23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (T)

This Section 23 contains Pricing Flexibility Contract Offerings with concurrent subscription requirements between AT&T companies and The Southern New England Telephone Company (SNET) that have Customer subscriptions as of November 7, 2014. SNET has been purchased by Frontier Communications and is no longer an AT&T company. Therefore, these offerings will be jointly administered by the AT&T companies and Frontier Communications. The existing rates, regulations, terms and conditions will remain in effect without change for the duration of the term. (N)

(N)

(D)

(D)

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T) (T)

23.1 Contract Offer No. 207 – DS1, DS3 Service Offer (T)

23.1.1 General Description (T)

This DS1, DS3 Service Offer (Contract Offer No. 207) is an access discount pricing plan which concurrent subscription is required to the following Access Tariffs: Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Contract Offer No. 207, and Frontier Telephone Companies (Frontier) Tariff F.C.C. No. 11, Contract Offer No. 54. Ameritech and Frontier shall be identified herein as the "Qualified Companies." (M) (M) (M) (Tx) (Tx) (M)

Contract Offer No. 207 requires eligible Customers to satisfy a Minimum Annual Revenue Commitment (MARC), as described in Section 23.1.5 herein. The MARC will consist of recurring revenues, in the aggregate, from all Subject Services and Non- Subject Services purchased from the Telephone Company and in the other Concurrently Subscribed Contract Offers. Subject Services and Non-Subject Services, as defined in Section 23.1.2, and in the other Concurrently Subscribed Contract Offer identified in Section 23.1.3, which are purchased from either of the Qualified Companies, may be referred to as "MARC-Eligible Services." (M) (T) (M) (M) (M) (T) (T) (M)

Contract Offer No. 207 will be available only from December 13, 2011 through January 13, 2012. (M)

23.1.2 Subject Services and Non- Subject Services (T)

MARC-Eligible services consist of both Subject Services, listed in Table A, below, and Non-Subject Services, listed in Table B, below, provided by the Qualified Companies and located within the "Operating Territory" of either of the Qualified Companies, as described in Ameritech Tariff F.C.C. No. 2, Section 14 (Operating Territory) and Frontier Tariff F.C.C. No. 11, Section 1 (Operating Territory), respectively. (M) (M) (Tx)

(A) Subject Services are listed in Table A, below. (M)

Table A - Subject Services

Subject Services	
Interstate Special Access	DS1 & DS3

(1) Only those Subject Services that were initially ordered and purchased by the Customer under Contract Offer No. 193 or Contract Offer No. 202, prior to the Customer's subscription to this Contract Offer, may be included in this Contract Offer. Such Subject Services will be referred to as "Existing Subject Services."

(2) 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." (M)

(D)

Material appearing on this page previously appeared on Original Page 22-1658.

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23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T)

23.1 Contract Offer No. 207 – DS1, DS3 Service Offer (Cont'd) (T)

23.1.2 Subject Services and Non- Subject Services (Cont'd) (T)

(A) (Cont'd) (M)

(3) 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. 207.

(4) All Subject Services must be located in MSAs for which the Telephone Company has been granted pricing flexibility relief, as listed in Ameritech Tariff F.C.C. No. 2, Section 21, and additional MSAs listed in Table B, 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 21 or Table B at the time of subscription, the Customer may, at its option, include Subject Services provided in such additional (M) MSAs in this Contract Offer No. 207, as described in 23.1.2, (T) Table (A), herein, by providing written notice to the Telephone (M) Company.

Table B

MSA	
Fort Wayne	IN
Youngstown-Warren	OH
St. Louis	IL
Davenport/Rock Island/Moline	IL

(M)

(D)

Material appearing on this page previously appeared on Original Page 22-1659.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T) (T)

23.1 Contract Offer No. 207 – DS1, DS3 Service Offer (Cont'd) (T)

23.1.2 Subject Services and Non- Subject Services (Cont'd) (T)

(B) Non-Subject Services are listed in Table C, below. (M)

Table C – Non-Subject Services

Category	Non-Subject Services
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 Point-to-Point (OCN PTP), Dedicated SONET Ring Service (DSRS), GigaMAN,® DecaMAN®, Opt-E-MAN® Services and AT&T Switched Ethernet Services[1]
Intrastate Special Access	Intrastate services equivalent to the interstate services listed above as Subject Services

[1] OCN PTP, DSRS, GigaMAN,® DecaMAN®, Opt-E-MAN® 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 de-tariffed services are available at www.att.com/guidebook. (M)

(D)

Material appearing on this page previously appeared on Original Page 22-1660.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T) (T)

23.1 Contract Offer No. 207 – DS1, DS3 Service Offer (Cont'd) (T)

23.1.3 Eligibility Criteria (T)

The following Eligibility Criteria apply to this Contract Offer No. 207: (M)

(A) In addition to subscribing to, and purchasing Subject Services from, this Contract Offer throughout the Term Period, the Customer must concurrently subscribe to, and purchase service from, the following contract offer: Frontier Tariff F.C.C. No. 11, Contract Offer No. 54. (M) (Tx)

(B) Frontier Tariff F.C.C. No.11, Contract Offer No. 54 and this Contract Offer may be referred to as the "Concurrently Subscribed Contract Offers." Any breach or termination of either of the Concurrently Subscribed Contract Offers shall be deemed to be a breach or termination of both of the Concurrently Subscribed Contract Offers. (Tx) (M)

(C) During the month prior to the Customer's subscription to Concurrently Subscribed Contract Offers, the Customer must have been purchasing DS1 and DS3 interstate special access services from each of the Qualified Companies.

(D) 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.

(E) With the exception of the Concurrently Subscribed Contract Offers, 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. (M)

(D)

Material appearing on this page previously appeared on Original Page 22-1661.

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23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T) (T)

23.1 Contract Offer No. 207 – DS1, DS3 Service Offer (Cont'd) (T)

23.1.4 Terms and Conditions (T)

The following Terms and Conditions apply to this Contract Offer No. 207: (M)

(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.

(B) Term Period

The term of this Contract Offer (Term Period) shall be five (5) years commencing on the date the Telephone Company receives the signed Letter of Subscription from the Customer ("Subscription Date"). This Contract Offer, including, without limitation, the issuance of credits pursuant to this Contract Offer, shall terminate upon the expiration of the Term Period. This Contract Offer is not renewable.

(C) Purchases of the Subject Services are also subject to certain rates, charges and general terms and conditions in other sections of F.C.C. Tariff No. 2, set forth in Sections 2-General Regulations, 5-Ordering Options for Switched & Special Access Service, and 13-Testing Maintenance and Additional Labor Services, and such terms and conditions may be modified through filing tariff changes at any time during the Term Period. Any such modifications will not change the Terms and Conditions of Contract Offer No. 207.

(M)

(D)

Material appearing on this page previously appeared on Original Page 22-1662.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T)(T)

23.1 Contract Offer No. 207 – DS1, DS3 Service Offer (Cont'd) (T)

23.1.4 Terms and Conditions (Cont'd) (T)

(D) The Customer must subscribe to this Contract Offer in accordance with the regulations set forth in Ameritech Tariff F.C.C. No. 2, Section 5 - Ordering Options for Switched Access and Special Access Services. (M)(M)(M)

(E) Existing Subject Services (as defined in Section 23.1.2(A(1)) shall be eligible for credits under this Contract Offer beginning on the Subscription Date. New Subject Services (as defined in Section 23.1.2(A)(2)) shall be eligible for credits when placed in service. (T)(M)(M)(T)

(F) If the Customer subscribed to Ameritech Contract Offer No. 193 and/or 202 prior to the effective date of this Contract Offer, then: (i) this Contract Offer shall supersede Contract Offer Nos. 193 and/or 202, effective on the Subscription Date; (ii) Ameritech Contract Offer Nos. 193 and 202 shall be terminated without termination liability; and (iii) all Subject Services within the meaning of Contract Offer Nos. 193 and 202 and being purchased under either of the Contract Offers as of the Subscription Date shall become Existing Subject Services under this Contract Offer, as defined in Section 23.1.2(A). (M)(M)(T)

(G) Service Term (M)

Each Subject Service shall be subject to a twelve (12) month service 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, if any, according to the rates, terms and conditions applicable to a twelve (12) month term commitment pursuant to Section 7.4.1 0, 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.

(H) Incentive Credits

(1) DS1 Incentive Credits. The Telephone Company will issue credits to the Customer in the amount of any termination liability charges paid by the Customer as a result of the disconnection of DS1 Subject Services during the Term Period, provided that all Terms and Conditions of this Contract Offer have been met. (M)

(D)

Material appearing on this page previously appeared on Original Page 22-1663.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T) (T)

23.1 Contract Offer No. 207 – DS1, DS3 Service Offer (Cont'd) (T)

23.1.4 Terms and Conditions (Cont'd) (T)

(H) Incentive Credits (Cont'd) (M)

(1) DS3 Incentive Credits. The Telephone Company will issue credits to the Customer in the amount of any termination liability charges paid by the Customer as a result of the disconnection of DS3 Subject Services during the Term Period, provided that any such DS3 Subject Service has been in service for a minimum of six (6) months as of the time of termination, and all Terms and Conditions of this Contract Offer have been met.

3) Any applicable credits shall be applied to Customer's bill sixty (60) days after termination of the circuit.

(I) Technology Upgrade

As long as the Customer meets all Terms and Conditions in Section 23.1.4, the Customer may purchase services which offer features based on upgraded technology from the Telephone Company to replace one or more Subject Services listed in Section 23.1.2, Table A. Once eligibility is determined, the Telephone Company shall waive termination penalties provided that the desired upgraded technology: (M) (T) (M) (T) (M)

(1) Is comparable to existing Subject Services;

(2) Provides substantially the same functionality as the existing Subject Services;

(3) Customer agrees to purchase the upgraded technology for at least the remainder of the Term Period of this Contract Offer;

(4) Any Existing Subject Service must have been in service for a minimum of twelve (12) months from its installation date to its disconnection date.

(J) Commingling is defined in Ameritech Tariff F.C.C. No. 2, Section 2.6. Commingling of Subject Services provided pursuant to this Contract Offer is prohibited. (M)

(D)

Material appearing on this page previously appeared on Original Page 22-1664.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T)
(T)

23.1 Contract Offer No. 207 – DS1, DS3 Service Offer (Cont'd) (T)

23.1.5 Minimum Annual Revenue Commitment (MARC) (T)

This Contract Offer requires the Customer to maintain a Minimum Annual Revenue Commitment (MARC) throughout the Term Period. Each period of three hundred sixty-five (365) days during the Term Period shall be known as a "Term Year," and shall begin on the Subscription Date. Revenue contributing to the MARC shall consist of gross billed recurring revenue, after application of any discounts or credits applicable to those recurring revenues (other than those issued under the Concurrently Subscribed Contract Offers) and any adjustments for overbilling, under-billing and billing dispute settlements with respect to MARC-Eligible Services ("MARC Revenue"). As clarification, but not to modify the foregoing sentence, Non-Recurring Charges (NRCs) shall not be included in MARC Revenue. The MARC will be as provided in Section 23.1.5 (A). (M) (M) (T) (M)

(A) Minimum Annual Revenue Commitment

For the first year of the Term Period, the Customer's MARC shall be the greater of: (i) five hundred thousand dollars ($500,000), or (ii) four (4) times the Customer's Monthly Revenue for MARC-Eligible Services for the most recent three (3) months, rounded to the nearest thousand dollars ($1,000). For subsequent years during the Term Period, the MARC shall be equal to the MARC applicable in the first year of the Term Period.

(B) Failure to Achieve the MARC

If, for any Term Year, the Customer fails to satisfy the MARC for any year of the Term Period, the Customer must choose one of the options below:

(1) The Customer shall pay a True-Up Payment as provided in Section 23.1.5 (C), below; or (M) (T)

(2) This Contract Offer will be terminated, in which case the Customer must pay termination liability charges as set forth in Section 23.1.9, following. (M) (T) (M)

(D)

Material appearing on this page previously appeared on Original Page 22-1665.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T)
(T)

23.1 Contract Offer No. 207 – DS1, DS3 Service Offer (Cont'd) (T)

23.1.5 Minimum Annual Revenue Commitment (MARC) (Cont'd) (T)

(C) Annual True-Up (M)

The Telephone Company shall conduct an Annual True-Up as of the end of each Term Year. If, for any Term Year, the Customer's MARC Revenue is less than the MARC applicable during that Term Year, the Telephone Company will notify the Customer, and the Customer will be required to make a True-Up Payment equal to the difference between the Customer's MARC Revenue and the MARC for the relevant Term Year. The True- Up Payment will be due sixty (60) days after the Telephone Company provides notice to the Customer. The True-Up Payment will be calculated as follows:

Annual MARC - MARC Revenue = Amount of True-Up Payment

If the Customer fails to make a True-Up payment to the Telephone Company when due, the Customer shall be deemed to have terminated this Contract Offer and termination charges will apply, as set forth in Section 23.1.9, below. (M)
(T)

23.1.6 Rates (T)

(A) Table D, below, contains the effective rates for Subject Services under this Contract Offer No. 207. Any rate elements not listed in Table D will be provided at the applicable rates in Ameritech Tariff F.C.C No, 2, Section 7. Each circuit element (Channel Termination / Local Distribution Channel (LDC) and Mileage) must be located entirely in the MSAs listed in Section 23.1.2 (A) to be eligible for these rates. (M)
(M)
(T)

(B) The Telephone Company will initially bill the Customer according to the otherwise applicable twelve (12) month Optional Payment Plan MRCs ("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 D, 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. (M)
(M)

(D)

Material appearing on this page now appears on Original Page 22-1666.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T) (T)

23.1 Contract Offer No. 207 – DS1, DS3 Service Offer (Cont'd) (T)

23.1.6 Rates (T)

Table D - Rates (M)

Rate Elements	Applicable USOC	MRC
DS3 Local Distribution Channel (LDC) w/electrical Interface	TZUP+	$807.50
DS3 Channel Mileage Termination (CMT) - Per Point of Termination-	CZ4X+	$232.75
DS3 Channel Mileage-Per Mile	1YZX+	$33.15
DS3 Interconnection-Central Office Multiplexing	QM3X+	$427.50
DS1 Channel Mileage 0 miles LDC	1YZX+ TZ4X+	$113.00 (Bundled Rate)
CMT DS1 Channel Mileage 1-10 miles LDC	CZ4X+ 1YZX+ TZ4X+	$185.00 (Bundled Rate)
CMT DS1 Channel Mileage 11-20 miles LDC	CZ4X+ 1YZX+ TZ4X+	$225.00 (Bundled Rate)

+ Final character of USOC designation depends on Zone

(C) The Telephone Company shall waive the following NRCs associated with the purchase of Subject Services:

(1) Design and Central Office Connection Charge per Circuit, Section 7.4.2; and

(2) Customer Connection Charge per termination, Section 7.4.2. (M)

(D)

Material appearing on this page previously appeared on Original Page 22-1667.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T)

23.1 Contract Offer No. 207 – DS1, DS3 Service Offer (Cont'd) (T)

23.1.7 Assignment/Transfer/Successors (T)

(A) Neither party shall assign or otherwise transfer without the prior written consent of the other party (which consent will not be unreasonably withheld or delayed) this Contract Offer No. 207. Customer may, without the Telephone Company's consent, but upon notice to the Telephone Company, assign in whole or relevant part, its rights and obligations under this Contract Offer No. 207 to an Affiliate, but Customer will remain financially responsible for the performance of such obligations. The Telephone Company may, without Customer's consent, assign in whole or relevant part, its rights and obligations under this Contract Offer No. 207 to an Affiliate, or subcontract to an Affiliate or a third party for work to be performed under this Contract Offer No. 207, but the Telephone Company will in each such case remain financially responsible for the performance of such obligations. "Affiliate" of a party means any entity that controls, is controlled by, or is under common control with, such party. (M)

(B) Any assignment, other than as permitted by this Section 23.1.7(A), is void. (T)

23.1.8 Mergers/Acquisitions (T)

All provisions of this Contract Offer No. 207 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. 207 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. (M)

(D)

Material appearing on this page previously appeared on Original Page 22-1668.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T) (T)

23.1 Contract Offer No. 207 – DS1, DS3 Service Offer (Cont'd) (T)

23.1.9 Termination Liability (T)

Termination liability language, described below, applies in lieu of the termination liability language described in Ameritech Tariff F.C.C. No. 2, Section 7.4.10. If the Customer terminates this Contract Offer before the completion of the Term Period for any reason, or fails to meet any of the eligibility criteria or any of the Terms and Conditions of this Contract Offer, the Customer must pay the Telephone Company termination liability charges as described in this Section. These charges shall become due as of the effective date of the termination. The Customer must provide written notification to the Telephone Company sixty (60) days prior to the desired date of termination of the Contract Offer. (M)

The Customer's termination liability charges shall be equal to: (i) fifty percent (50%) of the difference between the MARC Revenue and the MARC for the Term Year in which termination occurs, plus (ii) fifty percent (50%) of the MARC for the remaining Term Years in the Term Period and (iii) any Incentive Credits per Section 23.1.4(H) paid to Customer prior to termination. (M) (T)

50% (MARC - MARC Revenue) + 50% (Annual MARC x years remaining) + 100% (incentive credits paid to customer) = Termination Liability Charge (M)

Example:

The Customer terminates the contract at the end of the second year of the Term Period and has three (3) years remaining in the Term Period.
The Year 2 MARC is $500,000 and MARC Revenue (per the Annual True Up) is $400,000 and the Customer has received one thousand dollars ($1000) in incentive credits. The termination liability charge will be as follows:

50% x ($500,000 - $400,000) + 50% x ($500,000 x 3) + $1000 = $1,800,000 Termination Liability Charge (M)

(D)

Material appearing on this page previously appeared on Original Page 22-1669.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T)

23.2 Contract Offer No. 211 - Special Access Service Offer (T)

23.2.1 General Description (T)

AMERITECH OPERATING COMPANIES

This Special Access Service Offer (Contract Offer No. 211) is an access services 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. 28; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 161; Frontier Telephone Companies (Frontier) Tariff F.C.C. No.11, Contract Offer No. 56; BellSouth Telecommunications, LLC (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 78, and Southwestern Bell Telephone Company (SWBT) Tariff F.C.C. No. 73, Contract Offer No. 182 (collectively, with this Contract Offer No. 211, "Concurrently Subscribed Contract Offers"). NBTC, PBTC, Frontier, BellSouth and SWBT, with the Telephone Company, shall be identified herein as the "Qualified Companies." (M) (M) (Tx) (M) (M) (Tx) (M)

This Contract Offer permits Customers that meet the Eligibility Criteria in Section 23.2.3, and the Terms and Conditions in Section 23.2.4, to disconnect Subject Services, as defined in Section 23.2.2, without incurring termination liability charges. (M) (T) (T) (M)

This Contract Offer is available for subscription from October 27, 2012 through November 27, 2012. This Contract Offer is not renewable. (M)

23.2.2 Subject Services (T)

(A) Contract Offer No. 211 applies to pricing flexibility qualified access services contained in the following tariff sections (Subject Services): (M)

(1) Ameritech Operating Companies (Ameritech) Tariff F.C.C. No. 2, Sections 7 and 21 – DS1 and DS3 High Capacity Service. (M)

(D)

Material appearing on this page previously appeared on Original Page 22-1689

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23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T) (T)

23.2 Contract Offer No. 211 - Special Access Service Offer (Cont'd) (T)

23.2.2 Subject Services (Cont'd) (T)

(A) Subject Services must be located in Metropolitan Statistical Areas (MSAs) for which the Telephone Company has been granted pricing flexibility relief as listed in Ameritech Tariff F.C.C. No. 2, Section 21 and in the 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, the Customer may, at its option, include Subject Services in those MSAs in this Contract Offer. (M)

MSA	STATE
Davenport/Rock Island/Moline	IL
St. Louis	IL
Fort Wayne	IN
Youngstown-Warren	OH
Non-MSA	IN
Davenport/Rock Island/Moline	IL

(B) All terms and conditions for Subject Services are governed by their respective tariff sections, except as provided in this Contract Offer. (M)

23.2.3 Eligibility Criteria (T)

The following eligibility criteria must be met to subscribe to this Contract Offer No. 211 discounted rates: (M)

(A) Concurrently Subscribed Contract Offers. Customer must concurrently subscribe to the following Contract Offers: (M)

PBTC Tariff F.C.C. No. 1, Section 32, Contract Offer (T)
No. 161; (M)
NBTC Tariff F.C.C. No. 1, Section 21, Contract Offer (T)
No. 28; (M)
Frontier Tariff F.C.C. No. 11, Section 25, Contract Offer (Tx)
No. 56; (M)
SWBT Tariff F.C.C. No. 73, Section 40, Contract Offer (T)
No. 182; and (M)
BellSouth Tariff F.C.C. No. 1, Section 28, Contract Offer (T)
No. 78. (M)

(D)

Material appearing on this page previously appeared on Original Page 22-1690.

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23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T)

23.2 Contract Offer No. 211 - Special Access Service Offer (Cont'd) (T)

23.2.3 Eligibility Criteria (Cont'd) (T)

(A) During the month prior to the Customer's subscription to this Contract Offer, the Customer must have been operating no fewer than twenty-two thousand (22,000) and no more than twenty-seven thousand (27,000) cell sites, which must be activated and providing service within the operating territories of the Qualified Companies. Such cell sites, 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." (M)

(B) 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.

(C) The Customer must be purchasing, as of the Subscription Date, no fewer than two hundred thousand (200,000) and no more than two hundred and twenty thousand (220,000) DS1 special access circuits from the Qualified Companies that terminate at Qualified Cell Sites.

(E) The Customer must be purchasing, as of the Subscription Date, no fewer than nineteen thousand (19,000) and no more than twenty thousand (20,000) DS3 special access circuits from the Qualified Companies that terminate at Qualified Cell Sites. (M)

23.2.4 Terms and Conditions (T)

(A) Term Period. The term of this Contract Offer (**T**erm Period) shall be eighty-four (84) months, beginning on the date the Telephone Company receives a signed Letter of Subscription (LOS) from the Customer (the Subscription Date). (M)

(M)

(D)

Material appearing on this page previously appeared on Original Page 22-1691.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T)

23.2 Contract Offer No. 211 - Special Access Service Offer (Cont'd) (T)

23.2.4 Terms and Conditions (Cont'd) (T)

(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. (T) (M)

(C) Subject Services for which the Customer receives termination liability waivers or credits under this Contract Offer shall not receive similar termination liability waivers or credits 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. (T) (M)

(D) The Customer may not be subscribed to any volume or revenue plans under the Ameritech Tariff F.C.C. No. 2. (T) (M)

(E) Commingling (as defined in Ameritech Tariff F.C.C. No. 2, Section 2.6) of Subject Services provided pursuant to this Contract Offer No. 211 is prohibited. (T) (M)

(F) All traffic carried over Subject Services must originate or terminate at Mobile Switching Centers (MSCs) operated by or on behalf of the Customer. (T) (M)

(G) The Customer may disconnect DS1 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 in arrears, on a quarterly basis. (T) (M)

(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[1] provided to the Customer by the Telephone Company at the same Qualified Cell Site, with Ethernet[1] bandwidth of no less than 5 Mbps per Customer cell site (Replacement Service). (M)

(D)

Material appearing on this page previously appeared on Original Page 22-1692.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T) (T)

23.2 Contract Offer No. 211 - Special Access Service Offer (Cont'd) (T)

23.2.4 Terms and Conditions (Cont'd) (T)

(G) (Cont'd) (T)

(3) No lapse in billing may have occurred between the termination of the Subject Service and the installation of the Replacement Service. (M) (M) (M)

(H) 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. (T) (M)

(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. (M)

(I) 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 (G), 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"). (T) (M)

Formula: DS3 Termination Allowance x Average DS3 TLC = DS3 Credit

[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. (M)

(D)

Material appearing on this page previously appeared on Original Page 22-1693.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T) (T)

23.2 Contract Offer No. 211 - Special Access Service Offer (Cont'd) (T)

23.2.4 Terms and Conditions (Cont'd) (T)

(I) (Cont'd) (M)

Example: During Quarter X of the Term Period, the Customer terminates one hundred sixty-five (165) DS1 Subject Services (M) without termination liability, as provided in Section 23.2.4(G). (T) During Quarter X, the Customer also terminates six (6) DS3 (M) 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)

(J) The Customer must include the Contract Number associated with this Contract Offer on all disconnect orders for Subject Services. (M)

23.2.5 Assignment/Transfer (T)

If the Customer wishes to assign or transfer its use of services under this Contract Offer pursuant to Ameritech Tariff F.C.C. No. 2, Section 2.1.2, the Telephone Company will acknowledge such transfer or assignment if the criteria in Ameritech Tariff 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). (M)

(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. (M)

(D)

Material appearing on this page previously appeared on Original Page 22-1694.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (T)
(T)

23.2 Contract Offer No. 211 - Special Access Service Offer (Cont'd) (T)

23.2.5 Assignment/Transfer (Cont'd) (T)

(C) If the information required to review the assignee or transferee's credit worthiness pursuant to either Subsection (A) or (B) of this Section 23.2.5 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. (M)
(M)
(T)
(M)
(M)
(M)

23.2.6 Mergers and Acquisitions (T)

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. (M)
(M)

(D)

Material appearing on this page now appears on Original Page 22-1695.

ACCESS SERVICE

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)(N)

23.3 Contract Offer No. 215 – Access Service (T)

23.3.1 General Description (T)

The Special Access Service Offer (Contract Offer No. 215, or Contract Offer) is a Minimum Annual Revenue Commitment plan 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. 185; Nevada Bell Telephone Company (NBTC) Tariff F.C.C. No. 1, Contract Offer No. 29; Pacific Bell Telephone Company (PBTC) Tariff F.C.C. No. 1, Contract Offer No. 164; BellSouth Telecommunications, LLC (BellSouth) Tariff F.C.C. No. 1, Contract Offer No. 80; and Frontier Telephone Companies (Frontier) Tariff F.C.C. No. 11, Contract Offer No. 58 (collectively, with this Contract Offer No. 215, the "Concurrently Subscribed Contract Offers"). NBTC, PBTC, SWBT, BellSouth, Frontier and the Telephone Company may be identified as the "Qualified Companies." (M)(M)(Tx)(Tx)(M)(Tx)(M)

The Concurrently Subscribed Contract Offers require the Customer to make and satisfy a Minimum Annual Revenue Commitment (MARC), as defined in Section 23.3.5. The MARC consists of certain recurring revenues from "MARC-Eligible Services" as defined in Section 23.3.5(A), below for Services listed under this Contract Offer, purchased from the Qualified Companies, and as provided in the Concurrently Subscribed Contract Offers. (M)(T)(T)(M)

The MARC-eligible services provided by the Telephone Company are described in Section 23.3.2. (M)(T)

Contract Offer No. 215 will be available for subscription only from March 30, 2013 through April 30, 2013. This offer is not renewable. (M)(M)

23.3.2 Subject and Non-Subject Services (T)

Those services for which recurring charges are included in MARC calculations under this Contract Offer (MARC-eligible services) are: (i) Subject Services, listed in Table B, below; and (ii) Non-Subject Services, listed in Table C, below. Subject Services and Non-Subject Services must be provided by the Telephone Company. (M)

(A) Contract Offer No. 215 is available for qualified special access services located in the MSAs for which the Telephone Company has been granted Phase II pricing flexibility, as listed in Ameritech Tariff F.C.C. No. 2, Section 21, and those listed in Table A. During the Term Period of this Contract Offer No. 215, if the Telephone Company is granted pricing flexibility relief in additional MSAs not listed in Section 21 or Table A, as applicable**,** 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. 215. (M)

Material appearing on this page previously appeared on Original Page 22-1722.
(x) Filed under the authority of Special Permission Number 14-017 of the F.C.C.

ACCESS SERVICE

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.2 Subject and Non-Subject Services (Cont'd) (T)

(A) (Cont'd) (M)

Table A

Davenport/Rock Island/ Moline	IL
St. Louis	IL
Fort Wayne	IN
Youngstown-Warren	OH
Non-MSA	IN
Non-MSA	WI

(B) Subject Services
Subject Services are pricing flexibility qualified access services or rate elements listed in Table B, below.

Table B – Subject Services

Category	Services Included
Interstate special access located in pricing flexibility Metropolitan Statistical Areas (MSAs), including all rate elements that qualify for either Phase I or Phase II pricing flexibility.	All Voice Grade (VG),DS0, DS1 and DS3 special access services or rate elements that are eligible for pricing flexibility

(C) Non-Subject Services. Non-Subject Services are listed in Table C, below.

Table C – 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) or any rate elements located in pricing flexibility MSAs but not subject to pricing flexibility relief.	Any VG, DS0, DS1, and DS3 special access services and rate elements not listed in Table B
Broadband interstate special access	[1] Optical Carrier Network (OCN) Point-to-Point, Dedicated SONET Ring Service (DSRS), Multi-Service Optical Network (MON) Ring Service, GigaMAN®, DecaMAN®, WaveMAN℠, Opt-E-MAN® and AT&T Switched Ethernet Service

[1] 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 de-tariffed services are available at www.att.com/guidebook. (M)

Material appearing on this page previously appeared on Original Page 22-1723.

ACCESS SERVICE

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.2 Subject and Non-Subject Services (Cont'd) (T)

(D) 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. All terms and conditions for those MARC-Eligible Services that are not tariffed are governed by the applicable guidebooks, service guides or contracts. (M)

(E) Subject Services and Non-Subject Services shall also include any additional similar or successor services which are provided by the Telephone Company during the Term Period, but which were not available as of the effective date of this Contract Offer No. 215. (M)

23.3.3 Eligibility Criteria (T)

The following Eligibility Criteria apply to this Contract Offer No. 215: (M)

(A) Concurrently Subscribed Contract Offers. The Customer must concurrently subscribe to the following Contract Offers:

- NBTC Tariff F.C.C. No. 1, Contract Offer No. 29;
- PBTC Tariff F.C.C. No. 1, Contract Offer No. 164;
- SWBT Tariff F.C.C. No. 73, Contract Offer No. 185;
- Ameritech Tariff F.C.C. No. 2, Contract Offer No. 215;
- BellSouth Tariff F.C.C. No. 1, Contract Offer No. 80; and (M)
- Frontier Tariff F.C.C. No. 11, Contract Offer No. 58. (Tx)

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 unless such other individually negotiated tariff or agreement expressly refers to the Concurrently Subscribed Contract Offers. (M) For purposes of this Section 23.3.3, tariff discount plans other than (T) pricing flexibility contract tariffs shall not be deemed to be (M) individually negotiated. (M)

Material appearing on this page previously appeared on Original Page 22-1724.

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ACCESS SERVICE

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.4 General Terms and Conditions (T)

The following terms and conditions apply to this Contract Offer: (M)

(A) Subscription.

To subscribe to this Contract Offer, the Customer must submit a Letter of Subscription (LOS) to the Telephone Company. The Customer must identify in the LOS 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.

(B) Term Period.

The term of this Contract Offer No. 215 (Term Period) shall be sixty (60) months, beginning on either (i) the first day of the calendar month following the date on which the Letter of Subscription (LOS) is signed by the Customer (Subscription Date) if the Subscription Date is within the last five (5) days of a calendar month, or (ii) if (i) does not apply, the first day of the calendar month in which the Subscription Date occurs. Each successive twelve (12) month period of the Term Period, beginning with the Subscription Date, shall be referred to as a Term Year. The benefits of this Contract Offer, including, without limitation, the accrual of credits pursuant to this Contract Offer, and Customer's obligation to meet the MARC, shall cease upon the expiration of the Term Period.

(C) Credits earned by the Customer under this Contract Offer No. 215 and the other Concurrently Subscribed Contract Offers shall be (M) applied as described in Section 23.3.6, below, and in the (T) analogous sections of the other Concurrently Subscribed Contract (M) Offers.

(D) MARC-Eligible Services 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. If either party determines that the Customer is purchasing service pursuant to an Other Commitment Agreement, parties will cooperate in good faith to modify or terminate such Other Commitment in a manner consistent with this Contract Offer. (M)

Material appearing on this page previously appeared on Original Page 22-1725.

ACCESS SERVICE

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.4 General Terms and Conditions (Cont'd) (T)

(E) Credits to be provided under this Contract Offer 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. (M)

(F) Subject Services are subject to certain rates, charges and general terms and conditions in other sections of Ameritech Tariff F.C.C. No. 2 (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.

(G) The Customer must maintain an Access Service Ratio of eighty five percent (85%) or greater, calculated as described below, for services purchased by the Customer in the MSAs identified in Section 23.3.2 of the Contract Offer and in the analogous sections of the other Concurrently Subscribed Contract Offers (calculated in the aggregate). (M) (T) (M)

The Access Service Ratio is calculated as follows in the aggregate, for all of the Concurrently Subscribed Contract Offers:

$$\frac{\text{Access Revenue}}{\text{Access Revenue + Wholesale Revenue}}$$

(1) Access Revenue is the Customer's interstate recurring billed revenue, in the aggregate, for all of the Concurrently Subscribed Contract Offers associated with the rate elements defined in Table D, below:

Table D

Service	Ameritech Tariff F.C.C. No. 2
VG, DS1 and DS3 Services	Sections 7 and 21

(M)

Material appearing on this page previously appeared on Original Page 22-1726.

ACCESS SERVICE

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.4 General Terms and Conditions (Cont'd) (T)

(G) (Cont'd) (M)

(1) Wholesale Revenue is the Customer's recurring billed revenue for associated rate elements, as defined in Table E, below, not included in the interstate tariff(s) and/or the Interstate Access Guidebook.

Table E

Service Level	Associated Rate Elements Not Included in Interstate Tariff
VG	VG Loop VG Entrance Facilities VG Interoffice Transport VG Cross Connects VG Multiplexing
DS0	DS0 Loop DS0 Entrance Facilities DS0 Interoffice Transport DS0 Cross Connects DS0 Multiplexing
DS1	4 – Wire Digital Loop DS1 Entrance Facilities DS1 Interoffice Transport DS1 Cross Connects DS1 Multiplexing
DS3	DS3 Loop DS3 Entrance Facilities DS3 Interoffice Transport DS3 Cross Connects DS1/DS3 Multiplexing
Other Transport Products	Dark Fiber – Interoffice Dark Fiber – Loop Dark Fiber – Subloop Dark Fiber – Cross Connects Unbundled Dedicated Transport

(3) The terms of the Access Service Ratio applicable to this Contract Offer shall not alter the terms of any Access Service Ratio provision(s) of any other tariff under which the Customer obtains service. (M)

Material appearing on this page previously appeared on Original Page 22-1727.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.4 General Terms and Conditions (Cont'd) (T)

(H) Breach and Cure (M)

If either party breaches any material term of this Contract Offer, and the breach continues un-remedied for sixty (60) days after written notice of default, or in case of the Customer's breach of the provisions of Section 23.3.4(G) (Access Service Ratio) one hundred twenty (120) days after written notice of default, the other party may terminate this Contract Offer for cause. If the Customer is in breach of its payment obligations, and fails to make payment in full within thirty (30) days after receipt of written notice of default, the Telephone Company may, at its option, terminate this Contract Offer, terminate any Subject Services, suspend the Customer's ordering capability, and/or require a deposit, advanced payment, or other satisfactory assurances as a condition of the continued effectiveness of this Contract Offer and/or the continued provision of Subject Services, except that the Telephone Company will not take any such action as a result of the Customer's non-payment of a charge subject to a timely billing dispute, unless the Telephone Company has reviewed the dispute and determined that the charge is correct. The foregoing sentence does not limit the Telephone Company's right to withhold credits, as provided in Section 23.3.4(E). This Contract Offer may be terminated by either party immediately upon written notice if the other party has become insolvent or involved in a liquidation or termination of its business, or adjudicated bankruptcy, or been involved in an assignment for the benefit of its creditors. The Customer shall be liable to the Telephone Company for termination liability charges, as provided in Section 23.3.13. This Section 23.3.4 shall not alter the rights of the Telephone Company in case of interference with, impairment of or unlawful use of service. (M)

23.3.5 Minimum Annual Revenue Commitment (MARC) (T)

(A) MARC Establishment (M)

The Customer must satisfy a Minimum Annual Revenue Commitment (MARC) for each Term Year. Calculations related to the MARC (including satisfaction of the MARC) shall be determined according to gross billed recurring charges under Eligible ACNAs, 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, any credits issued under the Concurrently Subscribed Contract Offers and any circuit-specific monthly recurring charge credits for any broadband services provided under a broadband services agreement with the Qualified Companies, as well as adjustments for overbilling, under billing and billing dispute settlements addressed during the Annual True-up Process only, for MARC-Eligible Services, as defined in the Concurrently Subscribed Contract Offers and purchased under the Eligible ACNAs (collectively, "MARC-Eligible Charges"). MARC-eligible services, as described in the Concurrently Subscribed Contract Offers, are collectively referred as "MARC-Eligible Services." The Customer's MARC-Eligible Charges shall specifically exclude MARC Attainment Credits, non-recurring charges, usage-based charges. The Customer's MARC obligation shall be a continuing obligation during the entire Term Period. (M)

Material appearing on this page previously appeared on Original Page 22-1728.

(This page filed under Transmittal No. 1820)

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.5 Minimum Annual Revenue Commitment (MARC) (Cont'd) (T)

(A) MARC Calculations (M)

The Customer's MARC for the first year of the Term Period shall be the greater of: (i) ninety five million dollars ($95,000,000), or (ii) Customer's MARC-Eligible Charges during the three (3) months immediately prior to the Subscription Date, multiplied by four (4), rounded up to the nearest thousand dollars. The MARC for each subsequent Term Year shall be the greater of the MARC-Eligible charges for the last three (3) full calendar months of the previous Term Year multiplied by four (4), rounded up to the nearest thousand dollars or the MARC from the previous Term Year. (M)

23.3.6 MARC Attainment Credit (T)

(A) The Customer will qualify for MARC Attainment Credits ("MAC") as provided in this Section 23.3.6 if it meets the requirements specified in this Section 23.3.6. The amount of the MAC for which the Customer qualifies will be determined according to the amount of the Customer's MARC-Eligible Charges, as provided in Table F, below, subject to the provisions of this Section 23.3.6. (M) (T) (T) (M) (M) (T)

Each Term Year will be divided into three (3) periods of four (4) consecutive months, for purposes of applying MAC (each such period to be referred to as an "Attainment Credit Period"). During the first two (2) Attainment Credit Periods of each Term Year, the Customer will qualify for a MAC for any Attainment Credit Period during which the Customer's MARC-Eligible Charges are equal to or greater than one-third (1/3) of the MARC that applies during that Term Year. The MAC for the first two (2) Attainment Credit Periods of each Term Year will be calculated by multiplying the Applicable Credit Percentage (as shown in Table F) associated with the "Initial Credit Tier" for that Term Year by the amount of the Customer's MARC-Eligible Charges attributable to Subject Services during that Attainment Credit Period. For the avoidance of doubt, the Applicable Credit Percentage (as shown in Table F) is based on the Term Year 1 MARC for all Term Years and shall not be adjusted for any increases in the MARC after Term Year 1. The "Initial Credit Tier" for each Term Year will be the Credit Tier for which the MARC for that Term Year falls within the range from the Minimum MARC-Eligible Charges through the Maximum MARC-Eligible Charges associated with that Credit Tier. The MAC for the third (3rd) Credit Attainment Period of each Term Year shall be determined according to the "Annual True-Up of MARC Attainment Credits," as described in Section 23.3.6(B), below. If the Customer does not qualify for a MAC for any Attainment Credit Period, no MAC will be issued at the end of that Credit Attainment Period; however, the Customer may be eligible to receive the MAC subsequently, as provided in the "Annual True-Up of MARC Attainment Credits," as described in Section 23.3.6(B), below. (M) (M) (T) (M) (M) (T)

Material appearing on this page previously appeared on Original Page 22-1729.

ACCESS SERVICE

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.6 MARC Attainment Credit (Cont'd) (T)

(A) (Cont'd) (M)

Any MAC shall be allocated among the Concurrently Subscribed Contract Offers in proportion to the MARC-Eligible Charges attributable to Subject Services, and billed under each of the Concurrently Subscribed Contract Offers during the relevant Attainment Credit Period. Any MAC will be issued in arrears, within ninety (90) days after the end of the Attainment Credit Period during which the Customer qualified for the MAC.

Example 1:

Assume that the Customer's MARC for Term Year 1 is $100 million. The Initial Credit Tier for Term Year 1 will be Tier 1 (which includes the range from $100 million to $109,999,999.99), and the "Applicable Credit Percentage" for the first two Credit Attainment Periods of Term Year 1 will be five percent (5%). During the first Credit Attainment Period of Term Year 1, the Customer's total MARC-Eligible Charges are $34 million, and the MARC-Eligible Charges attributable to Subject Services are $20 million. Because the Customer's MARC-Eligible Charges are greater than one-third of the MARC, a MAC will be issued for five percent (5%) of $20 million, or $1 million, for the first Credit Attainment Period of Term Year 1.

Example 2:

Assume that the Customer's MARC for Term Year 2 is $110 million. The Initial Credit Tier for Term Year 2 will be Tier 2 (which includes the range from $110 million through $120,999,999.99), and the "Applicable Credit Percentage" for the first two Credit Attainment Periods of Term Year 2 will be six percent (6%). During the first Credit Attainment Period of Term Year 2, the Customer's total MARC-Eligible Charges are $38 million, and the MARC-Eligible Charges attributable to Subject Services are $25 million. Because the Customer's MARC-Eligible Charges are greater than one-third of the MARC, a MAC will be issued for six percent (6%) of $25 million, or $1.5 million, for the first Credit Attainment Period of Term Year 2. (M)

Material appearing on this page previously appeared on Original Page 22-1730.

ACCESS SERVICE

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.6 MARC Attainment Credit (Cont'd) (T)

(A) (Cont'd) (M)

Table F: MARC Attainment Credit Schedule

Credit Tier	**MARC Eligible Charges (inclusive)**		**Applicable Credit Percentage**
	Minimum MARC-Eligible Charges	Maximum MARC-Eligible Charges	
1	Term Year 1 MARC	(110% of First Year MARC) minus $.01	5%
2	110% of Term Year 1 MARC	(110% of Tier 2 Minimum) minus $.01	6%
3	110% of Tier 2 Minimum	(110% of Tier 3 Minimum) minus $.01	7%
4	110% of Tier 3 Minimum	(110% of Tier 4 Minimum) minus $.01	8%
5	110% of Tier 4 Minimum	(110% of Tier 5 Minimum) minus $.01	9%
6	110% of Tier 5 Minimum	None	10%

(M)

Material appearing on this page previously appeared on Original Page 22-1731.

ACCESS SERVICE

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.6 MARC Attainment Credit (Cont'd) (T)

(B) Annual True-up Process (M)

(1) Annual Shortfall. If, at the end of any Term Year, the amount of the Customer's MARC-Eligible Charges 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 the MARC and the Customer's MARC-Eligible Charges 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 Qualified Companies shall issue to the Customer a credit in the amount, if any, by which the "Minimum Annual MAC" exceeds the MAC previously issued to the Customer during that Term Year. The "Minimum Annual MAC" is the product of (a) the Applicable Credit Percentage associated with the Initial Credit Tier for that Term Year times (b) the MARC-Eligible Charges attributable to Subject Services during the relevant Term Year. Notwithstanding the foregoing, the Qualified Companies may, with the agreement of the Customer, offset all or part of the credit amount against all or part of the Annual Shortfall, in lieu payment of the full amount of the Annual Shortfall. In either case, the credit issued to the Customer may be referred to as a "Shortfall True-Up Credit." Any Shortfall True-Up Credit 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.

Example:

Assume that, the Customer's Term Year 1 MARC was $100 million, and its Term Year 2 MARC is $110 million, so the Initial Credit Tier is Tier 2, and the Applicable Credit Percentage is six percent (6%). Also assume that, during Term Year 2, the Customer receives $2 million in MAC during the first two Credit Attainment Periods of Term Year 2 and that, as of the end of Term Year 2, the Customer's MARC-Eligible Charges are $109 million, of which the amount attributable to Subject Services is $80 million. The Customer must pay an Annual Shortfall of $1 million. Upon payment of that amount, the Qualified Companies will issue a Shortfall True-Up Credit to the Customer in the amount of $2.8 million (6% x $80 million = $4.8 million, minus $2 million in MAC previously issued during Term Year 2). In the alternative, with the Customer's agreement, the Qualified Companies could instead offset the $1 million Annual Shortfall against the $2.8 million credit amount, and issue to the Customer a Shortfall True-Up Credit of $1.8 million. (M)

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ACCESS SERVICE

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)
(N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.6 MARC Attainment Credit (Cont'd) (T)

(B) Annual True-up Process (Cont'd) (T)

(2) Annual True-Up of Attainment Credits. If, at the end of a Term Year, the amount of the Customer's MARC-Eligible Charges is equal to, or greater than, the MARC for that Term Year, the Telephone Company will issue a credit (a "MAC Achievement Credit") in the amount by which the "Achieved Annual MAC" exceeds the MAC previously issued to the Customer during that Term Year. The "Achieved Annual MAC" is equal to the product of (a) the Applicable Credit Percentage for the Credit Tier associated with the amount of the Customer's MARC-Eligible Charges for that Term Year times (b) the MARC-Eligible Charges attributable to Subject Services and billed by the Qualified Companies during the relevant Term Year. Any MAC Achievement Credit will be allocated among the Qualified Companies according to the amounts of MARC-Eligible Charges attributable to Subject Services during the relevant Term Year. (T) (M)

Example:

Assume that the Customer's Term Year 1 MARC was $100 million, and its Term Year 2 MARC is $110 million. Also assume that the Customer's MARC-Eligible Charges for Term Year 2 are $123 million, of which the amount attributable to Subject Services is $80 million, and that the Customer has received $2 million in MAC during the first two Credit Attainment Periods of Term Year 2. The Credit Tier applicable in Term Year 2 will be Tier 3 (which applies if the Customer's MARC-Eligible Charges fall in the range from $121,000,000 through $133,099,999.99), and the Applicable Credit Percentage is seven percent (7%). The Qualified Companies will issue a MAC Achievement Credit in the amount of $3.6 million (7% x $80 million = $5.6 million, minus $2 million in MAC previously issued in Term Year 2). (M)

23.3.7 Rate Stability Credit (T)

If the Telephone Company increases the Monthly Recurring Charges (MRCs) applicable to Subject Services in Phase II pricing flexibility MSAs, as listed in Ameritech Tariff F.C.C. No. 2, Section 21, the Telephone Company will issue credits to the Customer to offset the increase in MRCs. The amount of such credits, if applicable, will be equal to the difference between the increased MRCs and the MRCs in effect as of the Subscription Date, during the period to be covered by the credits. Any such credits will be issued concurrently with MAC, as provided in Section 23.3.6, provided, however, that the following shall not be considered such a rate increase: (i) any rate change resulting from a grant of Phase II pricing flexibility for any MSA subject to this Contract Offer; or (ii) any change in applicable charges due to the expiration of a term commitment or payment plan. (M)
(M)
(T)
(M)
(M)

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ACCESS SERVICE

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)
(N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.8 Service Level Assurance (T)

(A) Service Level Assurance (SLA). The Customer will be eligible for additional 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 and DS3 Subject Services provided to the Customer by the Qualified Companies, for each Term Year. 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 both DS1 and DS3 services on a combined basis. SLA will apply to the following service performance measurements. (M)

(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 Telephone Company to the date and time each such trouble report is closed.

(2) On Time Delivery. "On Time Delivery" means the percentage of total Customer orders that are completed on or before their due dates.

(3) New Circuit Failure Rate. "New Circuit Failure Rate" means the percentage of total for 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.

(B) SLA Measurements and Benchmarks. If the Qualified Companies fail to achieve the benchmarks set forth in Table G, below, SLA Credits shall apply as provided in Section 23.3.8(C), below. (M)
(T)

Table G – SLA Measurements and Benchmarks (M)

Measurement	Benchmark
MTTR	4.5 Hours
On Time Delivery	95%
New Circuit Failure Rate	4.5%
Repeat Reports	14.5%

(M)

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23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.8 Service Level Assurance (Cont'd) (T)

(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 measurements set forth in this Contract Offer. If the Qualified Companies fail to achieve the benchmarks in this Contract Offer, the Qualified Companies will issue SLA Credits to the Customer, as set forth in Table H, 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, and 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. (M)

Table H – SLA Performance Credits

Measurement	Credit if Benchmark Not Achieved Per Term Year
MTTR	$100,000
On Time Delivery	$100,000
New Circuit Failure Rate	$100,000
Repeat Reports within 30 days	$100,000

(M)

23.3.9 Termination Liability Credit. (T)

The Qualified Companies will bill, and the Customer shall pay termination liability charges as they come due in accordance with applicable tariffs. The Qualified Companies will issue credits for otherwise applicable termination liability charges for moves and/or disconnections of non-channelized DS1 and/or non-channelized DS3 Subject Services located in pricing flexibility MSAs, which circuits connect to end user locations, up to the maximum credit amounts set forth in Table I, below. A single maximum Termination Liability Credit will apply per Term Year for the Qualified Companies in the aggregate. In the event that termination liability charges for any moves and/or disconnections eligible for credits under this provision are billed by the Qualified Companies, the Telephone Company will issue credits for such charges once every four months up to the maximum Termination Liability Credit amount shown in Table I, below, within ninety (90) days after the end of the four (4) month period. Termination Liability Credits 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. (M)

Subject Services eligible for termination liability waivers under the Concurrently Subscribed Contract Offers shall not be eligible for similar termination liability waivers under any other pricing flexibility contract offer, promotional offering, discount plan or other arrangement. (M)

Material appearing on this page previously appeared on Original Page 22-1735.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)
(N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.9 Termination Liability Credit (Cont'd) (T)

(A) Any DS1 Subject Service must have been in service for a minimum of one (1) month from its original installation date. (M)

(B) Any DS3 Subject Service must have been in service for a minimum of one (1) year from its original installation date.

Table I: Termination Liability Credit

Term Year	If MARC is	**Maximum Credit in Term Year**
1	Term Years 1 MARC	$2,000,000
2 through 5	110% of Term Year 1 MARC	$2,500,000
2 through 5	120% of Term Year 1 MARC	$3,000,000
2 through 5	130% of Term Year 1 MARC	$3,500,000
2 through 5	140% of Term Year 1 MARC	$4,000,000
2 through 5	150% of Term Year 1 MARC	$4,500,000

(M)

23.3.10 Non-Recurring Charge Credit (T)

The non-recurring charges (NRCs) set forth in Ameritech FCC Tariff Section 2, Parts 5, 7, 13 and 21, shall apply to Subject Services provided under this Contract Offer, subject to this Section 23.3.10. (M)
(M)
(T)

(A) The Qualified Companies shall establish on behalf of the Customer a credit pool in the amount of two million seven hundred fifty thousand dollars ($2,750,000) for each Term Year to be applied against NRCs otherwise applicable to certain Subject Services during the Term Period (NRC Credit Pool). The credit pool will be available only for the reimbursement of NRCs associated with the following USOCS for DS1 and DS3 Subject Services: (i) NRMF1, NRMF2, NRMF3, NRMG1, NRMG2, and NRMG3. **(**NRC Credits shall be applied against NRCs associated with installations or moves of Subject Services. Notwithstanding anything to the contrary in the foregoing sentence, NRC Credits shall not be applied against: (i) NRCs subject to waivers or credits other than those provided under this Section 23.3.10; (ii) Special Construction Charges; or (iii) termination liability, shortfall, true-up or other charges resulting from customer's failure to satisfy a term, revenue or volume commitment. (M)
(M)
(T)
(M)
(M)
(M)

Material appearing on this page previously appeared on Original Page 22-1736.

ACCESS SERVICE

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.10 Non-Recurring Charge Credit (Cont'd) (T)

(B) The Qualified Companies will bill in accordance with Ameritech Tariff F.C.C. No. 2, Parts 5, 7, 13 and 21, and the Customer shall pay NRCs as they come due. The Qualified Companies will review billing for such NRCs after each four (4) month period, and will issue credits to the Customer against all such NRCs billed within such Term Year up to the maximum amount of two million seven hundred fifty thousand dollars ($2,750,000) for each Term Year. Non-Recurring Charge Credits, if any, will be issued no later than ninety (90) days after the end of each four (4) month period. (T) (M)

(C) Non-Recurring Charge Credits shall apply only to the installation of new DS1 and DS3 Subject Services in MSAs eligible for pricing flexibility. Non-Recurring Charge Credits shall not apply to Access Order Charges, or the substitution, change or rearrangement of any facilities used in providing service under this tariff. The credit pool will be available for reimbursement of NRCs associated with the DS1 and DS3 USOCs: NRMF1, NRMF2, NRMF3, NRMG1, NRMG2, and NRMG3.

. 23.3.11 Assignment/Transfer/Successors (M)

(A) Subject to the provisions of Section 23.3.12, 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. (T) (M)

(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. (M)

Material appearing on this page previously appeared on Original Page 22-1727.

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

. 23.3.11 Assignment/Transfer/Successors (Cont'd) (T)

(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: (M)

(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 23.3.11(A) 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. (M) (T) (M)

23.3.12 Mergers and Acquisitions (T)

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, and existing or new services purchased by such other company may not be included in, or purchased under, this Contract Offer. 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. (M)

23.3.13 Termination Liability Charges (T)

(A) Termination liability charges will apply to Subject Services if, and to the extent, such charges apply according to any applicable provisions of Ameritech Tariff F.C.C. No. 2. Termination liability charges apply to this Contract Offer, in addition to any termination liability charges that may apply to Subject Services, as provided in this Section 23.3.13. (M) (T)

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23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.13 Termination Liability Charges (Cont'd) (T)

(A) (Cont'd) (M)

If, prior to the completion of the Term Period, the Customer terminates this Contract Offer No. 215 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. 215, 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. 215 shall be terminated (if not already terminated) and the Customer shall pay a termination liability charge equal to the MARC Termination Charge plus the aggregate of the following: (as defined below), if any, (i) the "Pro-rated True-Up Amount" (as defined below), if any, and (ii) the last two (2) MACs earned by the Customer prior to termination. However, if such earned MACs have not yet been issued by the Telephone Company, the Customer shall not repay such MACs. Instead, any unissued MAC will not be issued.

(B) The MARC Termination Charge shall be equal to one of the following, as applicable:

(1) If this Contract Offer is terminated in Term Year 1, 10 percent of the MARC for the remaining portion of Term Year 1, plus 10 percent of the MARCs for the remaining years of the Term Period (determined using the MARC for Term Year 1 as the MARC for each of Term Years 2-5);

(2) If this Contract Offer is terminated in Term Year 2, 12.5 percent of the Term Year 2 MARC for the remaining portion of Term Year 2, plus 12.5 percent of the MARCs for the remaining years of the Term Period (determined using the MARC for Term Year 2 as the MARC for each of Term Years 3-5);

(3) If this Contract Offer is terminated in Term Year 3, 12.5 percent of the Term Year 3 MARC for the remaining portion of Term Year 3, plus 12.5 percent of the MARCs for the remaining years of the Term Period (determined using the MARC for Term Year 3 as the MARC for each of Term Years 4 and 5); (M)

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23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.13 Termination Liability Charges (Cont'd) (T)

(B) (Cont'd) (T)

(4) If this Contract Offer is terminated in Term Year 4, 12.5 percent of the Term Year 4 MARC for the remaining portion of Term Year 4, plus 12.5 percent of the MARC for the remaining year of the Term Period (determined using the MARC for Term Year 4 as the MARC for Term Year 5); or (M)

(5) If this Contract Offer is terminated in Term Year 5, 12.5 percent of the Term Year 5 MARC for the remaining portion of Term Year 5.

(C) 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 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 Annual 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:

(1) by either ten percent (10%) if termination occurs during Term Year 1, or twelve and one half percent (12.5%) 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 Pro-rated True-Up Amount; and (M)

(2) if there is a reduction under Section 23.3.13(C)(1), by the amount of any Annual Shortfall charges paid for that Term Year, not to exceed the excess amount determined under Section 23.3.13(C)(1), above; or (T) (M) (M) (T)

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ACCESS SERVICE

23. Pricing Flexibility Contract Offering Jointly Administered by AT&T and Frontier Communications (Cont'd) (N)
(N)

23.3 Contract Offer No. 215 – Access Service (Cont'd) (T)

23.3.13 Termination Liability Charges (Cont'd) (T)

(C) (Cont'd) (T)

(3) if there is no reduction under Section 23.3.13(C)(1), then by the excess of (T)
(M)

(a) the MARC-Eligible Charges and Annual Shortfall charges paid for that Term Year, over

(b) the pro-rated MARC for the period covered by the Pro-rated True-Up Amount. (M)

If the aggregate reduction under Section 23.3.13(C)(1) and (2), or the reduction under Section 23.3.13(C)(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. (T)
(T)
(M)

The Customer will pay in full any termination liability charge within thirty (30) days after notice by the Telephone Company. (M)

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