitions and Sales/Divestitures</u>

If, during the Term Period, any of the Qualified (B) Companies (or any portion of any of them) is no longer under the control of AT&T Inc. (a "Divested Entity"), then as of the closing date(s) of the relevant transaction(s), any Concurrently Subscribed Contract Offer applicable to a Divested Entity shall be administered and enforced, and any rights or obligations of either party to this Contract Offer No. 88 shall apply separately to: (i) the Telephone Company (or any portion of Telephone Company (if any)) remaining under the control of AT&T Inc., and (ii) the Divested Entity or Entities, after taking into account such relevant transaction(s). In particular, but without limitation, the conditions (as provided in Section 25.91.5(C)) required to qualify for credits under this Contract Offer No. 88 will be pro-rated between any portion of Qualified Companies (or any portion of any of them) remaining under the control of AT&T Inc. (the "Remaining AT&T ILECs"), and the Divested Entity or Entities in proportion to the Circuit Volumes billed by the Remaining AT&T ILECs and by the Divested Entity or Entities at the end of the full calendar month immediately prior to the Transaction Close Date of the relevant transaction(s).

Notwithstanding the foregoing paragraph, nothing in this Section 25.91.8(B) shall prevent the lawful modification or termination of this Contract Offer No. 88 as applicable to the Telephone Company, any portion of Telephone Company (if any) remaining under the control of AT&T Inc., or any Divested Entity or Entities, in accordance with this Contract Offer No. 88 and applicable law and regulation.

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.9 <u>Effect of Contract Offer No. 88 on Any Grandfathering or</u> Sunsetting of Subject Services or Non-Subject Services

Nothing in this Contract Offer No. 88 shall prevent the Qualified Companies from terminating the provision of Subject Services or Non-Subject Services, in part, or in their entirely, prior to the end of the Term Period, to the extent permitted by applicable law. To the extent that such termination occurs, however, Customer may terminate this Contract without any termination liability charge as described in Section 25.91.10.

25.91.10 Termination

(A) Termination Liability Charge

If, prior to the completion of the Term Period, the Customer terminates this Contract Offer No. 88 or any of the other Concurrently Subscribed Contract Offers for any reason other than material breach by the Telephone Company, or if the Telephone Company terminates this Contract Offer No. 88 as a result of a material breach by Customer or any of its Qualifying Affiliates, then this Contract Offer No. 88 shall be terminated (if not already terminated) and the Customer shall forego (or repay, if applicable), as a termination liability charge, fifty (50%) of the credits and waivers issued or due under this Contract Offer No. 88 during the Measuring Period in which the effective date of termination occurs, up to the effective date of termination.

Customer will pay any termination liability charge due to the Telephone Company within 30 days of the Telephone Company invoice date for such charge, provided, however, that the Customer shall not repay any amount attributable to any such credits or waivers that have not been, or are not, issued by the Telephone Company (and the Telephone Company will not be obligated to issue any such credits which were due but not issued prior to such termination).

ISSUED: JANUARY 28, 2016 EFFECTIVE: JANUARY 29, 2016

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.91 <u>Contract Offer No. 88 - Access Service Offer</u> (Cont'd)

25.91.10 Termination

- (B) If any portion of this Contract Offer No. 88 is found to be invalid, unenforceable, or otherwise contrary to applicable law, the Telephone Company or the Customer may, in its respective sole discretion, terminate this Contract Offer No. 88 upon ten (10) days' written notice to the other.
- (C) After a transaction to which Section 25.91.8(B) applies, (i) the termination of this Contract Offer No. 88 solely applicable to any portion of the Telephone Company remaining under the control of AT&T Inc. will not terminate this Contract Offer No. 88 as it applies to any Divested Entity or Entities, and (ii) the termination of this Contract Offer No. 88 solely applicable to any Divested Entity or Entities will not terminate this Contract Offer No. 88 as it applies to any portion of the Telephone Company remaining under the control of AT&T Inc.

ISSUED: MAY 16, 2016 EFFECTIVE: MAY 17, 2016

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings

(N)

25.92 <u>Contract Offer No. 89 - Access Service Offer</u>

(N)

25.92.1 General Description

(N x)

The Special Access Service Offer (Contract Offer No. 89) is a Minimum Annual Revenue Commitment attainment plan for which concurrent subscription is required to this Contract Offer and the following Access Tariffs: Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 174; Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 194; Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 224; and Nevada Bell Telephone Company (NBTC) Tariff F.C.C No. 1, Contract Offer No. 38 (collectively, with this Contract Offer No. 224 referred to as the "Concurrently Subscribed Contract Offers". Ameritech, NBTC, PBTC, and SWBT, together with the Telephone Company, shall be identified herein as the "Qualified Companies."

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The Concurrently Subscribed Contract Offers allow the Customer to qualify for certain credits based on its attainment of a "Minimum Annual Revenue Commitment" or "MARC," as described in Section 25.92.5, below. The MARC consists of certain recurring revenue from "Contributory Services," as defined in Section 25.92.2, below, that the Customer purchases from the Qualified Companies.

Contract Offer No. 89 will be available for subscription only from May 17, 2016 through June 16, 2016. This Contract Offer is not renewable.

25.92.2 <u>Subject and Non-Subject Services</u>

"MARC-Eligible Services" under the Concurrently Subscribed Contract Offers are Subject Services, listed in Table A, below, and Non-Subject Services, listed in Table B, below, provided by the Telephone Company and located within the operating territories of the Qualified Companies, as well as "Subject Services" and "Non-Subject Services" as defined in the other Concurrently Subscribed Contract Offers.

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ISSUED: MAY 16, 2016 EFFECTIVE: MAY 17, 2016

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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- 25.92 <u>Contract Offer No. 89 Access Service Offer</u> (Cont'd)
 - 25.92.2 <u>Subject and Non-Subject Services</u> (Cont'd)
 - (A) <u>Subject Services</u>
 - (1) Subject Services are pricing flexibilityqualified access services and associated rate elements, as identified in Table A, below.

<u>Table A - Subject Services</u>

| Category | Services Included |
|---------------------------|---|
| Interstate Special Access | |
| Located in Pricing | DS3, except for any rate elements not subject |
| Flexibility Metropolitan | to pricing flexibility |
| Statistical Areas (MSAs) | |

(2) Subject Services must be located in the Pricing Flexibility MSAs where the Telephone Company has been granted Phase II pricing flexibility, as listed in BellSouth Tariff F.C.C. No. 1, Section 23, and those additional MSAs listed below. During the Term Period of this Contract Offer, if the Telephone Company is granted pricing flexibility relief in additional MSAs, the Customer may, at its option, include Subject Services in those additional MSAs as eligible for the discounts under this Contract Offer.

Phase I - All Rate Elements (Including Channel Terminations)

| Birmingham, AL | Huntsville, AL | Mobile, AL | Panama City, FL |
|-------------------------------------|-------------------|----------------------------|-----------------------------------|
| Augusta, GA | Columbus, GA | Lexington- Fayette, KY | Alexandria, LA |
| New Orleans, LA | Asheville, NC | Charlotte- Gastonia, NC | Greenville- Spartanburg, SC |
| Clarksville- Hopkinsville, TN | | | |

Phase I - Rate Elements other than Channel Terminations

| Macon-Warner Robins, GA | Non-MSA, KY | Non-MSA, MS | Pascagoula, MS |
|----------------------------|-------------|-------------|-------------------|
| Non-MSA, NC | | | |

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ISSUED: MAY 16, 2016 EFFECTIVE: MAY 17, 2016

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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25.92 <u>Contract Offer No. 89 - Access Service Offer</u> (Cont'd)

25.92.2 <u>Subject and Non-Subject Services</u> (Cont'd)

- (A) Subject Services (Cont'd)
 - (3) Subject Services ordered and purchased by the Customer prior to its subscription to this Contract Offer will be referred to as "Existing Subject Services."

Subject Services that were not being purchased from the Telephone Company prior to its subscription to this Contract Offer will be referred to as "New Subject Services."

(B) <u>Non-Subject Services</u> Non-Subject Services are listed in Table B, below.

<u>TABLE B- Non-Subject Services</u> will be included in calculations related to the "Minimum Annual Revenue Commitment," as defined in Section 25.92.1, but are not otherwise subject to this Contract Offer.

| Category | Service ¹ |
|---|---|
| Interstate Special Access Services | DS1, except for any rate elements not subject to pricing flexibility |
| Interstate Special Access Services | BellSouth Metro Ethernet Service, AT&T Switched Ethernet sM Service |
| Intrastate Special Access and/or Equivalent Non- Switched Exchange Services (Excluding Private Line Services) | DS1, DS3, Optical Ethernet Metropolitan Area Network (OPT-E-MAN®), AT&T Switched Ethernet Service |
| AT&T Corp. | AT&T OPT-E-WAN® Virtual Private LAN Service (VPLS) |

Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been detariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.92 <u>Contract Offer No. 89 - Access Service Offer</u> (Cont'd)

25.92.2 <u>Subject and Non-Subject Services</u> (Cont'd)

- (C) All terms and conditions for those Subject Services and Non-Subject Services that are tariffed are governed by their respective tariff sections, except as noted in this Contract Offer with respect to Subject Services. All terms and conditions for those Non-Subject Services that are not tariffed are governed by the applicable guidebooks, service guides or contracts.
- (D) Subject Services and Non-Subject Services shall also include any similar or successor services which are provided by the Qualified Companies and which were not available as of the effective date of this Contract Offer.

25.92.3 <u>Eligibility Criteria</u>

The following Eligibility Criteria apply to this Contract Offer:

- (A) The Customer must have a minimum of 6,000 interstate special access DS1 circuit and 650 interstate special access DS3 circuits in service with the Qualified Companies, as of the effective date of this Contract Offer.
- (B) The Customer must have purchased interstate special access DS1 and DS3 services from the Qualified Companies for which aggregate monthly recurring charges were not less than \$ 1,543,000.00 (net of any applicable discounts and credits) for the month immediately prior to the effective date of this Contract Offer.
- (C) The Customer must have been purchasing a minimum of seventy-five percent (75%) of its DS3 interstate special access circuits under either 5-year or 7-year term commitments, in aggregate, including purchases from all of the Qualified Companies, during the last six months prior to the Subscription Date of this Contract Offer (as defined in Section 25.92.4(B), below).

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ISSUED: MAY 16, 2016 EFFECTIVE: MAY 17, 2016

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

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25.92 <u>Contract Offer No. 89 - Access Service Offer</u> (Cont'd)

25.92.3 Eligibility Criteria (Cont'd)

(C) (Cont'd)

Example: If the Customer purchased more than seventy-five percent (75%) of its DS3 interstate special access circuits subject to 5-year term commitments, in the aggregate from all of the Qualified Companies, the Customer would be eligible to order and purchase DS3 Subject Services under this Contract Offer at five-year rates.

Example: If the Customer purchased more than seventy-five percent (75%) of its DS3 interstate special access circuits subject to 7-year term commitments, in the aggregate from all of the Qualified Companies, the Customer would be eligible to order and purchase DS3 Subject Services under this Contract Offer at seven-year rates.

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(Nx)

- (A) The Customer must concurrently subscribe to the following Contract Offers:
- (1) Ameritech Tariff F.C.C No. 2, Contract Offer No. 224;
- (2) BellSouth Tariff F.C.C. No. 1, Contract Offer No. 89;
- (3) NBTC Tariff F.C.C. No. 1, Contract Offer No. 38;
- (4) PBTC Tariff F.C.C. No. 1, Contract Offer No. 174; and
- (5) SWBT Tariff F.C.C. No. 73, Contract Offer No. 194.

x - Issued under the Authority of Special Permission No. 16-006 of the F.C.C. (N)

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.92 <u>Contract Offer No. 89 - Access Service Offer</u> (Cont'd)

25.92.4 General Terms and Conditions

The following General Terms and Conditions apply to this Contract Offer No. 89:

(A) Subscription

To subscribe to Contract Offer, the Customer must submit Letters of Subscription (LOS) to the Qualified Companies. The Customer must provide, at the time of subscription, all Access Customer Name Abbreviations (ACNAs) that the Customer designates for inclusion in the Concurrently Subscribed Contract Offers for itself and any of its "Affiliates" that may purchase service pursuant to the Concurrently Subscribed Contract Offers (hereafter referred to as "Eligible ACNAs").

Services ordered or purchased under other ACNAs may not be transferred to, or converted for inclusion under, the Concurrently Subscribed Contract Offers, unless otherwise agreed in writing by the parties.

BELLSOUTH TELECOMMUNICATIONS TARIFF F.C.C. NO. 1 675 W. Peachtree St. NW, Atlanta, GA 30308 TARIFF F.C.C. NO. 1

ISSUED: MAY 16, 2016 EFFECTIVE: MAY 17, 2016

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.92 <u>Contract Offer No. 89 - Access Service Offer</u> (Cont'd)

25.92.4 General Terms and Conditions (Cont'd)

(B) Term Period

The term of this Contract Offer (Term Period) will begin on the first day of the first calendar month following the date the Qualified Companies receive signed Letters of Subscription (LOS) from the Customer (that date to be referred to as the "Subscription Date"), and will continue until October 31, 2019. Each period of twelve (12) consecutive months during the Term Period, beginning from the Subscription Date, shall be referred to as a Term Year; provided however, that the final Term Year will begin on the third anniversary of the Subscription Date and end on October 31, 2019. Each period of three (3) consecutive months during the Term Period. beginning from the Subscription Date, shall be referred to as a Quarter; provided however, that the final Quarter of the Term Period will begin thirtynine (39) months after the Subscription Date and end on October 31, 2019. Upon expiration of the Term Period, Subject Services will be provided at the prevailing month-to-month rates as provided in BellSouth Tariff F.C.C. No. 1, Sections 7 or 23, or if there are no month-to-month rates, then at the rates applicable to the shortest available term. unless the Customer disconnects the services or chooses another applicable rate.

(N)

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.92 Contract Offer No. 89 - Access Service Offer (Cont'd)

25.92.4 General Terms and Conditions (Cont'd)

(C) Service Term

Subject Services must be ordered and purchased subject to the Term Period applicable to DS3 service under this Contract Offer, as provided in Section 25.92.3(C) (Service Term). Customer shall order any New Subject Services under this Contract Offer by submitting an ASR, including the PNUM of this Contract Offer, to the Telephone Company. Customer may convert any Existing Subject Services to this Contract Offer either: (1) by submitting one or more ASRs, including the PNUM of this Contract Offer, to the Telephone Company, or (2) by requesting a bulk conversion project, to be coordinated by the Telephone Company. In either case, Existing Subject Services must begin a new service term upon conversion to this Contract Offer. Termination liability charges will not apply as a result of such conversion.

Upon expiration of the Service Term. Subject Services will be provided at the prevailing month-to-month rates as provided in BellSouth Tariff F.C.C. No. 1, Sections 7 or 23, or if there are no month-to-month rates, then at the rates applicable to the shortest available term, unless the Customer disconnects the services or chooses another applicable rate.

(D) Commingling of Subject Services is defined in BellSouth Tariff F.C.C. No. 1, Section 2.6. During the Term Period, the Customer may not at any time be obtaining from the Qualified Companies a greater number of Subject Services that are commingled with one or more unbundled network elements than the number of such Subject Services in place as of the Subscription Date.

(N)

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.92 <u>Contract Offer No. 89 - Access Service Offer</u> (Cont'd)

25.92.4 General Terms and Conditions (Cont'd)

- (E) The Customer may not be a party to any agreement for detariffed interstate access services provided by any of the Qualified Companies ("Broadband Agreement") or any other pricing flexibility contract tariff, if the Broadband Agreement or pricing flexibility contract tariff contains any revenue or volume commitment or attainment level, as of the effective date of the Contract Offer (Commitment Agreement), unless the Commitment Agreement expressly allows the Customer to participate in both the Commitment Agreement and the Concurrently Subscribed Contract Offers.
- (F) If, during the Term Period, any of the Qualified Companies or any portion of any such Qualified Company is no longer under the ownership and control of AT&T Inc. (a "Divested Entity"), then as of the closing date(s) of the relevant transaction(s), any Concurrently Subscribed Contract Offer applicable to a Divested Entity shall be administered and enforced, and any rights or obligations of either party to such Contract Offer shall apply, separately to: (i) the Qualified Companies (and any portions of Qualified Companies) remaining under the ownership and control of AT&T Inc. and (ii) the Divested Entity or Entities. In particular, but without limitation, the MARC (as provided in Section 25.92.5) and the amount of MARC-Eligible Charges required to qualify for Plan Shortfall Charges (as provided in Section 25.92.6(C)) shall be pro-rated between the Qualified Companies (and any portions of Qualified Companies) remaining under the ownership and control of AT&T Inc. and the Divested Entity or Entities in proportion to the amount of MARC-Eligible Charges billed by the Qualified Companies (and any portions of Qualified Companies) remaining under the ownership and control of AT&T Inc. and the Divested Entity or Entities, for the three months immediately prior to the closing date(s) of the relevant transaction(s).

Notwithstanding the foregoing paragraph, nothing in this Section 25.92.4(H) shall prevent the lawful modification or termination of any of the Concurrently Subscribed Contract Offers, as applicable to any Qualified Company or Divested Entity.

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.92 <u>Contract Offer No. 89 - Access Service Offer</u> (Cont'd)

25.92.4 General Terms and Conditions (Cont'd)

(G) If, prior to the Customer's Subscription to this Contract Offer, the Customer subscribed to Contract Offer 84, this Contract Offer will supersede Contract Offer 84.

25.92.5 Minimum Annual Revenue Commitment

The Customer must satisfy a Minimum Annual Revenue Commitment (MARC) for each Term Year of this Contract Offer. The MARC shall be satisfied by gross billed recurring revenue, after application of any discounts or credits applicable to those recurring revenues (except those issued under the Concurrently Subscribed Contract Offers), as well as adjustments for overbilling, underbilling and billing dispute settlements issued during that Term Year for Subject Services and Non-Subject Services purchased by and billed to Customer under the Eligible ACNAs (collectively, "MARC-Eligible Charges"). The Customer's MARC-Eligible Charges shall specifically exclude non-recurring charges, usage-based charges and temporary service charges. Credits under this Contract Offer are conditioned on the Customer's satisfaction of the MARC in each Term Year. Satisfaction of the MARC shall be determined according to MARC-Eligible Revenue.

The MARC for the first Term Year will be equal to ninety-five percent (95%) of the Customer's MARC-Eligible Revenue for the three (3) months prior to the Subscription Date, times four (4). The MARC for the second and third Term Years will be equal to ninety-five percent (95%) of the Customer's MARC-Eligible Revenue for the last three (3) months of the prior Term Year, times four (4). The MARC for the fourth Term Year will be equal to ninety-five percent (95%) of the Customer's MARC-Eligible Revenue for the last three (3) months of the prior Term Year, times four (4), times the number of days in the final Tem Year, divided by three hundred sixty-five (365).

(N)

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.92 <u>Contract Offer No. 89 - Access Service Offer</u> (Cont'd)

25.92.6 Billing & Credits

- (A) Subject Service Monthly Recurring Charges.
 - (1) Tables C, below, contain the effective rates for Subject Services under this Contract Offer No. 89. Any rate elements not listed in Table C will be provided at the applicable rates in BellSouth Tariff F.C.C No 1, Section 7. Each circuit element (Channel Termination and Mileage) must be located entirely in the MSAs listed in Section 25.92.2(A) to be eligible for these rates.
 - (2) The Telephone Company will initially bill the Customer according to the otherwise applicable twelve (12) month Optional Payment Plan Monthly Recurring Charges ("OPP MRCs"). The Customer will then be credited in an amount equal to the difference between the otherwise applicable OPP MRCs and the MRCs for the rate elements listed in Table C, below. Credits will be applied monthly in arrears. Taxes, if applicable, will be charged on the OPP MRC rates, but will not be included in the credits applied to the Customer's bill.

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.92 <u>Contract Offer No. 89 - Access Service Offer</u> (Cont'd)

25.92.6 Billing & Credits (Cont'd)

(A) Subject Service Monthly Recurring Charges. (Cont'd)

Table C:

| Listante Date 51 | шеле | Plan C 61 to 96 |
|---|-------|-----------------|
| Lightgate Rate Elements | USOC | Months |
| | | |
| LightGate 1 service - Per System - | | |
| AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | HFSC7 | \$1,290.00 |
| | | |
| LightGate 1 service - Local Channel - | | |
| Each additional system one-half mile - | | |
| AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | 1LPEA | \$150.00 |
| LightGate 1 service - Mileage Band 0 to | | |
| 8 Fixed - Per System - | | |
| AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | 1LPS8 | \$625.00 |
| LightGate 1 service - Mileage Band 0 to | | |
| 8 Fixed - Per Mile - | | |
| AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | 1LPE8 | \$50.00 |
| LightGate 1 service - Mileage Band 9 to | | |
| 25 Fixed - Per System - | | |
| AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | 1LPS9 | \$775.00 |
| LightGate 1 service - Mileage Band 9 to | | |
| 25 Fixed - Per Mile - | | |
| AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | 1LPE9 | \$50.00 |
| LightGate 1 service - Mileage Band 26+ | | |
| Fixed - Per System - | | |
| AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | 1LPS6 | \$925.00 |
| LightGate 1 service - Mileage Band 26+ | | |
| Fixed - Per Mile - | | |
| AL/FL/GA/KY/LA/MS/NC/SC/TN - Zone 1/2/3 | 1LPE6 | \$50.00 |
| Central Office Channel Interfaces | MQ3C0 | \$450.00 |

(N)

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ISSUED: MAY 16, 2016 EFFECTIVE: MAY 17, 2016

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25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.92 <u>Contract Offer No. 89 - Access Service Offer</u> (Cont'd)

25.92.6 Billing & Credits (Cont'd)

(B) Service Portability Credits.

The Qualified Companies will issue credits in the amount of any termination liability charges that would otherwise apply as a result of the disconnection of Subject Services during the Term Period, provided that the conditions set forth below have been met. Such charges initially will be billed, and must be paid, as provided in the relevant sections of BellSouth F.C.C. Tariff No. 1, not including this Contract Offer. The Telephone Company will calculate and issue credits for each Quarter, which will be issued no later than sixty (60) days after the end of each Quarter.

- (1) Any disconnected Subject Service(s) must have been in service for a minimum of twelve (12) months.
- (2) The Customer must continue to purchase no less than the number of DS3 Subject Services (which is defined in Section 25.92.3.A) that were in service as of the Subscription Date of this Contract Offer.

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ISSUED: MAY 16, 2016 EFFECTIVE: MAY 17, 2016

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.92 Contract Offer No. 89 - Access Service Offer (Cont'd)

25.92.6 Billing & Credits (Cont'd)

(C) <u>Credits for Termination Liability or Plan Shortfall</u>
<u>Charges.</u>

The Qualified Companies will issue credits in the amount of any termination liability charges or any charges for failure to satisfy a minimum Commitment Level pursuant to a High Capacity Service Portability Commitment, when such charges would otherwise apply as a result of the disconnection of Subject Services during the Term Period, provided that the conditions set forth below have been met. Such charges initially will be billed, and must be paid, as provided in the relevant sections of BellSouth F.C.C. Tariff No. 1, not including this Contract Offer. The Telephone Company will calculate and issue credits for each Term Year, which will be issued no later than sixty (60) days after the end of each Term Year. As clarification. but not to modify this paragraph, the BellSouth Area Commitment Plan (ACP) is not a High Capacity Service Portability Commitment within the meaning of this Section 25.92.6(D) and is not eligible for termination liability or plan shortfall credits.

- (1) Any disconnected Subject Service(s) must have been in service for a minimum of twelve (12) months.
- (2) MARC-Eligible Charges for the Term Year must have been equal to or greater than the MARC.

(N)

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.92 <u>Contract Offer No. 89 - Access Service Offer</u> (Cont'd)

25.92.7 Access Service Ratio

The Customer (including any of its Affiliates included in this Contract Offer) must maintain an Access Service Ratio as further provided in this Section 25.92.7. The Access Service Ratio shall be calculated quarterly, based on data for the most recent single month for which information is available at the time of the calculation. The Qualified Companies will calculate the Customer's Access Service Ratio as of the Subscription Date and for each Quarter thereafter, as follows:

Access Service Ratio = Access Revenue / (Access Revenue + Wholesale Revenue)

During the Term Period, the Access Service Ratio may not decline by more than 3%, as compared to the Access Service Ratio on the Subscription Date, as determined by each quarterly calculation of the Access Service Ratio.

Example: Assume that the Customer's Access Service Ratio, as calculated for the Subscription Date, is 95%. For each subsequent quarterly calculation of the Access Service Ratio, the Customer would be required to achieve an Access Service Ratio of at least 92%.

If during the Term Period, any of the Qualified Companies offers additional ILEC access services or UNEs, such additional ILEC access services or UNEs shall also be included in the calculation of the Access Service Ratio. Recurring revenue, for purposes of calculating the Access Service Ratio, will be measured according to gross billed recurring revenue, after application of any discounts or credits applicable to that recurring revenue, plus any adjustments for overbilling, under-billing and billing dispute settlements. If, upon the initial review or any quarterly review of the Customer's compliance with the Access Service Ratio, the Qualified Companies determines that the Customer has not complied with the Access Service Ratio, the Qualified Companies will so notify the Customer in writing. The Customer will have sixty (60) days after such notice to cure its noncompliance with the Access Service Ratio.

(N)

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

(N)

25.92 <u>Contract Offer No. 89 - Access Service Offer</u> (Cont'd)

25.92.7 Access Service Ratio (Cont'd)

"Access Revenue" means the Qualified Companies' interstate recurring revenue from the Customer and its "Affiliates" associated with the services defined in Tables D and E, below. An "Affiliate" of a party to this Contract Offer means any entity that controls, is controlled by, or is under common control with, such party.

Table D:

| Service Type | Service ¹ |
|----------------|---|
| Interstate | OCN (Optical Carrier Network) PTP |
| Special Access | Dedicated SONET Ring Service (DSRS) |
| | SONET Ring and Access Service (SRAS) |
| | GigaMAN (Gigabit Ethernet Metropolitan Area Network) |
| | Multi-Service Optical Network (MON)Ring Service |
| | OpteMAN (Optical Ethernet Metropolitan Area Network) |
| | DecaMAN (10 Gigabit Ethernet Metropolitan Area Network) |
| | AT&T Switched Ethernet Service (ASE) |
| | WaveMAN (Wavelength Metropolitan Area Network) |
| | Serial Component Video Service (SCVS) |
| | High Definition Video Transport (HDVT) |
| | AVS 270 Video Service |
| | Voice Grade |
| | DSO |
| | DS1 |
| | DS3 |
| | Switched Access Transport |

¹ Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been detariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.92 <u>Contract Offer No. 89 - Access Service Offer</u> (Cont'd)

25.92.7 <u>Access Service Ratio</u> (Cont'd)

"Wholesale Revenue" means the Qualified Companies' recurring revenue from the Customer and its Affiliates for unbundled network elements and associated rate elements, as defined in Table E, below.

Table E

| Service Type Unbundled Network Elements and Associated Services or Rate Elements | Service or Network Element ¹ |
|---|--|
| DS1 | 4-wire digital loop DS1 Entrance Facilities DS1 Interoffice Transport DS1 Cross Connects DS1 Multiplexing All DS1 non-tariffed Committed Information Rate Broadband Services |
| DS3 | DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing All DS3 non-tariffed Committed Information Rate Broadband Services |
| OCn | OC-3 Entrance Facilities OC-3 Interoffice Transport OC-3 Cross Connects OC-3 Multiplexing OC-12 Entrance Facility OC-12 Interoffice Transport OC-12 Cross Connects OC-12 Multiplexing OC-48 Entrance Facilities OC-48 Interoffice Transport OC-48 Cross Connects OC-48 Multiplexing All OCN equivalent non-tariffed Committed Information Rate Broadband Service |
| Other | Dark Fiber - Interoffice Dark Fiber - Loop Dark Fiber - Subloop Dark Fiber Cross Connects Unbundled Dedicated Transport |

¹ Ethernet-based services are now provided on a contractual basis outside of the tariff, including all terms and conditions. As required by the Commission, to allow the Telephone Company to take advantage of the relief granted in the Commission's Memorandum Opinion and Order No. 07-180 released October 12, 2007, services have been detariffed by the Telephone Company. Rates, terms and conditions associated with de-tariffed services are available at www.att.com/guidebook.

BELLSOUTH TELECOMMUNICATIONS 675 W. Peachtree St. NW, Atlanta, GA 30308

TARIFF F.C.C. NO. 1 ORIGINAL PAGE 25-736

ISSUED: MAY 16, 2016

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ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.92 <u>Contract Offer No. 89 - Access Service Offer</u> (Cont'd)

25.92.8 <u>Assignment/Transfer/Successors</u>

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to BellSouth F.C.C. Tariff No. 1, Section 2.1.2, the Qualified Companies will acknowledge such transfer or assignment if the criteria in BellSouth F.C.C. Tariff No. 1, Section 2.1.2, are fulfilled, unless 1) the proposed assignee or transferee demonstrates a lack of credit worthiness under one of the criteria in (A), (B) or (C), below, or 2) if the proposed assignee or transferee or its parent has commenced a voluntary receivership or bankruptcy proceeding (or had a receivership or bankruptcy proceeding initiated against it).

(A) Any debt securities of the proposed assignee or transferee or its parent (defined as an entity that owns directly or indirectly more than fifty percent (50%) of the equity of the proposed assignee or transferee) are rated below investment grade, as defined by the Securities and Exchange Commission; or

If any debt securities of a proposed assignee or transferee or its parent are rated the lowest investment grade and have been placed on review by the rating organization for a possible downgrade,

- (B) The proposed assignee or transferee or its parent does not have any outstanding securities rated by credit rating agencies, e.g. Standard and Poor's, but does have a Dun and Bradstreet rating, and the proposed assignee or transferee is rated:
 - (1) "fair" or below in a composite credit appraisal published by Dun and Bradstreet; or
 - (2) "high risk" in a Paydex score as published by Dun and Bradstreet.
- (C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsections (A) or (B) of this Section 25.92.8 is not available, the Qualified Companies shall exercise its reasonable discretion in determining the credit worthiness of the assignee or transferee based on any information available.

(N)

ACCESS SERVICE

25. Pricing Flexibility Contract Offerings (Cont'd)

25.92 Contract Offer No. 89 - Access Service Offer (Cont'd)

25.92.8 Assignment/Transfer/Successors (Cont'd)

(D) Notwithstanding anything to the contrary in this Section 25.92.8, the Customer may, upon written notice to the Qualified Companies, assign in whole or relevant part its rights and obligations under this Agreement to an Affiliate of the Customer, but the Customer will remain financially responsible for the performance of such obligations.

25.92.9 <u>Mergers, Acquisitions, Sales or Divestitures Involving</u> Customer

All provisions of this Contract Offer shall continue in full force and effect if the Customer, in whole or in part, merges with, acquires, is acquired by, sells all or substantially all of its stock or assets to any other entity, or purchases all stock or substantially all stock or certain assets of another company (the foregoing generally referred to herein as a merger or acquisition). Upon the Transaction Close Date of the merger or acquisition, if the other company involved in the merger or acquisition also purchases Subject Services from the Qualified Companies, the Subject Services, as provided for in this Contract Offer, will continue to be provided at the same volume, rates, Terms and Conditions as outlined herein. The Transaction Close Date shall be defined as the date that the stock purchase is complete and/or the final date on which the assets of the acquired/merged company have been purchased.

(N)